



SPAFID
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Oggetto : NOTICE FROM THE BOARD OF
DIRECTORS OF BANCA FINNAT
EURAMERICA S.P.A.

Testo del comunicato

Vedi allegato.



**THIS IS A TRANSLATION INTO ENGLISH OF THE ORIGINAL IN ITALIAN. THE ITALIAN TEXT SHALL PREVAIL
OVER THE ENGLISH VERSION.**

NOTICE FROM THE BOARD OF DIRECTORS OF BANCA FINNAT EURAMERICA S.P.A.



*pursuant to art. 103(3) of Legislative Decree no. 58 of 24 February 1998, as subsequently
amended, and art. 39 of Consob Regulation adopted with ruling no. 11971 of 14 May 1999 as
subsequently amended, in relation to the*

MANDATORY PUBLIC ACQUISITION OFFER

promoted by

P.N. 1898 S.R.L.

*pursuant to articles 102, 106(1), and 109 of Leg. Dec. no. 58 of 24 February 1998, as
subsequently amended*

on a maximum of 42,645,333 ordinary shares in

BANCA FINNAT EURAMERICA S.P.A.

19 October 2022

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LIST OF MAIN DEFINITIONS

A list of the main terms used in this Issuer Notice is given below. Unless specified otherwise, these terms will have the meaning given below. Terms defined in the singular also apply in the plural, and vice versa, where the context allows.

Independent Directors	The Independent Directors of Banca Finnat who draw up the Opinion.
Capital Increase to Service the Transfer	Holding's capital increase from Euro 10,000.00 to Euro 100,000.00, for a total therefore of Euro 90,000.00 with an overall share premium of Euro 55,603,599.83, voted on by the extraordinary shareholders' meeting at Holding on 8 September 2022, fully executed and paid-in via the Transfer on 12 September 2022.
Shares	The ordinary shares representing the share capital of Banca Finnat, with a nominal value of Euro 0.20 each, with regular dividend rights, and listed on Euronext STAR Milan (ISIN code: IT0000088853).
Share Subject to the Bid or Shares Subject to the Bid	Each (or all or part, when in the plural) of the 42,645,333 ordinary shares in Banca Finnat subject to the Bid, equal to approximately 11.75% of the Bank's share capital, with a nominal value of Euro 0.20 each, i.e. the entirety of the Issuer's Shares minus (i) the shares held by Holding, directly (equal to approximately 68.72% of the Issuer's share capital) and indirectly through BidCo (equal to approximately 3.58% of the Issuer's share capital), (ii) the shares held by the AN Branch (equal to approximately 4.80% of the Issuer's share capital), (iii) the shares held by the GL Investimenti (equal to approximately 2.01% of the Issuer's share capital), (iv) the shares held by HPA (equal to approximately 1.19% of the Issuer's share capital), and (v) Treasury Shares (equal to approximately 7.94% of the Issuer's share capital).
Treasury Shares	The 28,810,640 Treasury shares held by the Issuer, equal to approximately 7.94% of the Issuer's share capital.
Lending Bank	Intesa Sanpaolo S.p.A.
Borsa Italiana	Borsa Italiana S.p.A., with registered office in Piazza degli Affari 6, Milan.
Notice of the Final Results of the Bid	The notice of the final results of the Bid, which will be released, pursuant to art. 41(6) of the Issuers Regulation, by the Bidder.
Issuer Notice or Notice	The notice released by the Issuer pursuant to art. 103(3) of TUF and art. 39 of the Issuers Regulation, containing all useful information for Bid assessment and Bid valuation, including the Opinion of the Independent Directors under art. 39-bis of the Issuers Regulation.
Bidder Notice	The notice released to the market by the Bidder, pursuant to art. 102 of TUF and art. 37 of the Issuers Regulation, on 12 September 2022.
Reorganisation Notice	Press release, published on 24 March 2022, announcing the intention of the members of the GN Branch, subject to the release of the necessary legal authorisations, to concentrate in Holding the Shares held in the Bank equal to approximately 68.72% of the share capital of the same, by means of the Transfer.

Consob or Authority	Commissione Nazionale per le Società e per la Borsa, based in Via G.B. Martini 3, Rome.
Loan Contract	The loan contract governing the Loan signed on 27 July 2022 by the Bidder and by the Lending Bank.
Transfer	The operation, executed on 12 September 2022, through which the members of the GN Branch transferred to Holding the 249,383,724 Shares, equal to approximately 68.72% of the Issuer's share capital.
Consideration	The consideration paid for each Share offered in the Bid, equal to Euro 0.31.
Date of the Bid Document	The Bid Document publication date.
Announcement Date	The publication date of the Bidder Notice, pursuant to art. 102 of TUF and art. 37 of the Issuers Regulation, i.e. 12 September 2022.
Payment Date	The date on which the Consideration will be paid, at the same time as the transfer of the right of ownership over the Shares Subject to the Bid to the Bidder, corresponding to the fourth Open Trading Day after the end of the Acceptance Period, and, therefore (notwithstanding any extension of the Acceptance Period in compliance with the applicable regulations), 21 November 2022.
Reference Date	The date of the Reorganisation Notice, i.e. 24 March 2022.
Reference Date for the Fairness Opinion	The conventional reference date of the Fairness Opinion, i.e. 23 March 2022, the last day prior to the Notice of 24 March 2022 in which the Bid was announced to the market.
Delisting	The removal of Banca Finnat ordinary shares from Euronext STAR Milan.
Right of Purchase	The Bidder's right to purchase the remaining Shares Subject to the Bid pursuant to art. 111(1) of TUF in the event the Bidder (together with the Persons Acting in Concert) holds an overall stake equal to at least 95% of the Issuer's share capital by the end of the Acceptance Period, including as a result of purchases made outside of the Bid, and/or during, or as a result of, the fulfilment of the Purchase Obligation pursuant to art. 108(2) of TUF.
Bid Document	The document written by the Bidder pursuant to art. 102 et seq. of TUF.
Issuer or Banca Finnat or Bank or Company	Banca Finnat Euramerica S.p.A., with registered office in Rome, Piazza del Gesù 49, Rome Companies Register and tax code 00168220069, VAT Number 00856091004, REA no. 444286, registered on the Banks Register held by Banca d'Italia under number 5369 and, as the parent company of "Gruppo Bancario Banca Finnat", on the Banking Groups Register under number 5557, and a member of the Fondo Interbancario di Tutela dei Depositi (Interbank fund for the protection of deposits) and the Fondo Nazionale di Garanzia (National Compensation Fund).
Maximum Overall Outlay	The maximum overall equivalent value of the Bid, calculated according to the Consideration, assuming that all Shares Subject to the Bid are offered in the Bid, and therefore equal to Euro 13,220,053.23.
Independent Expert	Prof. Tiziano Onesti appointed by the Independent Directors to draw up the Fairness Opinion.
Euronext STAR Milan	Segment of Euronext Milan, a regulated market organised and managed by Borsa Italiana.

Fairness Opinion	The “independent opinion pursuant to art. 39- <i>bis</i> of Consob Issuers Regulation no. 11971 of 14 May 1999 and subsequent amendments” released on 19 October 2022 by prof. Tiziano Onesti and attached to the Opinion of the Independent Directors.
Loan	The loan, made available by the Lending Bank in accordance with the Loan Contract, to cover the financial requirement arising from the Bid, made up of the Lines of Credit.
Merger	The merger by incorporation between the Issuer and BidCo (unlisted company).
Reverse Merger	The merger by incorporation of the Bidder into the Issuer.
Open Trading Day	Each day the Italian regulated markets are open within the trading calendar established by Borsa Italiana.
GL Investimenti	GL Investimenti S.r.l., with registered office in Rome, Viale Gioacchino Rossini 26, Rome Companies Register no. 1195828, tax code and VAT Number 09902991000.
Banca Finnat Group	Collectively, the Issuer and the Issuer's subsidiaries pursuant to art. 93 of TUF.
Holding	Nattino Holding S.r.l., with registered office in Rome, Piazza del Gesù 49, Rome Companies Register, tax code and VAT number 16594091007, share capital Euro 100,000.00, fully paid up and subscribed.
HPA	H.P.A. S.r.l., with registered office in Rome, Via Francesco Denza 27, Rome Companies Register no. 669125, tax code 08599620583 and VAT Number 02097541003.
Purchase Obligation pursuant to art. 108(1) of TUF	The Bidder's obligation to purchase the remaining Shares from those that have requested it, pursuant to art. 108(1) of TUF in the event the Bidder (together with the Persons Acting in Concert), as a result of Bid acceptance and purchases made outside of the Bid, holds, directly or indirectly, by the Bidder and/or by the Persons Acting in Concert, an overall stake equal to at least 95% of the Issuer's share capital after the Date of the Bid Document and by the end of the Acceptance Period and/or during or as a result of the fulfilment of the Purchase Obligation pursuant to art. 108(2) of TUF.
Purchase Obligation pursuant to art. 108(2) of TUF	The Bidder's obligation to purchase Shares not offered in the Bid from those that have requested it, pursuant to art. 108(2) of TUF in the event the Bidder (together with the Persons Acting in Concert), holds, directly or indirectly, by the Bidder and/or by the Persons Acting in Concert, between 90% and 95% of the Issuer's share capital after the Date of the Bid Document and by the end of the Acceptance Period as a result of Bid acceptance and purchases made outside of the Bid.
Bidder or BidCo	P.N. 1898 S.r.l., a limited liability company under Italian law, based in Rome, Piazza del Gesù 49, Rome Companies Register, tax code and VAT number 16600051003, share capital Euro 10,000.00 fully paid up and subscribed.
Bid	The mandatory public acquisition offer aiming to acquire all Banca Finnat's ordinary shares in circulation, minus (i) the shares held by Holding, (ii) the shares held by the AN Branch, (iii) the shares held by GL Investimenti, (iv) the shares held by HPA, (v) Treasury Shares, and (vi) the shares held by BidCo, promoted by the Bidder

	pursuant to art. 102, 106(1) and 109 of TUF, described in the Bid Document.
Opinion of the Independent Directors or Opinion	The reasoned opinion containing valuations of the Bid and the fairness of the Consideration written by the Issuer's Independent Directors who are not related parties of the Bidder pursuant to art. 39- <i>bis</i> of the Issuers Regulation.
Shareholders' Agreement	The shareholders' agreement with which the AN Branch, GL Investimenti and HPA, on 24 March 2022, entered into significant commitments pursuant to art. 122 paragraphs 1 and 5 of TUF towards Holding and BidCo in the context of the Bid, an extract of which was published on 29 March 2022 pursuant to art. 122 of TUF.
Acceptance Period	The Bid acceptance period, agreed with Borsa Italiana, corresponding to 17 Open Trading Days, which will begin at 8:30 (Italian time) on 24 October 2022 and end at 17:30 (Italian time) on 15 November 2022, inclusive, in which the Bid can be accepted, barring any extensions in compliance with applicable regulations.
Persons Acting in Concert	The persons acting in concert with the Bidder, pursuant to art. 101- <i>bis</i> , paragraphs 4 and 4- <i>bis</i> , of TUF, i.e. Holding, the members of the AN Branch, GL Investimenti and HPA. The persons acting in concert are jointly and severally liable for the obligations arising from the Bid to third parties pursuant to art. 109 of TUF.
Joint Procedure	The joint procedure for the fulfilment of the Purchase Obligation pursuant to art. 108(1) of TUF and the exercise of the Right of Purchase pursuant to art. 111(1) of TUF, agreed with Consob and Borsa Italiana pursuant to art. 50- <i>quinquies</i> , paragraph 1, of the Issuers Regulation.
AN Branch	Avv. Maria Sole Nattino, Ms Ilaria Nattino and Avv. Daniela Salivetto.
GN Branch	Dott. Arturo Nattino, Dott. Giampietro Nattino jr., Dott. Giampietro Nattino, Ms Celeste Buitoni, Dott. Paolo Nattino, Dott.ssa Giulia Nattino, Dott.ssa Paola Nattino, and Mr Andrea Nattino.
Borsa Regulation	The regulation of the markets organised and managed by Borsa Italiana in effect on the Date of the Bid Document.
Issuers Regulation	The regulation approved with Consob resolution no. 11971 of 14 May 1999, as subsequently amended and in force on the date of the Notice.
Related Parties Regulation	The regulation approved with Consob resolution no. 17221 of 12 March 2010, as subsequently amended and in force on the date of this Notice.
TUF	Legislative Decree no. 58 of 24 February 1998, as subsequently amended and in force on the date of this Notice.

1. FOREWORD

On 12 September 2022 the Bidder, 100% owned by Holding, disclosed to Consob and to the market - through a notice issued pursuant to art. 102(1) of TUF and art. 37(1) of the Issuers Regulation (available on the Issuer's website at www.bancafinnat.it and on the authorised storage platform at www.emarketstorage.com) – that the legal requirements for promoting the Bid (the Bidder Notice) had been met.

As stated by the Bidder in the Bidder Notice and in the Bid Document, the obligation to proceed with the Bid follows the execution, on 12 September 2022, of the transfer to Holding of 249,383,724 Shares, equal to approximately 68.72% of the Issuer's share capital by the GN Branch.

More specifically, on 24 March 2022 (the Reference Date for the purposes of this Notice), the members of the GN Branch disclosed to the market, with a press release circulated through Banca Finnat, its intention, subject to the release of the necessary legal authorisations, to concentrate in Holding the Shares held in the Bank equal to approximately 68.72% of the share capital of the same, by means of the Transfer.

On the Reference Date, the AN Branch, GL Investimenti and HPA, through the Shareholders' Agreement, entered into the following significant commitments towards Holding and BidCo pursuant to art. 122 paragraphs 1 and 5 of TUF: (a) not to offer any shares in the Bid; (b) not to sell, transfer, either directly or through its subsidiaries or affiliates, or otherwise dispose of, or agree to sell, transfer or otherwise dispose of, place encumbrances on, or grant third party rights to, directly or through any of its subsidiaries or affiliates, the shares, for a period of 12 (twelve) months from the date the Shareholders' Agreement is signed; (c) not to purchase or acquire shares and/or financial instruments in the Issuer, or any other related financial instrument, either directly or through its subsidiaries or affiliates, other than through Holding or BidCo, until 6 (six) months after completion of the Bid; not to undertake, or cause any of their subsidiaries or affiliates to undertake, any transaction that would, for any reason, increase the price of the Bid or thwart the success of the Bid (including any new, raised, renewed or modified bid); (d) to consult the Holding in advance before exercising the right to vote at the Issuer's ordinary and extraordinary general meetings.

On 8 September 2022 the extraordinary shareholder's meeting at Holding ruled on the Capital Increase to Service the Transfer. The deed of transfer was also signed on the same date. Following the registration, on 12 September 2022, of the minutes of the aforesaid extraordinary general meeting and the deed of transfer in the Rome Companies Register, the Transfer was executed with the consequent acquisition by Holding of the legal control of the Bank and the arising of Holding's obligation to promote the Offer.

The Capital Increase to Service the Transfer was paid in through the transfer to Holding of the shares held in the Issuer by GN Branch members and, in particular: (i) by Dott. Arturo Nattino (78,654,240 Shares, equal to 21.68% of the Issuer's share capital), (ii) by Dott. Giampietro Nattino jr. (11,177,324 Shares, equal to 3.08% of the Issuer's share capital, of which 228,400 Fully owned shares and 10,948,924 Bare ownership shares with usufruct to Giampietro Nattino for 4,157,338 Shares and to Celeste Buitoni for 6,791,586 Shares), (iii) by Dott. Paolo Nattino (11,177,324 Shares, equal to 3.08% of the Issuer's share capital, of which 228,400 Fully owned shares and 10,948,924 Bare ownership shares with usufruct to Giampietro Nattino for 4,157,338 Shares, and to Celeste Buitoni for 6,791,586 Shares), (iv) by Dott.ssa Giulia Nattino (43,545,600 Shares, equal to 12% of the Issuer's share capital), (v) by Dott.ssa Paola Nattino (43,545,600 Shares, equal to 12% of the Issuer's share capital), and (vi) by Mr Andrea Nattino (61,283,636 Shares, equal to 16.89% of the Issuer's share capital, of which 39,385,789 Fully owned shares and 21,897,847 Bare ownership shares with usufruct to Giampietro Nattino for 8,314,676 Shares, and to Celeste Buitoni for 13,583,171 Shares).

The completion of the operation was subject to the regulatory and statutory authorisations from the competent authorities, which were released in the sequence indicated below: i) authorisation pursuant to art. 19 TUB, of the relevant European provisions and secondary legislation, released by the European Central Bank with the provision dated 10 August 2022, covering the acquisition by Holding, (a) of a direct controlling stake in the Issuer, by means of the Transfer; (b) of a qualified indirect stake (via the Bank) in Imprebanca S.p.A., which is 20% owned by the Bank; ii) authorisation pursuant to art. 19 TUB, of the relevant European provisions and secondary legislation, released by the European Central Bank with the provision dated 10 August 2022, covering the acquisition by BidCo, of a qualified direct stake in the Issuer as a result of the shares to be delivered in the context of the Bid; iii) authorisation pursuant to art. 15 TUF and to the relevant provisions of the secondary legislation, released by Banca d'Italia with provision dated 18 August 2022, covering the acquisition by Holding of the qualified indirect stakes (via the Bank) in Investire SGR S.p.A. and REDO SGR S.p.A.; iv) authorisation pursuant to art. 19 and 110 TUB, 199 TUF and to the relevant provisions of the secondary legislation, released by Banca d'Italia with provision dated 18 August 2022, covering the acquisition by Holding of the indirect controlling stake (via the Bank) in Finnat Fiduciaria S.p.A.

On 27 September 2022, the Bidder submitted to Consob the Bid Document, which was authorised by the Authority on 11 October 2022 and published on 14 October 2022 on the Issuer's website (www.bancafinnat.it).

The Bid involves a maximum of 42,645,333 Shares, representing approximately 11.75% of the Bank's share capital, at a nominal value of Euro 0.20 each, with regular dividend rights and fully paid-in.

As indicated by the Bidder, the Bid does not include (i) the overall 262,383,724 Shares, equal to approximately 72.3% of the Issuer's share capital, held by Holding (of which 249,383,724 Shares held directly, equal to approximately 68.72% of the Issuer's share capital, and 13,000 Shares held indirectly through BidCo, equal to approximately 3.58% of the Issuer's share capital), (ii) the overall 17,434,075 Shares, equal to approximately 4.80% of the Issuer's share capital, held, respectively, by Avv. Maria Sole Nattino (6,704,868 Shares, equal to 1.85% of the Issuer's share capital, of which 5,704,868 fully owned shares and 1,000,000 bare ownership shares with usufruct to Avv. Daniela Salivetto), by Dott.ssa Ilaria Nattino (6,954,867 Shares, equal to 1.92% of the Issuer's share capital, of which 5,954,867 fully owned shares and 1,000,000 bare ownership shares with usufruct to Avv. Daniela Salivetto) and by Avv. Daniela Salivetto (3,774,340 Shares, equal to 1.04% of the Issuer's share capital, fully owned) (the AN Branch), (iii) the overall 7,303,000 Shares, equal to approximately 2.01% of the Issuer's share capital, held by Dott. Giovanni Malagò and by Dott. Lupo Rattazzi via the holding company GL Investimenti S.r.l., and (iv) the overall 4,303,228 Shares, equal to approximately 1.19% of the Issuer's share capital, held by H.P.A. S.r.l., (v) the 28,810,640 Treasury shares held by the Issuer, equal to approximately 7.94% of the Issuer's share capital.

As stated by the Bidder in the Bid Document, the aim of the Bid is to acquire the Issuer's entire ordinary share capital and, in any event, to delist the Issuer's Shares listed on Euronext STAR Milan.

As indicated in the Bid Document, the Bidder and/or the Persons Acting in Concert (notwithstanding that set out in the Shareholders' Agreement) are entitled to purchase Shares outside of the Bid within the limits set out in the applicable statutory and regulatory provisions and in any event on payment of a price no higher than the Consideration. The number of Shares Subject to the Bid may, therefore, be automatically reduced as a result of Shares purchased by the Bidder (and/or Persons Acting in Concert) outside of the Bid.

The Bid Document points out that, in relation to the Bid, the Persons Acting in Concert, pursuant to art. 101-*bis*, paragraphs 4 and 4-*bis*, of TUF, are Holding, the members of the AN Branch, GL Investimenti and HPA. The persons acting in concert are jointly and severally liable for the obligations arising from the Bid to third parties pursuant to art. 109 of TUF.

The Bid Acceptance Period, agreed with Borsa Italiana, corresponding to 17 Open Trading Days, will begin at 8:30 (Italian time) on 24 October 2022 and end at 17:30 (Italian time) on 15 November

2022, inclusive; in this period the Bid can be accepted, barring any extensions in compliance with applicable regulations.

2. DESCRIPTION OF THE BOARD MEETING OF 19 OCTOBER 2022

2.1. MEETING ATTENDEES

The Board Meeting of 19 October 2022, which approved the Issuer Notice, was attended by the following board members:

Marco Tofanelli	Chairman
Lupo Rattazzi	Vice-Chair
Maria Sole Nattino	Director
Roberto Cusmai	Director
Maria Teresa Bianchi	Independent Director
Vincenzo Marini Marini	Independent Director
Paola Pierri	Independent Director

The absent directors Arturo Nattino, Giampietro Nattino and Giulia Nattino justified their absence and, as indicated in the subsequent Paragraph, had already declared their interest in the operation at the board meeting held on 11 October 2022.

From the Board of Auditors, the meeting was attended by the Chairman, Salvatore Ferri, and the Acting Auditors Laura Bellicini and Barbara Fasoli Braccini.

2.2. DECLARATIONS OF OWN OR THIRD-PARTY INTERESTS RELATING TO THE BID

In the course of the Issuer's board meeting held on 19 October 2022, with reference to the discussion on the item on the agenda concerning the approval of the Issuer Notice, the following statements were made pursuant to art. 2391 of the Italian Civil Code and 53(4) of Leg. Dec. 385 of 1 September 1993 (TUB):

- Vice-Chair Lupo Rattazzi disclosed that he is a partner and director of GL Investimenti, that he is a person acting in concert with Holding and with the Bidder in relation to the Bid;
- Director Maria Sole Nattino disclosed that she is a person acting in concert with Holding and with the Bidder in relation to the Bid.

In the course of the same meeting, the Chairman reminded attendees that the following statements were given at the previous meeting on 11 October 2022 pursuant to art. 2391 of the Italian Civil Code and 53(4) of Leg. Dec. 385 of 1 September 1993:

- Il dott. Arturo Nattino, Bank managing director, disclosed that he is a partner at and holds the positions of Chairman of the Board of Directors at Holding, which owns the Bidder, and Sole Administrator of the Bidder;
- dott. Giampietro Nattino, Bank Director and Honorary Chair, disclosed that he is a partner at Holding, which owns the Bidder;
- dott.ssa Giulia Nattino, Bank Director, disclosed that she is a partner at and holds the position of director at Holding, which owns the Bidder.

2.3. DOCUMENTATION EXAMINED

In its valuation of the Bid and the Consideration and for the purposes of approving the Issuer Notice, the Board of Directors examined the following documentation in particular:

- the Bidder Notice, in which the Bidder announces that the requirements for promoting the Bid had been met pursuant to art. 102 and 106(1) of TUF and its intention to promote a bid;
- the Bid Document approved by Consob on 11 October 2022;
- the Opinion of the Independent Directors issued pursuant to art. 39-*bis* of the Issuers Regulation, released on 19 October 2022, the Fairness Opinion of which issued by prof. Tiziano Onesti is attached, of which earlier draft versions had already been examined.

2.4. OUTCOME OF THE BOARD MEETING

On 19 October 2022, the Board of Directors, taking account of the documentation mentioned in the previous Paragraph, approved this Issuer Notice unanimously, with the abstention of the Vice-Chair Lupo Rattazzi and the Director Maria Sole Nattino.

Following the approval of this Issuer Notice, the Board of Directors also mandated, to the Chairman and, severally, to the Joint General Manager to proceed with the publication of the Issuer Notice and, if necessary, to make any changes and additions that may be required by Consob or by another competent authority, i.e. to make any updates that may be necessary or appropriate pursuant to article 39(4) of the Issuers Regulation.

3. USEFUL INFORMATION AND ELEMENTS FOR BID ASSESSMENT

As outlined in the Foreword, the Bid is a mandatory public acquisition offer promoted by the Bidder pursuant to articles 102 and 106 paragraph 1 of TUF, relating to the Shares Subject to the Bid.

As mentioned above, the Persons Acting in Concert with the Bidder, are (i) pursuant to art. 101-*bis*, paragraph 4-*bis* lett. a), Holding, the members of the AN Branch, GL Investimenti and HPA.

As stated in Section A, Paragraph A.1 of the Bid Document, the Bid is not subject to any effectiveness condition.

As stated in Section A, Paragraph A.6 of the Bid Document, the Bid is aimed at acquiring the entire share capital of the Issuer and at Delisting. If Delisting does not occur at the end of the Bid and as a result of the Bid, the Bidder, although it has not yet made any decision on the matter, intends to proceed with the Delisting by means of the merger by incorporation of the Issuer into the Bidder, an unlisted company, subject to the release of the authorisations envisaged under current legislation.

For information about the Purchase Obligation pursuant to art. 108 paragraphs 1 and 2 of TUF, the Right of Purchase pursuant to art. 111 of TUF, and the reopening of the Bid's terms, see that stated in Section A, Paragraphs A.9, A.10 and A.12.1. of the Bid Document.

For a full description of all the Bid's terms and conditions, see the contents of the Bid Document and, in particular, the Sections and Paragraphs of the Bid Document listed below:

- Section A – “Warnings”;
- Section B, Paragraph B.1 – “Information on the Bid”;
- Section C, Paragraph C.1 – “Category of financial instruments subject to the Bid and related percentages”;
- Section C, Paragraph C.2 – “Notices or authorisation applications required by applicable legislation”;
- Section D – “Financial instruments of the Issuer or containing such instruments held by the Bidder, either directly or through trusts or third parties”;
- Section E – “Unit Consideration and its determination”;
- Section F – “Terms and conditions for acceptance of the Bid, dates and methods for Consideration payment and the return of the Shares Subject to the Bid”; and
- Section G – “Procedures for loans, guarantee of proper fulfilment and future plans of the Bidder”.

Finally, since the Bidder, on the Date of the Bid Document, has the majority of the voting rights exercisable in the Issuer's ordinary shareholders' meeting, the exemption cases envisaged under article 101-*bis* paragraph 3 of TUF are applicable and, therefore, the provisions under articles 102, paragraphs 2 and 5, 103, paragraph 3-*bis*, 104, 104-*bis* and 104-*ter* of TUF, and any other provision of TUF which places specific disclosure obligations on the Bidder or the Issuer with regard to employees or their representatives, are not applicable.

4. BOARD OF DIRECTORS' BID VALUATION

4.1. THE REASONS FOR THE BID AND THE BIDDER'S FUTURE PLANS

The Board of Directors noted the circumstance that the Bid is aimed at acquiring the entire share capital of the Issuer and at Delisting (see Foreword 5 of the Bid Document).

With reference to the future plans that the Bidder intends to pursue in relation to the Issuer, as outlined in Section G, Paragraph G.2 of the Bid Document, and to the reasons for the Bid promotion, the Bidder has indicated the following.

a) Reasons for the Bid

As outlined in Section G, Paragraph G.2.1. of the Bid Document, the Bidder's obligation to promote the Bid arose on completion of the Transfer, which aims to provide long-term stability and certainty to the Bank's ownership structures through the adoption of a suitable statutory structure for the Holding.

The aim of the Bid is to acquire the entire share capital of the Issuer and, in any case, to Delist. Therefore, upon the relative requirements being met, the Bidder does not intend to restore a sufficient float to ensure regular share trading.

In particular, through the Bid and the Delisting, the Bidder intends to reorganise the Issuer in order to make it stronger - an operation that is more easily pursued by assuming the status of an unlisted company. This situation normally carries lower expenses and an increased degree of managerial and organisational flexibility in light of the advantages arising from simplifying the ownership structures. In the event the entirety of Banca Finnat's ordinary shares are concentrated in the hands of the Bidder and the Persons Acting in Concert with the Bidder, the limitations imposed by law in the presence of minority shareholders and the ordinary costs resulting from disclosure requirements associated with listed company status would not apply. Further operational flexibility may be achieved in the context of the private capital market both in relation to the structuring of new operations aimed at external growth and the management of existing initiatives.

b) Merger

As stated in Section G, Paragraph G.2.2. of the Bid Document, the Bidder intends to proceed with the Merger by incorporation between the Issuer and BidCo, subject to the release of all the authorisations envisaged under current legislation, notwithstanding that, on the Date of the Bid Document, the Bidder has not yet made any decision regarding the possible Merger or the manner in which it will be carried out, even though it is consistent with the aims of the Bid in line with the reasons for the same.

- Merger in the absence of Delisting

If the requirements for Delisting are not met at the end of the Bid, and therefore the Issuer's ordinary shares are not delisted, the Bidder is entitled to Delist by incorporating the Issuer into the Bidder (an unlisted company), subject to the release of all the authorisations envisaged under current legislation, and in the time and manner necessary for complying with all applicable legal provisions.

On the Date of the Bid Document, the Bidder and Holding hold a 72.3% stake in the Issuer's share capital; said stake is such as to ensure approval of the extraordinary general meeting resolutions (i.e. more than two-thirds of the share capital), including the Merger. If resolved, the Merger will take place on the basis of an exchange ratio determined pursuant to art. 2501-*ter* of the Italian Civil Code, using, as per standard practice, homogeneous methodologies and assumptions in the valuation of the companies involved, with no premium being payable to the minority shareholders of the company being acquired. In particular, there is no guarantee that the exchange ratio reflects the premiums incorporated in the Consideration.

Taking account that the Bidder is a related party of the Issuer under the Related Parties Regulation, the Merger would be classified as a related-party transaction under the same Regulation and, consequently, would be subject to the principles and rules of substantial and procedural transparency and correctness contemplated within the procedure for related-party transactions adopted by the Issuer in implementation of the Related Parties Regulation, and within Banca d'Italia Circular 285 of 17 December 2013.

If the Merger of the Issuer into the Bidder (unlisted company) were completed without Delisting, the Issuer's shareholders who did not participate in the resolution approving the Merger (and therefore the delisting) would have the right of withdrawal pursuant to article 2437-*quinquies* of the Italian Civil Code, as, in that event, they would be holding shares not listed on any regulated market. In that event, according to the calculation set out in the Bid Document, the liquidation value of the shares subject to withdrawal would be determined pursuant to art. 2437-*ter*, paragraph 3 of the Italian Civil Code, using the arithmetic mean of closing prices in the six months preceding the publication of the notice of general meeting called to rule on the Merger; in particular, assuming a Share closing price of Euro 0.31 per share on each Open Trading Day after 4 October 2022, and also assuming, for purely illustrative purposes, that the notice of general meeting called to approve the Delisting Merger will be published on 30 November 2022 or, alternatively, on 31 December 2022, the withdrawal value would be Euro 0.309 per Share in the first case and Euro 0.309 per Share in the second case. The Bidder assumed that the price per Banca Finnat Share was equal to the Consideration starting from the Date of the Bid Document as, in the Bidder's opinion, the Consideration is the only certain valuation reference as to the future value of the Shares.

Therefore, following any Merger, the Issuer's shareholders who decided not to exercise the right of withdrawal would be holding financial instruments not traded on any regulated market, leading to possible difficulties in liquidating their investment in the future.

The Merger may be classified as a “*merger with indebtedness*”, with the consequent applicability of the provisions of art. 2501-*bis* of the Italian Civil Code. For further information, see below the information added pursuant to art. 39(h) of the Issuers Regulation.

- Merger following Delisting

In the alternative scenario of a Reverse Merger by incorporation of the Bidder into Banca Finnat after Delisting, subject to the release of all the authorisations envisaged under current legislation, the Issuer's shareholders who: (i) remain such in the event the Bidder (together with the Persons Acting in Concert) holds between 90% and 95% of the Issuer's share capital, and (ii) did not participate in the approval of the Merger ruling, would have the right of withdrawal solely upon the occurrence of one of the cases stipulated in art. 2437 of the Italian Civil Code. The liquidation value of the shares subject to withdrawal, where envisaged, would be determined pursuant to article 2437-*ter*, paragraph 2 of the Italian Civil Code, taking account of the Issuer's balance sheet and income prospects as well as the possible market value of the shares.

The Reverse Merger may also be classified, where applicable, as a “*merger with indebtedness*”, with the consequent applicability of the provisions of art. 2501-*bis* of the Italian Civil Code. For further information, see below the information added pursuant to art. 39(h) of the Issuers Regulation.

c) Possible further extraordinary operations

As stated in Section G, Paragraph G.2.3. of the Bid Document, the Bidder does not exclude the implementation, including if the Merger does not go ahead, in compliance with applicable legislation and subject to the release of all the authorisations envisaged under current legislation, of any extraordinary operations that may be deemed appropriate in line with the goals and reasons of the Bid, whether or not the Issuer's ordinary shares are Delisted, such as, by way of example, acquisitions, divestitures, mergers, demergers involving the Issuer or its company assets or branches, and/or capital increases, notwithstanding that, on the Date of the Bid Document, no decisions have been made by the relevant bodies of the companies involved in relation to any of the transactions mentioned in paragraph G.2.3. of the Bid Document.

d) Future investments and sources of financing

As stated in Section G, Paragraph G.2.4. of the Bid Document, on the Date of the Bid Document, the Bidder has not made any proposals to the Issuer's Board of Directors concerning significant

investments and/or investments in addition to those generally required for the operative management of the activities in the sector in which the Issuer operates.

e) Restructuring and/or reorganisation

As stated in Section G, Paragraph G.2.5. of the Bid Document, on the Date of the Bid Document, the Bidder has no plans to restructure or reorganise its activities.

f) Changes envisaged in the composition of corporate bodies

As stated in Section G, Paragraph G.2.6. of the Bid Document, on the Date of the Bid Document, the Bidder does not intend to change the composition of the administrative (and control) bodies of the Issuer and of the companies in Banca Finnat Group.

g) Changes to company bylaws

As stated in Section G, Paragraph G.2.7. of the Bid Document, on the Date of the Bid Document, the Bidder has not identified any specific change or variation to be made to the current text of the Issuer's company bylaws, with the exception of: changes that may become necessary as a result of Delisting the Issuer's shares to adapt it to that of a company with shares not admitted for trading on Euronext STAR Milan and/or to execute the extraordinary operations described below.

h) Float reconstruction, Purchase Obligation and Right of Purchase

As stated in Section G, Paragraph G.3 of the Bid Document, if, at the end of the Bid, the Bidder (together with Persons Acting in Concert), as a result of Bid acceptance and purchases made outside of the Bid, in compliance with the applicable legislation, holds a stake above 90% but below 95% of the Issuer's share capital by the end of the Acceptance Period, the Bidder declares as of now its intention not to restore a sufficient float to ensure regular trading.

In the event the conditions are met, the Bidder will fulfil the Purchase Obligation pursuant to art. 108(2) of TUF to the shareholders that have requested it, at a consideration per Share determined according to the provisions of art. 108(3) of TUF, i.e. at a price equal to the Bid Consideration.

For the purpose of calculating the threshold envisaged under art. 108(2) of TUF, the Treasury Shares held by the Issuer on the date of the Bidder Notice will be counted in the Bidder's overall stake (numerator) without being subtracted from the Issuer's share capital (denominator).

The Bidder will disclose the existence of the Purchase Obligation requirements pursuant to art. 108(2) of TUF in the notice of the results of the Bid, which will be released pursuant to art. 41(6) of the Issuers Regulation. In that event, information will be provided on that date concerning: (i) the number of remaining Shares (in absolute and percentage terms); (ii) the terms and conditions with which the Bidder meets the Purchase Obligation pursuant to art. 108(2) of TUF and the timing of any Delisting of the Issuer's shares, i.e. the ways in which this information can be obtained.

Under art. 2.5.1(6) of Borsa Regulation, if the conditions are met, the Issuer's ordinary shares will be delisted starting from the first Open Trading Day after the payment date of the consideration relating to the Purchase Obligation pursuant to art. 108(2) of TUF, barring that indicated below. In that event, shareholders who decide not to accept the Bid and who do not ask the Bidder to purchase their Shares under the Purchase Obligation pursuant to art. 108(2) of TUF, will hold financial instruments not traded on any regulated market, leading to possible difficulties in liquidating their investment.

If at the end of the Bid, the Bidder (together with the Persons Acting in Concert), as a result of Bid acceptance and purchases made outside of the Bid in compliance with the applicable legislation, holds a stake equal to at least 95% of the Issuer's share capital on the Acceptance Period closure date, the Bidder has declared its intention to exercise the Right of Purchase at a consideration per Share determined under art. 108(3) of TUF, as cited in art. 111 of TUF, i.e. at a price equal to the Bid Consideration.

The Bidder exercising the Right of Purchase, conditions permitting, will also meet the Purchase Obligation pursuant to art. 108(1) of TUF, from the Issuer's shareholders that have requested it, implementing the Joint Procedure.

For the purpose of calculating the threshold envisaged under art. 108(1) of TUF and art. 111 of TUF, the Treasury Shares held by the Issuer on the date of the Bidder Notice will be added to the Bidder's overall stake (numerator) without being subtracted from the Issuer's share capital (denominator).

The Right of Purchase will be exercised as soon as possible following the conclusion of the Acceptance Period or Purchase Obligation pursuant to art. 108(2) of TUF.

The Bidder will disclose whether or not the legal requirements for exercising the Right of Purchase are met in the Notice of the Final Results of the Bid, i.e. in the announcement of the results of the fulfilment of the Purchase Obligation pursuant to art. 108(2) of TUF. In that event, information will be provided on that date concerning: (i) the number of remaining Shares (in absolute and percentage terms), (ii) the terms and conditions with which the Bidder will exercise the Right of Purchase and simultaneously fulfil the Purchase Obligation pursuant to art. 108(1) of TUF, implementing the Joint Procedure, and the timing of the Delisting of the Issuer's ordinary shares, i.e. the ways in which this information can be obtained.

The transferral of purchased Shares, in line with the above provisions, will be effective from the moment the Issuer is notified of the deposit of the consideration for exercising the Right of Purchase at a bank appointed for that purpose. The Issuer will make the ensuing entries in the share register. Pursuant to art. 2949 of the Italian Civil Code, after the end of the five-year limitation

period from the date the consideration for the exercise of the Right of Purchase is deposited, the Bidder will be entitled to obtain the return of the amounts deposited by way of consideration for the Right of Purchase and not collected by the claimants.

Pursuant to art. 2.5.1 paragraph 6 of the Borsa Regulation, if the Right of Purchase is exercised, Borsa Italiana shall suspend and/or delist the Issuer's shares, taking account of the time envisaged to exercise the Right of Purchase.

Notwithstanding that stated in the previous Paragraph, if at the end of the Bid (as extended), the remaining float of Banca Finnat ordinary shares were above 10% but below 20% of the Issuer's share capital, this float may not be deemed suitable to meet the requirements of sufficient circulation required by the Borsa Regulation for keeping the Issuer on Euronext STAR Milan, with the possible consequent transferral of the Issuer to Euronext Milan, as envisaged under art. IA.4.2.2(3) of the Borsa Instructions. If STAR listing is lost, Banca Finnat's ordinary shares may have a lower degree of liquidity than that recorded on the Date of the Bid Document and the Issuer may also decide not to voluntarily meet the obligatory requirements of transparency and corporate governance for companies listed on the STAR segment, which are not obligatory for issuers with shares listed on other segments of Euronext Milan.

i) Situation arising from the international geopolitical tensions triggered by the conflict between Russia and Ukraine and by the political and military tensions between China and USA

The Bidder, in the Bid Document, points out that the macroeconomic scenario is seriously impacted by the conflict between Russia and Ukraine and the strict commercial and financial sanctions and restrictions imposed by various European Union countries, among others, on the Russian economy and by the consequent repercussions on the national and international economic situation. Furthermore, as stated by the Bidder, the international geopolitical situation is also affected by the profound uncertainty arising from the possible escalation of the political and military tensions between China and USA, connected to the crisis between China and Taiwan.

However, on the Date of the Bid Document, the Bidder, with regard to the industrial and financial aims of the Bid, feels that the reasons for the Bid will not be jeopardised by the current geopolitical situation.

Nevertheless, in light of the uncertainties surrounding the escalating conflict between Russia and Ukraine, any tightening of the aforementioned sanctions and restrictions and, with regard to China-USA relations, a possible escalation of political and military tensions, as well as the possible financial crisis and/or economic recession that may follow, the Bidder has stated that, on the Date

of the Bid Document, it is not possible to foresee if the above events may have repercussions: (i) on the Bid; and/or (ii) on the income, asset and/or financial conditions of the Issuer and/or Group, compared to those recorded in the half-yearly financial report of 30 June 2022.

j) Knowable impacts of the Covid-19 pandemic

The Bidder points out in the Bid Document that, on the Date of the Bid Document, the national and international macroeconomic context is still affected by the health emergency arising from the Covid-19 pandemic. There is still considerable uncertainty surrounding the developments and effects of the pandemic, the adoption of measures by the authorities regarding the resumption of production activities and the economic recession that may ensue.

The Bidder does not envisage any significant impact on its business, not least because the Bidder is a newly established company that has not carried out any significant operational activities, with the exception of the preparations for promoting the Bid.

With regard to the Issuer's business, the Bidder points out that the industrial strategies of Banca Finnat Group have not changed as a result of the pandemic. In particular, the Bidder points out, based on the information publicly available, that Banca Finnat Group's consolidated net fee and commission income on 30 June 2022 rose by 10% compared to the corresponding period of 2021, rising from approximately Euro 25.8 million on 30 June 2021 to approximately Euro 28.3 million on 30 June 2022 (for further information see Section B, Paragraph B.3.7 of the Bid Document).

Notwithstanding the above, in light of the uncertainty surrounding the development and effects of the pandemic, the adoption of measures by national authorities for preventing contagion, and the possible financial crisis and/or economic recession that may ensue, on the Date of the Bid Document the Bidder points out that it is not possible to foresee whether these circumstances will have substantial negative effects: (i) on the Bid; and/or (ii) on the income, asset and/or financial conditions of the Issuer and/or Group, compared to those recorded in the half-yearly financial report of 30 June 2022.

4.2. POSSIBLE ALTERNATIVE SCENARIOS FOR SHAREHOLDERS

The possible alternative scenarios for owners of Ordinary Shares as outlined in the Bid Document are listed below:

- (i) Acceptance of the Bid.
- (ii) Non-acceptance of the Bid:
 - a. *The Bidder reaches at least 95% of the Issuer's share capital.*

- b. *The Bidder reaches between 90% and 95% of the Issuer's share capital.*
- c. *The Bidder reaches less than 90% of the Issuer's share capital.*

In case a), the requirements for the Purchase Obligation pursuant to art. 108(1) of TUF and the right of purchase pursuant to art. 111 of TUF are met, as described above, and consequent Delisting.

In case b), the requirements for the Purchase Obligation pursuant to art. 108(2) of TUF are met, as described above, and consequent Delisting.

For further information on the aforesaid scenarios, see Section A.12 of the Bid Document.

In addition, if Delisting goes ahead, Holding intends to propose to the competent bodies of the same, subject to the release of all legal and regulatory authorisations, the Reverse Merger by incorporation of BidCo into the Issuer, as described above.

In case c), the requirements for Delisting would not be met, but the Bidder, although it has not yet made any decision on the matter, has already disclosed its intention to Delist through the Merger, as described above, subject to the release of all the authorisations envisaged under current legislation.

As stated by the Bidder, no decision has yet been made regarding the possible Merger or the manner in which it will be carried out, even though it is consistent with the aims of the Bid in line with the reasons for the same.

For further information, see Section A.8.1. and Section G.2.2. of the Bid Document.

4.3. FINANCING THE BID

The Bidder points out in the Bid Document that, to cover the financial requirements resulting from the payment obligations connected to the Bid, calculated assuming full acceptance of the Bid by the shareholders and therefore equal to the Maximum Outlay, it intends to make use of financial resources made available by Holding in the form of a shareholder loan of Euro 5,970,000.00, and a loan from Intesa Sanpaolo S.p.A. under the Loan Contract.

In particular, the Lending Bank has made two different lines of credit available to the Bidder:

- a signature line of credit for up to Euro 17,300,000.00, to service the release of the guarantee under art. 37-bis of the Issuers Regulation by the Lending Bank; and
- a cash line of credit for a maximum amount of Euro 13,300,000.00 for payment (i) of the consideration for purchasing the Shares offered in the Bid, (ii) of the consideration due in the event of the purchase obligation pursuant art. 108 of TUF, (iii) for any remaining part,

of the consideration due in the event the right of purchase is exercised under art. 111 of TUF and (iv) of the costs of any kind connected with the loan and with the Bid.

For information on the terms and conditions of the Bid loan, see Section G Paragraph G.1.1. of the Bid Document.

4.4. EVALUATIONS OF THE FAIRNESS OF THE CONSIDERATION

4.4.1. MAIN INFORMATION ON THE CONSIDERATION GIVEN IN THE BID DOCUMENT

The Board of Directors notes that the Consideration, as stated in Section E Paragraph E.1 of the Bid Document, is equal to Euro 0.31 per Share Subject to the Bid offered in the same and is net of stamps, registration tax or any tax on financial transactions that may be due, and of any fees, commissions and expenses, which remain payable by the Bidder, whereas the substitute tax on capital gains, if due, will remain payable by the accepting shareholders.

The Consideration is not lower than Transfer values under the Capital Increase to Service the Transfer as verified by the expert, prof. Alberto Dello Strologo, in the context of the sworn report released pursuant to art. 2465 of the Italian civil code on 7 September 2022.

As described in Section E Paragraph E.1 of the Bid Document, the Consideration has been determined (i) in the assumption that the Issuer neither approves nor initiates the distribution of ordinary or extraordinary dividends from profits or reserves; in that event, the Consideration shall be automatically reduced by an amount equal to the dividend for each Share, and (ii) taking account of that laid down in art. 106, paragraph 2 of TUF, in compliance with which a public acquisition offer must be promoted at a price not lower than the highest price paid by the bidder for the purchase of the issuer's ordinary shares in the twelve months prior to the notice date under art. 102 TUF.

In particular, the Bidder determined the Bid price, autonomously and in compliance with that laid down in art. 106, paragraph 2 of TUF, to be Euro 0.31. In determining the Consideration, the Bidder neither made use of nor obtained any expert opinions prepared by independent parties or aimed at assessing the fairness of the same. Furthermore, the Bidder also primarily took into account (i) the implied premium of the Consideration that was intended to be paid to the Issuer's minority shareholders on top of the official price of the Issuer's Shares recorded on the day before the Reference Date and the arithmetic mean of the official prices weighted by volumes traded in the Issuer's Shares relating to 1 (one), 3 (three), 6 (six) and 12 (twelve) months prior to the Reference Date, and (ii) the market multiples method, i.e. a comparison of the implied P/E (Price/Earnings)

multiple of the Issuer, valued at the Consideration, with the P/E multiple of a sample of listed companies deemed to be potentially or partially comparable (see Section E of the Bid Document). In line with the above criteria, since neither the Bidder nor the Persons Acting in Concert with the Bidder has acquired the Issuer's Shares - in the twelve months prior to the Bid Notice - at a price above the unit valuation of the Issuer's shares recognised by the Bidder, the Consideration is equal to Euro 0.31.

As stated in the Bid Document, the official price per Share at the close of 23 March 2022 (the last Open Trading Day in which Banca Finnat stock was traded before the Reference Date) was equal to Euro 0.257 (source: *Bloomberg*); compared to this value, the Consideration therefore incorporates a premium of approximately 20.7% per Share.

The Maximum Overall Outlay in the event all shareholders accept the Bid will be Euro 13,220,053.23. For further information on the remarks provided by the Bidder with regard to the Consideration, see Section E of the Bid Document.

4.4.2. FINANCIAL CONSULTANT'S FAIRNESS OPINION

The Independent Directors appointed the Independent Expert under art. 39-*bis* of the Issuers Regulation, who was tasked with issuing the Fairness Opinion. The task given to the Independent Expert envisages that the Board of Directors can also use the Fairness Opinion to draw up this Issuer Notice (as actually happened).

The appointed consultant conducted his own independent analysis and issued the Fairness Opinion on 19 October 2022.

As stated in the Opinion of the Independent Directors, they carried out a beauty contest among experts of primary standing and with characteristics that will be outlined below; this process led to prof. Tiziano Onesti being appointed Independent Expert. In particular, the Independent Expert was identified at the end of a selection procedure conducted whilst taking account of (i) the absence of any economic, asset or financial relationship with the "*interested parties*" under art. 35(1), lett. b) of the Issuers Regulation; (ii) that no spouse (or cohabiting partner) or close relatives of the Independent Expert (a) holds (or has held) positions of administration or control in the corporate governance of Banca Finnat or in the corporate governance of the parties controlling Banca Finnat, the subsidiaries of Banca Finnat or companies subject to joint control with Banca Finnat, or (b) is (or has been) linked to Banca Finnat by freelance or employed work or by other asset or professional relationships such as to compromise the independence and autonomy of judgement for the purposes of the role; (iii) that, outside the hypotheses referred to in points (i) and (ii) above, no situations exist that could undermine the independence of the Independent Expert or that could give rise to conflicts of interest in relation to his task within the role.

For the purpose of identifying the Independent Expert - as outlined in the relative Opinion - the Independent Directors took account of the following criteria: the professional competence, the experience in financial valuations, the reputation on the market, the requested fee.

The main contents of the Fairness Opinion (attached to the Opinion of the Independent Directors) are given below, which is to be referred to for further information on the methods used and the valuations carried out by the Independent Expert.

Information taken into consideration by the Independent Expert.

For the purposes of drawing up the Fairness Opinion, the Independent Expert examined the following information: (i) the notice issued by the Bidder on 24 March 2022; (ii) the notice issued by the Bidder on 12 September 2022; (iii) the notice issued by the Bidder on 14 October 2022; (iv) the Bid Document approved by Consob with resolution no. 22473 of 11 October 2022; (v) the statutory and consolidated financial statements of Banca Finnat and the publicly available financial information from the last three reporting periods (2019-2021); (vi) the trend in recorded prices and the trading in Finnat stock over recent years; (vii) the prices paid in other public acquisition offers promoted in Italy, as indicated by Consob; (viii) data and information made available on specialist economic-financial databases, and on other public sources; (ix) other documents, information and elements deemed useful for the purposes of drawing up the Fairness Opinion.

Methods used by the Independent Expert

The Independent Expert pointed out that the Fairness Opinion was produced using standard professional financial analysis and valuation methods. Each method used has specific limitations and, consequently, the Fairness Opinion was drawn up on the basis of an overall valuation process and not on the basis of any one of the various analysis and valuation methods adopted. In particular, for the purposes of drawing up the findings of the Fairness Opinion, determined with regard to the Reference Date for the Fairness Opinion, the following analysis and valuation methods were adopted:

- (i) **stock exchange listing method:** reference was made to the listing performance of Banca Finnat stock observed in the last 6 months in order to take account of market and Company trends, and the weighted averages of daily trading volumes were identified from periods of various length prior to the reference date;

- (ii) **OPA premium method:** the premiums implicitly recognised were analysed against the weighted average prices of the last 6 months prior to the reference date of the bid in the mandatory OPAs completed in Italy starting from 2009;
- (iii) **market multiples method:** the direct market method was applied based on the *equity approach to evaluation*, using the *Price on Earning* multiple as a reference, whose value was determined based on the average statistics of a sample of businesses similar to Banca Finnat;
- (iv) **direct method in the strict sense:** the empirical approach enabled the identification of the Company share value on the basis of the terms of trade observed in a recent transaction involving the same share certificates of the Issuer.

More specifically, the Independent Expert indicated in the Fairness Opinion that the valuation methods used led to the adoption of assumptions, hypotheses and estimates, as stated in the same Fairness Opinion. For the purposes of reading the following extract of the Fairness Opinion, the terms indicated with an uppercase letter must be interpreted in light of the definitions given in the same Fairness Opinion (attached to the Opinion of the Independent Directors).

“a) Stock exchange listing method: *the stock exchange listing method aims to determine the value of a company on the basis of the capitalisation expressed with reference to the company's share prices, traded on regulated stock markets.*

In the present case, the analysis was carried out in reference to the weighted average trend in the official price of Banca Finnat ordinary shares on the day before the reference date, as well as in the previous 1, 3 and 6 months (Source: Bloomberg).

The reference time period was chosen considering the existing trade-off between the need to mitigate the impact on the statistics of any short-term volatility (which entails extending the time window to be considered) and the need to reflect the listings of the company to be assessed and the latest market conditions in general (which entails shortening the time window to be considered).

The result of the analysis enabled the identification of a range between 0.250 €/share and 0.271 €/share, against a consideration offered by P.N. 1898 of 0.31 €/share.

Period (prior to 24.03.2022)	Weighted average price per Finnat share	Consideration per share offered by P.N. 1898
1 day	0.257	0.31
1 month	0.250	0.31
3 months	0.262	0.31
6 months	0.271	0.31

b) OPA premium method: the OPA premium method aims to determine the implied premiums recognised by bidders to the target company's shareholders in specific public acquisition offer transactions.

In the present case, mandatory public acquisition offers were selected (with business combination prospects¹) resulting from a Consob paper published in January 2021².

This research enabled the identification of the average premium implicitly recognised for comparable transactions with respect to the weighted average prices on the day prior to the reference date, as well as in the previous 1, 3 and 6 months. The time period was selected considering the existing trade-off between the need to mitigate the impact on the statistics of any short-term volatility (which entails extending the time window to be considered) and the need to reflect the listings of the company to be assessed and the latest market conditions in general (which entails shortening the time window to be considered).

The analysis returned the following results:

Period (prior to 24.03.2022)	Weighted average price per Finnat share	Implied % premium of Consideration offered by P.N. 1898	Implied % market premium for mandatory OPAs with business combination
1 day	0.257	20.62%	8.50%
1 month	0.250	24.00%	9.20%
3 months	0.262	18.32%	7.50%
6 months	0.271	14.39%	10.60%

Ultimately, the above evidence leads to the estimation of a value range per Finnat share - taking account of the average premiums recognised by the market for similar OPAs (Source: Consob) compared to the weighted average prices on the day prior to the reference date, as well as the previous 1, 3 and 6 months (Source: Bloomberg) – between 0.273 €/share and 0.30 €/share (against a consideration offered by P.N. 1898 of 0.31 €/share);

c) Market multiples method: the estimate was made by adopting an equity approach to evaluation based on the application of the Price on Earning (“P/E”) multiple as of 31 December 2021, determined on the basis of a sample of companies similar to Finnat, taken from Bloomberg.

¹ Indeed, based on that presented to the market (see Notice of 24 March 2022), “in the event that, on Offer completion, Holding and BidCo exceed the 90% threshold of the Bank's capital (also taking account of the treasury shares held by the latter), the float will not be restored and the Bank's shares will be delisted, in compliance with sell out and squeeze out rights. In the event the Bank is delisted, the Holding intends to propose to the competent bodies of the Bank, subject to the release of the necessary legal and regulatory authorisations, the merger by incorporation of BidCo into the same Bank”.

² F. Pico, V. Ponziani, G. Trovatore, M. Venturuzzo (with introduction by R. Lener), *Le OPA in Italia dal 2007 al 2019. Evidenze empiriche e spunti di discussione*, Consob paper, Rome, January 2021.

The choice of this multiple is justified by the fact that it is a multiplier typically used in valuation practice; the sample contained a number of companies similar to Finnat and also took account of the analysis conducted by the Issuer, as represented below.

	Company	P/E 31.12.2021
The	JULIUS BAER GROUP LTD	12.09
	VONTOBEL HOLDING AG-REG	11.94
	VAN LANSCHOT KEMPEN NV	6.57
	BANCA GENERALI SPA	13.79
	AZIMUT HOLDING SPA	5.67
	BANCA PROFILO SPA	15.58
	BANCO DESIO E DELLA BRIANZA	7.37
	CREDITO EMILIANO SPA	5.54
	BANCA MEDIOLANUM SPA	8.96
	Arithmetic mean	9.72

application of the average of the aforesaid multiple both to the net income recorded in Finnat's consolidated financial statement and to the same value inferable from the Issuer's separate financial document, both as of 31 December 2021 (Source: Finnat), led to the following results:

P/E 31.12.2021	E separate 2021 (€)	P 2021 (€)	Stock	P/stock (€)
9.72	5,679,140	55,201,241	362,880,000	0.1521

P/E 31.12.2021	E consolidated 2021 (€/000)	P 2021 (€/000)	Stock/000	P/stock (€)
9.72	8,632	83,903	362,880	0.2312

Therefore, based on the P/E multiple at 31 December 2021 (determined as described above), the value per Finnat share is between €0.1521 and €0.2312 (against a consideration offered by P.N. 1898 of 0.31 €/share);

d) Direct method in the strict sense: the empirical approach enables the identification of the Company share value on the basis of the terms of that observed in a recent transaction involving the same share certificates of the Issuer (Source: Finnat).

As such, it should be pointed out that, on 8 September 2022, 68.72% of Finnat shares were transferred, under art. 2465 of the Italian Civil Code, to Nattino Holding S.r.l. by Dott. Giampietro Nattino sr, Arturo Nattino, Andrea Nattino, Giulia Nattino, Paola Nattino, Celeste Buitoni, Giampietro Nattino jr and Paolo Nattino (the "members of the GN Branch").

This transaction concerned the transfer of 249,383,724 shares to the transferee, in exchange for the latter's capital increase of €55,693,599.83 including share premium.

The terms of trade of the transaction lead to a price per share of approximately €0.22, as outlined below.

P at 08.09.2022 (€)	Stock	P/stock (€)
55,693,599.83	249,383,724	0.22

It should also be pointed out that, in relation to this transaction, the appointed Expert also issued a sworn expert opinion under art. 2465 of the Italian Civil Code, in which the overall value of the Company (determined by applying the dividend discounted model) was €109,724,838 on 30 June 2022; relating this value to the total number of Finnat shares (362,880,000) produces a share price of approximately €0.30.

P at 30.06.2022 (€)	Stock	P/stock (€)
109,724,838	362,880,000	0.30

In both cases, the identified value per share is below the 0.31 €/share consideration offered by P.N. 1898.

Nonetheless, it should be considered that this valuation method is less significant, taking into account both (i) the particular nature of the Bid (in which the Bidder intends to acquire a minority stake in the Issuer's share capital, equal to approximately 11.75%) with respect to the comparable transaction (which involves a majority stake in the Issuer's share capital), and (ii) the reference date of the transaction and the underlying valuation, both subsequent to the date of the Bidder notice."

Conclusions of the Fairness Opinion

Based on the analysis conducted, the Independent Expert concluded the Fairness Opinion in the following terms:

"In conclusion – in light of that described above and taking account of the outcomes of the valuation methods adopted and the analysis conducted, as well as acknowledging that these methods (and the individual parameters used) are an inseparable part of a process aimed at identifying the range of values that, in reasoned summary and within a determined time frame, also considering market trends, can represent the value range per Finnat share – it has been found that:

- (i) *the Bid Consideration is higher than the Company value inferable from the analysis of stock market listings for the relative share certificates over the last 6 months;*

- (ii) *the implied Bid premium is not lower than the range of premiums recognised within the examined basket of mandatory public acquisition offers made in Italy, again taking account of the stock market listings for Finnat share certificates over the last 6 months;*
- (iii) *the Bid Consideration is higher than the value per share determined both by applying the direct market multiples method and considering that observed in recent comparable transactions.*

It should also be pointed out that the Bid formulated by BidCo refers to a minority stake in Finnat and is aimed at delisting the Issuer's shares, which would be followed by a merger by incorporation.

This circumstance suggests that possible discounts in the value of the Float may exist, as better defined in business and economics doctrine, which were conservatively not considered in the above estimates.

* * *

In light of the above and having regard to the characteristics and structure of the Bid, in addition to taking account of the analysis conducted and the outcomes of the valuation methods used, in line with the aims of this Opinion, the Consideration offered to Company shareholders as outlined in the Bid Document can be deemed to be fair for said shareholders.”

4.5. OPINION OF THE INDEPENDENT DIRECTORS

As stated in the Foreword, the Bid falls within the scope of article 39-*bis*, paragraph 1, letter a), number 1), of the Issuers Regulation and, therefore, is subject to the discipline provided for by said regulation. As such, prior to the approval of the Issuer Notice, the Independent Directors, who met on 19 October 2022, issued the Opinion of the Independent Directors (attached here as sub-**Annex 1**).

As mentioned above, the Independent Directors, pursuant to art. 39-*bis* of the Issuers Regulation, consulted prof. Tiziano Onesti, who issued his Fairness Opinion on 19 October 2022, an extract of which is reproduced above.

In particular, the Independent Directors have formulated the following conclusions, quoted verbatim: “

“In light of the above, the Independent Directors unanimously:

- *having considered that [...] the Opinion does not or cannot in any way be understood as a recommendation to accept or not accept the Bid and does not replace the judgement that each shareholder must personally make in relation to accepting the Bid;*
- *having examined the documentation indicated in paragraph 3.3 of the [...] Opinion;*
- *notwithstanding the remarks made in the [...] Opinion and, in particular, in paragraph 6;*

- *having considered that, from a strategic point of view, the aim of the Bid is to Delist the Bank and that this aim would allow - upon the Company's shares being delisted - a reduction in costs (including those arising from the legislative and regulatory framework), greater flexibility in Bank management and organisation, and, more generally, a simplification of the Bank's and the Group's operational and management functioning;*
- *having clarified that the shareholders who do not accept the Bid may find themselves shareholders of an unlisted company - and therefore having less protections for the interests of minority shareholders - and higher indebtedness;*
- *having taken account of the Fairness Opinion and its conclusions as outlined in paragraph 5.2;*
- *having ascertained that the Opinion is issued pursuant to art. 39-bis of the Issuers Regulation and, therefore, for the purpose of the release of the Issuer Notice by the Board of Directors;*

assess the bid positively and consider the Bid Consideration, as indicated by the Bidder in the Bid Document, equal to Euro 0.31 per Share offered, to be fair.”

5. INDICATIONS ON THE PARTICIPATION OF BOARD MEMBERS AT THE NEGOTIATIONS TO DEFINE THE OPERATION

As specified in Paragraph 1, the Honorary Chair and director Giampietro Nattino, the Vice-Chair Lupo Rattazzi, the managing director Arturo Nattino and directors Maria Sole Nattino and Giulia Nattino, in their capacity as shareholders and/or representatives of shareholders of the Issuer or Holding and/or parties holding positions at Holding, i.e. the Persons Acting in Concert, were involved in defining the operation that gave rise to the mandatory offer.

6. UPDATES TO THE INFORMATION DISCLOSED TO THE PUBLIC AND COMMUNICATION OF SIGNIFICANT EVENTS, PURSUANT TO ARTICLE 39 OF THE ISSUERS REGULATION

6.1. INFORMATION ON SIGNIFICANT EVENTS SINCE THE APPROVAL OF THE LAST FINANCIAL STATEMENT OR THE LAST HALF-YEARLY FINANCIAL REPORT

On today's date, there are no further significant events to be disclosed with respect to that reported and described in the consolidated half-yearly financial report of 30 June 2022, approved on 9 September 2022 by the Issuer's Board of Directors and available on the website www.bancafinnat.it.

6.2. INFORMATION ON THE ISSUER'S RECENT PERFORMANCE AND FUTURE PROSPECTS, WHERE NOT INDICATED IN THE BID DOCUMENT

There is no significant further information on the Issuer's recent performance and prospects compared to that recorded in the consolidated half-yearly financial report of 30 June 2022 and in the separate and the consolidated financial statements of 31 December 2021 (available at www.bancafinnat.it), which are to be referred to in their entirety.

7. INFORMATION PURSUANT TO ART. 39, LETT. H) OF THE ISSUERS REGULATION

The Bid Document, as stated in Paragraph 4.1. of this Notice, outlines the Bidder's intention to proceed with the Merger by incorporation between the Issuer and BidCo, subject to the release of all the authorisations envisaged under current legislation, notwithstanding that, on the Date of the Bid Document, the Bidder has not yet made any decision regarding the possible Merger or the manner in which it will be carried out, even though it is an aim of the Bid in line with the reasons for the same.

In particular, if the requirements for Delisting are not met, the Bidder is entitled to Delist by incorporating the Issuer, subject to the release of all the authorisations envisaged under current legislation, in the time and manner necessary for complying with all applicable legal provisions. This operation may be classified as a “*merger with indebtedness*”, with the consequent applicability of the provisions of art. 2501-*bis* Italian Civil Code. If the Merger is completed, the total remaining indebtedness of the companies participating in the Merger would be transferred to the company resulting from the Merger and therefore the Issuer's assets would constitute a source of repayment of the aforesaid indebtedness and it is not excluded that in order to meet the repayment of the amounts due under the Loan Contract, recourse would be made, as the case may be, to the use of cash flows deriving from the possible distribution of dividends and/or available reserves (where existing) of the Issuer and/or, in the event of a Merger, to the use of the Issuer's cash flows.

Consequently, the owners of the Issuer's shares who did not accept the Bid or exercise the right of withdrawal, would find themselves owners of a stake in the share capital of a company with a level of indebtedness above that prior to the Merger.

In the event of a Reverse Merger by incorporation of the Bidder into the Issuer after Delisting, in line with that laid down by the Bidder in the Bid Document, the Merger would be classified, if it occurred, as a “*merger with indebtedness*” with the consequent applicability of art. 2501-*bis* of the Italian Civil Code. The Issuer's total indebtedness would rise by an amount equal to the sums loaned to the Bidder under the Loan Contract and not repaid on the effective date of the aforesaid Merger equal to, on the Date of the Bid Document, approximately Euro 7.6 million (in the event of

95% acceptance), increased by a further Euro 5.6 million, approximately, in the event of 100% acceptance, in addition to approximately Euro 5.9 million made available to the Bidder, in the form of a shareholder loan, directly by Holding.

It should be noted that the possible Merger will have no effect on outstanding loans and related guarantees.

8. CONCLUSIONS OF THE BOARD OF DIRECTORS

The Board of Directors, at the meeting held on 19 October 2022,

- having examined (i) the terms of the Bid, as described in the Bid Document, (ii) the Opinion of the Independent Directors, (iii) the Fairness Opinion;
- having taken account of the conclusions of the Fairness Opinion and the Opinion of the Independent Directors

formulated the following remarks:

- *Delisting*

As stated by the Bidder in the Bid Document, in the event of Delisting, the Bank will assume the status of an unlisted company, which normally carries lower expenses and an increased degree of managerial and organisational flexibility; the Board of Directors shares that observed in the Opinion of the Independent Directors, i.e. that should the financial instruments no longer be traded on the market, the status of unlisted company would result in a simplification of the ownership structures and also lead to the elimination of the legal constraints for minority shareholders and of the ordinary costs arising from the legislative and regulatory framework surrounding disclosure requirements associated with the status of a listed company. In general, the status of unlisted company can enable a simplification of the operational and management functioning of the Bank and of Banca Finnat Group.

In addition, as specified above, further operational flexibility may be achieved in the context of the private capital market both in relation to the structuring of new operations aimed at external growth and the management of existing initiatives.

Moreover, if Delisting goes ahead, the Bank's shareholders, finding themselves owners of Shares not traded on any regulated market, would have difficulty liquidating their investment or transferring these financial instruments.

As observed in the Opinion of the Independent Directors, the Board of Directors notes that the rules on transparency and disclosure to shareholders established in legal provisions for listed companies are stricter than those envisaged for unlisted companies and the governance of listed

companies includes institutions aimed at protecting minorities, such as, among other things, list voting rules for the appointment of management and control bodies, which are not mandatory for unlisted companies; furthermore, the exercise of certain rights in listed companies requires the possession of lower shareholding thresholds than in unlisted companies (for example, the right to challenge meeting resolutions pursuant to art. 2377 of the Italian Civil Code, the promotion of liability action pursuant to art. 2393-*bis* of the Italian Civil Code).

- *Further objectives of the Bidder*

As observed by the Independent Directors in the relative opinion, the Bidder - as stated in the Bid Document - intends to reorganise the Issuer in order to make it stronger - an operation that is more easily pursued by assuming the status of an unlisted company.

The Bidder also stated that Holding intends to propose to the competent bodies of the same, subject to the release of all legal and regulatory authorisations, the Reverse Merger by incorporation of BidCo and the Issuer. In that event, the Issuer's shareholders who: (i) remain such in the event the Bidder (together with the Persons Acting in Concert) holds between 90% and 95% of the Issuer's share capital, and (ii) did not participate in the approval of the Merger ruling, would have the right of withdrawal solely upon the occurrence of one of the cases stipulated in art. 2437 of the Italian Civil Code. The liquidation value of the shares subject to withdrawal, where envisaged, would be determined pursuant to article 2437-*ter*, paragraph 2 of the Italian Civil Code, taking account of the Issuer's balance sheet and income prospects as well as the possible market value of the shares.

In any event, including where the requirements for Delisting were not met at the end of the Bid, the Bidder is entitled to delist through the merger by incorporation of the Issuer into the Bidder, an unlisted company, subject to the release of the authorisations envisaged under current legislation. In that event, (i) the Merger would take place on the basis of an exchange ratio determined pursuant to art. 2501-*ter* Italian Civil Code, with no premium being payable to the minority shareholders of the company being acquired; (ii) the Merger would be classified as a related-party transaction as the Bidder is a related party of the Issuer pursuant to the Related Parties Regulation and, consequently, would be subject to the principles and rules of substantial and procedural transparency and correctness; (iii) the Issuer's shareholders who did not participate in the resolution approving the Merger (and therefore the delisting) would have the right of withdrawal pursuant to article 2437-*quinqüies* of the Italian Civil Code, as, in that event, they would be holding shares not listed on any regulated market. In that event, the liquidation value of the shares subject to withdrawal would be determined pursuant to article 2437-*ter*, paragraph 3 of the Italian Civil Code. On completion of the Merger, those who remained shareholders and did not exercise the

right of withdrawal would find themselves in possession of unlisted shares and would consequently have difficulty liquidating their investment in the future.

With reference to the Merger and to the Reverse Merger, the Board of Directors notes that no formal decision on the matter has been taken by the relevant corporate bodies.

- *Effects of the merger with indebtedness*

As stated above in implementation of that required in art. 39, lett. H) of the Issuers Regulation, the Merger, in the absence of Delisting, and the Reverse Merger, following Delisting, may be classified as a “*merger with indebtedness*”, with consequent applicability of art. 2501-*bis* of the Italian Civil Code. The Board of Directors notes that, in that event, once the operation has been completed, the total remaining indebtedness of the participating companies would be transferred to the company resulting from the operation and therefore the Issuer's assets would constitute a source of repayment of the aforesaid indebtedness, with the effects stated above.

- *Consideration*

With regard to the valuation of the Consideration, the Independent Expert observed the following in the Fairness Opinion:

- *“the Bid Consideration is higher than the Company value inferable from the analysis of stock market listings for the relative share certificates over the last 6 months;*
- *the implied Bid premium is not lower than the range of premiums recognised within the examined basket of mandatory public acquisition offers made in Italy, again taking account of the stock market listings for Finnat share certificates over the last 6 months;*
- *the Bid Consideration is higher than the value per share determined both by applying the direct market multiples method and considering that observed in recent comparable transactions.”*

In addition, the Fairness Opinion points out that the Bid formulated by BidCo refers to a minority stake in Banca Finnat and is aimed at delisting the Issuer's shares, which would be followed by a merger by incorporation. This circumstance, as indicated in the Fairness Opinion, suggests that “*possible discounts in the value of the Float may exist, as better defined in business and economics doctrine, which were conservatively not considered in the above estimates*”. The Independent Expert concludes by saying that “*in light of the above and having regard to the characteristics and structure of the Bid, in addition to taking account of the analysis conducted and the outcomes of the valuation methods used, in line with the aims of the Opinion, the Consideration offered to Company shareholders as outlined in the Bid Document can be deemed to be fair for said shareholders*”.

Furthermore, as indicated in the conclusions of the relative Opinion of the Independent Directors, based on the assumptions made therein, *“the Independent Directors assess the bid positively and consider the Bid Consideration, as indicated by the Bidder in the Bid Document, equal to Euro 0.31 per Share offered, to be fair”*.

* * *

In light of the above, the Board of Directors unanimously, with the abstention of directors Lupo Rattazzi and Maria Sole Nattino, assess the Bid positively and consider the Consideration to be fair for the owners of the Shares Subject to the Bid.

* * *

It should be noted in any case that: (i) this Issuer Notice does not intend in any way to replace the Bid Document or any other document relating to the Bid under the competence and responsibility of the Bidder and circulated by the same, and does not or cannot in any way be understood as a recommendation to accept or not accept the Bid, nor does it replace the need for all Bid recipients to use their own personal judgement in relation to accepting the Bid and any other operation concerning the Issuer and the relative financial instruments, on the basis of that represented by the Bidder in the Bid Document; (ii) the economic convenience of accepting the Bid will be assessed independently by the individual shareholder, taking into account the market performance of the Shares, the Bidder's statements, the information given in the Bid Document, and its investment strategies.

* * *

The following are attached to this Issuer Notice:

- Annex 1: Opinion of the Independent Directors with the attached Fairness Opinion

* * *

Rome, 19 October 2022

On behalf of the Board of Directors of Banca Finnat Euramerica S.p.A.

[Chairman Marco Tofanelli]

* * *

This Issuer Notice, together with its annex, is published on the Issuer's website at www.bancafinnat.it and was transferred, at the time of publication, to the Bidder in compliance with that envisaged in art. 36(4) of the Issuers Regulation.

OPINION OF THE INDEPENDENT DIRECTORS PURSUANT TO ART. 39-BIS OF THE REGULATION ISSUED BY CONSOB WITH RULING NO. 11971 OF 1999 RELATING TO THE MANDATORY PUBLIC ACQUISITION OFFER PROMOTED BY P.N. 1898 S.R.L. – PURSUANT TO ARTICLES 102, 106(1), AND 109 OF LEG. DEC. NO. 58 OF 24 FEBRUARY 1998 – OF A TOTAL OF 42,645,333 ORDINARY SHARES IN BANCA FINNAT EURAMERICA S.P.A.

19 OCTOBER 2022

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DEFINITIONS

Independent Directors	The independent directors of Banca Finnat who draw up this Opinion pursuant to art. 39- <i>bis</i> of the Issuers Regulation.
Capital Increase to Service the Transfer	Holding's capital increase from Euro 10,000.00 to Euro 100,000.00, for a total therefore of Euro 90,000.00 with an overall share premium of Euro 55,603,599.83, voted on by the extraordinary shareholders' meeting at Holding on 8 September 2022, fully executed and paid-in via the Transfer on 12 September 2022.
Shares	The 362,880,000 ordinary shares representing the share capital of Banca Finnat, with a nominal value of Euro 0.20 each, with regular dividend rights listed on Euronext STAR Milan (ISIN code: IT0000088853).
Share Subject to the Bid or Shares Subject to the Bid	Each (or all or part, when in the plural) of the 42,645,333 ordinary shares in Banca Finnat subject to the Bid, equal to approximately 11.75% of the Bank's share capital, with a nominal value of Euro 0.20 each, i.e. the entirety of the Issuer's Shares minus (i) the shares held by Holding, directly (equal to approximately 68.72% of the Issuer's share capital) and indirectly through BidCo (equal to approximately 3.58% of the Issuer's share capital), (ii) the shares held by the AN Branch (equal to approximately 4.80% of the Issuer's share capital), (iii) the shares held by the GL Investimenti (equal to approximately 2.01% of the Issuer's share capital), (iv) the shares held by HPA (equal to approximately 1.19% of the Issuer's share capital), and (v) Treasury Shares (equal to approximately 7.94% of the Issuer's share capital).
Treasury Shares	The 28,810,640 Treasury shares held by the Issuer, equal to approximately 7.94% of the Issuer's share capital.
Lending Bank	Intesa Sanpaolo S.p.A.
Borsa Italiana	Borsa Italiana S.p.A., with registered office in Piazza degli Affari 6, Milan.
Circular 285	Circular no. 285 issued by Banca d'Italia on 17 December 2013 on Supervisory Provisions for Banks.
Commitment Letter	The commitment letter, including a binding term-sheet, signed by the Lending Bank, Holding and BidCo on 23 March 2022, containing the terms and conditions of a loan contract for the arrangement of the Lines of Credit granted to the Bidder by the Lending Bank in the context of the Bid.
Issuer Notice	The Issuer notice to be approved pursuant to art. 103(3) of TUF and art. 39 of the Issuers Regulation, containing all useful information for Bid assessment and Bid valuation, including the Opinion of the Independent Directors under art. 39- <i>bis</i> of the Issuers Regulation.

Bidder Notice	The notice released to the market by the Bidder, pursuant to art. 102 of TUF and art. 37 of the Issuers Regulation, on 12 September 2022.
Reorganisation Notice	Press release, published on 24 March 2022, announcing the intention of the members of the GN Branch, subject to the release of the necessary legal authorisations, to concentrate in Holding the Shares held in the Bank equal to approximately 68.72% of the share capital of the same, by means of the Transfer.
Consob	Commissione Nazionale per le Società e per la Borsa, based in Via G.B. Martini 3, Rome.
Loan Contract	The loan contract governing the Loan signed on 27 July 2022 by the Bidder and by the Lending Bank.
Transfer	The operation, executed on 12 September 2022, through which the members of the GN Branch transferred to Holding the 249,383,724 Shares, equal to approximately 68.72% of the Issuer's share capital.
Consideration	The consideration paid for each Share offered in the Bid, equal to Euro 0.31.
Date of the Bid Document	The Bid Document publication date.
Announcement Date	The publication date of the Bidder Notice, pursuant to art. 102 of TUF and art. 37 of the Issuers Regulation, i.e. 12 September 2022.
Payment Date	The date on which the Consideration will be paid, at the same time as the transfer of the right of ownership over the Shares Subject to the Bid to the Bidder, corresponding to the fourth Open Trading Day after the end of the Acceptance Period, and therefore (notwithstanding any extension of the Acceptance Period in compliance with the applicable regulations), 21 November 2022.
Reference Date	The date of the Reorganisation Notice, i.e. 24 March 2022.
Delisting	The removal of Banca Finnat ordinary shares from Euronext STAR Milan.
Right of Purchase	The Bidder's right to purchase the remaining Shares Subject to the Bid pursuant to art. 111(1) of TUF in the event the Bidder (together with the Persons Acting in Concert) holds an overall stake equal to at least 95% of the Issuer's share capital by the end of the Acceptance Period, including as a result of purchases made outside of the Bid, and/or during, or as a result of, the fulfilment of the Purchase Obligation pursuant to art. 108(2) of TUF.
Bid Document	The bid document written by the Bidder pursuant to art. 102 et seq. of TUF.
Issuer or Banca Finnat or Bank or Company	Banca Finnat Euramerica S.p.A., with registered office in Rome, Piazza del Gesù 49, Rome Companies Register and tax code 00168220069, VAT Number 00856091004, REA no. 444286, registered on the Banks Register held by Banca d'Italia under

	number 5369 and, as the parent company of “Gruppo Bancario Banca Finnat”, on the Banking Groups Register under number 5557, and a member of the Fondo Interbancario di Tutela dei Depositi (Interbank fund for the protection of deposits) and the Fondo Nazionale di Garanzia (National Compensation Fund).
Equity Commitment Letter	The commitment letter issued by Holding to BidCo on 23 March 2022, in which Holding commits to making available to the Bidder, in the form of a shareholder loan, an amount equal to Euro 5,970,000.00.
Maximum Overall Outlay	The maximum overall equivalent value of the Bid, calculated according to the Consideration, assuming that all Shares Subject to the Bid are offered in the Bid, and therefore equal to Euro 13,220,053.23.
Independent Expert	Prof. Tiziano Onesti, who issued the Fairness Opinion.
Euronext STAR Milan	Segment of Euronext Milan, a regulated market organised and managed by Borsa Italiana.
Fairness Opinion	The “independent opinion pursuant to art. 39-bis of Consob Issuers Regulation no. 11971 of 14 May 1999 and subsequent amendments” released on 19 October 2022 by prof. Tiziano Onesti and attached to this Opinion.
Merger	The merger by incorporation between the Issuer and BidCo (unlisted company).
Guarantor	Intesa Sanpaolo S.p.A., as the party that issued the Performance Guarantee.
Performance Guarantee	The performance guarantee, pursuant to art. 37- <i>bis</i> of the Issuers Regulation, with which Intesa Sanpaolo S.p.A., as the Guarantor, committed, irrevocably and unconditionally, to make available to the Intermediary in Charge of Coordinating the Collection of Acceptances the sum due from the Bidder as consideration for the Shares offered in the Bid up to a maximum equal to the Maximum Outlay.
Open Trading Day	Each day the Italian regulated markets are open within the trading calendar established by Borsa Italiana.
GL Investimenti	GL Investimenti S.r.l., with registered office in Rome, Viale Giocchino Rossini 26, Rome Companies Register no. 1195828, tax code and VAT Number 09902991000.
Banca Finnat Group	Collectively, the Issuer and the Issuer’s subsidiaries pursuant to art. 93 of TUF.
Holding	Nattino Holding S.r.l., with registered office in Rome, Piazza del Gesù 49, Rome Companies Register, tax code and VAT number 16594091007, share capital Euro 100,000.00, fully paid up and subscribed.

HPA	H.P.A. S.r.l., with registered office in Rome, Via Francesco Denza 27, Rome Companies Register no. 669125, tax code 08599620583 and VAT Number 02097541003.
Intermediary in Charge of Coordinating the Collection of Acceptances	The intermediary in charge of coordinating the collection of acceptances to the Bid, i.e. Intesa Sanpaolo S.p.A.
Line of Credit B	a cash line of credit for a maximum amount of Euro 13,300,000.00 for payment (i) of the consideration for purchasing the Shares offered in the Bid, (ii) of the consideration due in the event of the purchase obligation pursuant art. 108 of TUF, (iii) for any remaining part, of the consideration due in the event the right of purchase is exercised under art. 111 of TUF and (iv) of the costs of any kind connected with the loan and with the Bid.
Cash Confirmation Line of Credit	A signature line of credit for up to Euro 17,300,000.00, to service the release of the Performance Guarantee by the Lending Bank.
Lines of Credit	Cash Confirmation Line of Credit and Line of Credit B.
Purchase Obligation pursuant to art. 108(1) of TUF	The Bidder's obligation to purchase the remaining Shares from those that have requested it, pursuant to art. 108(1) of TUF in the event the Bidder (together with the Persons Acting in Concert), as a result of Bid acceptance and purchases made outside of the Bid, holds, directly or indirectly, by the Bidder and/or by the Persons Acting in Concert, an overall stake equal to at least 95% of the Issuer's share capital after the Date of the Bid Document and by the end of the Acceptance Period and/or during or as a result of the fulfilment of the Purchase Obligation pursuant to art. 108(2) of TUF.
Purchase Obligation pursuant to art. 108(2) of TUF	The Bidder's obligation to purchase Shares not offered in the Bid from those that have requested it, pursuant to art. 108(2) of TUF in the event the Bidder (together with the Persons Acting in Concert), holds, directly or indirectly, by the Bidder and/or by the Persons Acting in Concert, between 90% and 95% of the Issuer's share capital after the Date of the Bid Document and by the end of the Acceptance Period as a result of Bid acceptance and purchases made outside of the Bid.
Bidder or BidCo	P.N. 1898 S.r.l., a limited liability company under Italian law, based in Rome, Piazza del Gesù 49, Rome Companies Register, tax code and VAT number 16600051003, share capital Euro 10,000.00 fully paid up and subscribed.
Bid	The mandatory public acquisition offer aiming to acquire all Banca Finnat's ordinary shares in circulation, minus (i) the shares held by Holding, (ii) the shares held by the AN Branch, (iii) the shares held by GL Investimenti, (iv) the shares held by HPA, (v) Treasury Shares, and (vi) the shares held by BidCo, promoted by the Bidder pursuant to art. 102, 106(1) and 109 of TUF, described in the Bid Document.

Opinion of the Independent Directors or Opinion	This reasoned opinion containing valuations of the Bid and the fairness of the Consideration written by the Issuer's Independent Directors who are not related parties of the Bidder pursuant to art. 39- <i>bis</i> of the Issuers Regulation.
Shareholders' Agreement	The shareholders' agreement with which the AN Branch, GL Investimenti and HPA, on 24 March 2022, entered into significant commitments pursuant to art. 122 paragraphs 1 and 5 of TUF towards Holding and BidCo in the context of the Bid, an extract of which was published on 29 March 2022 pursuant to art. 122 of TUF.
Acceptance Period	The Bid acceptance period, agreed with Borsa Italiana, corresponding to 17 Open Trading Days, which will begin at 8:30 (Italian time) on 24 October 2022 and end at 17:30 (Italian time) on 15 November 2022, inclusive, in which the Bid can be accepted, barring any extensions in compliance with applicable regulations.
Persons Acting in Concert	The persons acting in concert with the Bidder, pursuant to art. 101- <i>bis</i> , paragraphs 4 and 4- <i>bis</i> , of TUF, i.e. Holding, the members of the AN Branch, GL Investimenti and HPA. The persons acting in concert are jointly and severally liable for the obligations arising from the Bid to third parties pursuant to art. 109 of TUF.
Joint Procedure	The joint procedure for the fulfilment of the Purchase Obligation pursuant to art. 108(1) of TUF and the exercise of the Right of Purchase pursuant to art. 111(1) of TUF, agreed with Consob and Borsa Italiana pursuant to art. 50- <i>quinquies</i> , paragraph 1, of the Issuers Regulation.
AN Branch	Avv. Maria Sole Nattino, Ms Ilaria Nattino and Avv. Daniela Salivetto.
GN Branch	Dott. Arturo Nattino, Dott. Giampietro Nattino jr., Dott. Giampietro Nattino, Ms Celeste Buitoni, Dott. Paolo Nattino, Dott.ssa Giulia Nattino, Dott.ssa Paola Nattino, and Mr Andrea Nattino.
Issuers Regulation	The regulation approved with Consob resolution no. 11971 of 14 May 1999, as subsequently amended and in force on the date of this Opinion.
Related Parties Regulation	The regulation approved with Consob resolution no. 17221 of 12 March 2010, as subsequently amended and in force on the date of this Opinion.
TUF	Legislative Decree no. 58 of 24 February 1998, as subsequently amended and in force on the date of this Opinion.

2. FOREWORD

This Opinion, released pursuant to art. 39-*bis* of the Issuers Regulation, contains the assessments of Banca Finnat's Independent Directors of the Bid promoted by the Bidder pursuant to articles 102 and 106(1) and 109 of TUF for the entirety of the Bank's Shares, as outlined below.

* * *

The obligation to proceed with the Bid follows the execution, on 12 September 2022, of the Transfer.

In particular, on 23 March 2022 (i) Holding issued to the Bidder a commitment letter in which Holding committed to make directly available to the Bidder amounts, in the form of a shareholder loan, equal to Euro 5,970,000.00 (the Equity Commitment Letter), and (ii) the Lending Bank, Holding and BidCo signed a commitment letter, including a binding term-sheet, containing the terms and conditions of a loan contract for the arrangement of the Lines of Credit granted to the Bidder by the Lending Bank in the context of the Bid (the Commitment Letter).

Subsequently, on 24 March 2022 (the Reference Date), the members of the GN Branch disclosed to the market, with a press release circulated through the Bank, its intention, subject to the release of the necessary legal authorisations, to concentrate in Holding the Shares held in the Bank equal to approximately 68.72% of the share capital of the same, by means of the Transfer. The transaction aims to provide long-term stability to the Bank's ownership structure through the adoption of a suitable statutory structure for the Holding (the Reorganisation Notice).

On the same Reference Date, the AN Branch, GL Investimenti and HPA signed the Shareholders' Agreement containing significant commitments towards Holding and BidCo pursuant to art. 122 paragraphs 1 and 5 of TUF: (a) not to offer any shares in the Bid; (b) not to sell, transfer, either directly or through its subsidiaries or affiliates, or otherwise dispose of, or agree to sell, transfer or otherwise dispose of, place encumbrances on, or grant third party rights to, directly or through any of its subsidiaries or affiliates, the shares, for a period of 12 (twelve) months from the date the Shareholders' Agreement is signed; (c) not to purchase or acquire shares and/or financial instruments in the Issuer, or any other related financial instrument, either directly or through its subsidiaries or affiliates, other than through Holding or BidCo, until 6 (six) months after completion of the Bid; not to undertake, or cause any of their subsidiaries or affiliates to undertake, any transaction that would, for any reason, increase the price of the Bid or thwart the success of the Bid (including any new, raised, renewed or modified bid); (d) to consult the Holding in advance before exercising the right to vote at the Issuer's ordinary and extraordinary general meetings.

On 8 September 2022 the extraordinary general meeting at Holding ruled on the Capital Increase to Service the Transfer. The deed of Transfer was signed on the same date. Following the registration, on 12 September 2022, of the minutes of the aforesaid extraordinary general meeting and the deed of transfer in the Rome Companies Register, the Transfer was executed with the consequent acquisition by Holding of the legal control of the Bank and the arising of Holding's obligation to promote the Offer.

The Capital Increase to Service the Transfer was paid in through the transfer to Holding of the shares held in the Issuer by GN Branch members and, in particular: (i) by Dott. Arturo Nattino (78,654,240 Shares, equal to 21.68% of the Issuer's share capital), (ii) by Dott. Giampietro Nattino jr. (11,177,324 Shares, equal to 3.08% of the Issuer's share capital, of which 228,400 Fully owned shares and 10,948,924 Bare ownership shares with usufruct to Giampietro Nattino for 4,157,338 Shares and to Celeste Buitoni for 6,791,586 Shares), (iii) by Dott. Paolo Nattino (11,177,324 Shares, equal to 3.08% of the Issuer's share capital, of which 228,400 Fully owned shares and 10,948,924 Bare ownership shares with usufruct to Giampietro Nattino for 4,157,338 Shares, and to Celeste Buitoni for 6,791,586 Shares), (iv) by Dott.ssa Giulia Nattino (43,545,600 Shares, equal to 12% of the Issuer's share capital), (v) by Dott.ssa Paola Nattino (43,545,600 Shares, equal to 12% of the Issuer's share capital), and (vi) by Mr Andrea Nattino (61,283,636 Shares, equal to 16.89% of the Issuer's share capital, of which 39,385,789 Fully owned shares and 21,897,847 Bare ownership shares with usufruct to Giampietro Nattino for 8,314,676 Shares, and to Celeste Buitoni for 13,583,171 Shares). The completion of the operation was subject to the necessary regulatory and statutory authorisations from the competent authorities, which were released as stated in the Bid Document.

Upon completion of the Transfer, Holding exerts legal control of the Issuer, pursuant to art. 2359 of the Italian Civil Code and to art. 93 of TUF.

On 12 September 2022 the Bidder disclosed to Consob and to the market that the legal requirements for promoting the Bid had been met, through a notice issued pursuant to art. 102(1) of TUF and art. 37(1) of the Issuers Regulation (the Bidder Notice).

On 27 September 2022 the Bid Document was filed at Consob by the Bidder, pursuant to art. 102(3) of TUF and art. 37-ter of the Issuers Regulation, and subsequently approved on 11 October 2022 and published on 14 October 2022 on the Bank's website.

3. AIMS AND LIMITATION OF THIS OPINION

This Opinion was written exclusively pursuant to art. 39-*bis* of the Issuers Regulation and is made available to the Issuer's Board of Directors in order that the latter may issue the Issuer Notice (pursuant to art. 103(3) of TUF and art. 39 of the Issuers Regulation).

The Bid falls within the scope of article 39-*bis* paragraph 1 of the Issuers Regulation and is, therefore, subject to the discipline provided for by said regulation. Article 39-*bis* of the Issuers Regulation provides that, before the Issuer Notice can be approved, the Independent Directors that are not related parties of the Bidder, are called upon to formulate a reasoned opinion containing the assessments of the bid and the fairness of the consideration, and using, at the Issuer's expense, the assistance of an independent expert identified by the Issuer.

The aim of this Opinion of the Independent Directors is, therefore, to describe the assessments that, pursuant to art. 39-*bis* of the Issuers Regulation, the Independent Directors made at the outcome of the analysis conducted, including with the assistance of the Independent Expert, in relation to the Bid and the fairness of the consideration offered within it, in order to help shareholders in making an informed choice in relation to the acceptance of the Bid.

As such, the Opinion does not intend in any way to replace the Issuer Notice or Bid Document, or any other document relating to the Bid under the competence and responsibility of the Bidder and circulated by the same; the Opinion cannot in any way be understood as a recommendation to accept or not accept the Bid and does not replace the need for each person to make their own assessment in relation to accepting the Bid.

The remarks of the Independent Directors are independent of any broader assessment that a shareholder must independently make in relation to accepting or not accepting the Bid, taking account of the market performance of the Shares, their own investment strategies and the characteristics of the stake held.

4. ACTIVITIES OF THE INDEPENDENT DIRECTORS

3.1. DIRECTORS WHO PARTICIPATED IN DRAWING UP THE OPINION

On the date of this Opinion, the Issuer's Board of Directors comprises 10 members, appointed by the Banca Finnat shareholders' meeting of 30 April 2021 for a three-year period and, therefore, until the meeting held to approve the financial statement to 31 December 2023.

Solely the Bank's Independent Directors who meet the requirements of independence pursuant to TUF, TUB and the Code of Corporate Governance participated in drawing up this Opinion:

- Maria Teresa Bianchi,
- Vincenzo Marini Marini,
- Paola Pierri.

For the purposes of issuing the Opinion, the Independent Directors declare, in compliance with art. 39-*bis* of the Issuers Regulation, that they are neither related parties of the Bidder nor bearers of interests, on their own behalf or on behalf of third parties, with respect to the Bid.

3.2. APPOINTMENT OF THE INDEPENDENT EXPERT

For the purposes of the Opinion, the Independent Directors decided to use the assistance of the Independent Expert, as envisaged under art. 39-*bis* paragraph 2 of the Issuers Regulation. They therefore carried out a beauty contest among experts of primary standing and with characteristics that will be outlined below; this process led to prof. Tiziano Onesti being appointed Independent Expert, who was asked to issue the Fairness Opinion.

The task given to the Independent Expert envisages that the Board of Directors may also use the Fairness Opinion to draw up the Issuer Notice.

More specifically, the Independent Expert was identified, as briefly outlined above, at the end of a selection procedure conducted whilst taking account of (i) the absence of any economic, asset or financial relationship with the “interested parties” under art. 35(1), lett. b) of the Issuers Regulation; (ii) that no spouse (or cohabiting partner) or close relatives of the Independent Expert (a) holds (or has held) positions of administration or control in the corporate governance of Banca Finnat or in the corporate governance of the parties controlling Banca Finnat, the subsidiaries of Banca Finnat or companies subject to joint control with Banca Finnat, or (b) is (or has been) linked to Banca Finnat by freelance or employed work or by other asset or professional relationships such as to compromise the independence and autonomy of judgement for the purposes of the role; (iii) that, outside the hypotheses referred to in points (i) and (ii) above, no situations exist that could undermine the independence of the Independent Expert or that could give rise to conflicts of interest in relation to his task within the role.

For the purpose of identifying the Independent Expert, the following criteria were taken into account: the professional competence, the experience in financial valuations, the reputation on the market, the requested fee.

On 19 October 2022, the Independent Expert issued the Fairness Opinion, attached to this Opinion, the conclusions of which are indicated in paragraph 5.2.

3.3. DOCUMENTATION EXAMINED

For the purpose of drawing up the Opinion, the Independent Directors examined not only the documentation underlying board proceedings, but also the following documents.

- The press release of 24 March 2022 announcing the intention of the GN Branch members to complete the Transfer, subject to the release of the necessary legal authorisations.
- The press release of 8 September 2022, with which Holding announced, via the Bank, that it had ruled on the Capital Increase to Service the Transfer by GN Branch members.
- The press release of 12 September 2022, issued by Holding and circulated via the Bank, relating to the completion of the Transfer.
- The press release of 27 September 2022 on the filing of the Bid Document by the Bidder.
- The press release of 11 October 2022 with which P.N. 1898 S.r.l. announced the approval of the Bid Document.
- The press release of 14 October 2022 on the publication of the Bid Document.
- The Bidder Notice pursuant to art. 102(1) of TUF.
- The drafts of the Bid Document, in the versions released and, lastly, the version approved by Consob on 11 October 2022.
- The documentation relating to the Shareholders' Agreement published pursuant to art. 122 of TUF.
- The Fairness Opinion of the Independent Expert.

3.4. INVESTIGATION AND DELIBERATION OF THIS OPINION

The Independent Directors met on several occasions, including via remote connections, to carry out the investigative and prodromal activities necessary to draw up the Opinion.

In particular, the Independent Directors, at the meetings, identified the Independent Expert by means of the selection process described in paragraph 3.2. The Independent Directors also carefully examined the draft Bid Documents and the additional documentation relating to the Bid and discussed the same, including with the Independent Expert. In conducting the investigative activities in relation to the Bid, for the purposes of this Opinion, the Independent Directors examined all relevant aspects and profiles for assessment of the Bid, as well as its valuation and the valuation of the fairness of the Consideration, including on the basis of the Fairness Opinion.

On 19 October 2022 the Independent Directors met to examine the Fairness Opinion, having regard to the contents of the same and the methodologies applied to the drafting of the document. At the end of this meeting, the Opinion was finalised and resolved by the Independent Directors, and sent to the Board of Directors.

5. BID VALUATIONS

4.1. BID CHARACTERISTICS

In consideration of the aims of this Opinion, paragraph 4.1 includes the essential elements of the Bid, as indicated in the Bid Document, in order to facilitate its valuation by recipients.

More specifically, the Independent Directors, in drawing up this Opinion, drew the following essential information from the examination of the Bid Document - which must be referred to for a full description of the Bid contents:

- the Bid consists in a mandatory public acquisition offer pursuant to art. 102 and 106(1) and 109 of TUF;
- the Bid aims to acquire the entire share capital of the Issuer and to Delist;
- the Bid is promoted on a maximum of 42,645,333 Shares, representing approximately 11.75% of the Bank's share capital, at a nominal value of Euro 0.20 each, with regular dividend rights and fully paid-in, corresponding to the entirety of the Issuer's Shares, minus:
 - a) the overall 262,383,724 Shares, equal to approximately 72.3% of the Issuer's share capital, held by Holding (of which 249,383,724 Shares held directly, equal to approximately 68.72% of the Issuer's share capital, and 13,000,000 Shares held indirectly through BidCo, equal to approximately 3.58% of the Issuer's share capital);
 - b) the overall 17,434,075 Shares, equal to approximately 4.80% of the Issuer's share capital, held, respectively, by Avv. Maria Sole Nattino (6,704,868 Shares, equal to 1.85% of the Issuer's share capital, of which 5,704,868 fully owned shares and 1,000,000 bare ownership shares with usufruct to Avv. Daniela Salivetto), by Dott.ssa Ilaria Nattino (6,954,867 Shares, equal to 1.92% of the Issuer's share capital, of which 5,954,867 fully owned shares and 1,000,000 bare ownership shares with usufruct to Avv. Daniela Salivetto) and by Avv. Daniela Salivetto (3,774,340 Shares, equal to 1.04% of the Issuer's share capital, fully owned) (jointly, the "AN Branch");
 - c) the overall 7,303,000 Shares, equal to approximately 2.01% of the Issuer's share capital, held by Dott. Giovanni Malagò and by Dott. Lupo Rattazzi via the holding company GL Investimenti;
 - d) the overall 4,303,228 Shares, equal to approximately 1.19% of the Issuer's share capital, held by HPA;
 - e) the 28,810,640 Treasury shares held by the Issuer, equal to approximately 7.94% of the Issuer's share capital.
- after the Transfer, Holding exerts legal control of the Issuer, pursuant to art. 2359 of the Italian Civil Code and to art. 93 of TUF;

- as stated in the Bid Document, the Bidder's share capital is entirely held by Holding which, after the Transfer, has the following ownership structure: (a) Dott. Arturo Nattino fully owns a 31.54% stake in the share capital; (b) Dott. ssa Giulia Nattino fully owns a 17.461% stake in the share capital; (c) Dott. ssa Paola Nattino fully owns a 17.461% stake in the share capital; (d) Mr Andrea Nattino holds a 24.574% stake in the share capital, including in bare ownership (i) 3.33% of Holding's share capital with usufruct to dott. Giampietro Nattino and (ii) 5.45% of Holding's share capital with usufruct to Ms Celeste Buitoni; (e) Dott. Giampietro Nattino jr holds a 4.482% stake in the share capital, including in bare ownership (i) 1.67% of Holding's share capital with usufruct to Dott. Giampietro Nattino and (ii) 2.72% of Holding's share capital with usufruct to Ms Celeste Buitoni; (f) Dott. Paolo Nattino holds a 4.482% stake in the share capital, including in bare ownership (i) 1.67% of Holding's share capital with usufruct to Dott. Giampietro Nattino and (ii) 2.72% of Holding's share capital with usufruct to Ms Celeste Buitoni;
- pursuant to art. 101-*bis*, paragraph 4-*bis*, letter b), of TUF, Holding is to be considered as a Person Acting in Concert with the Bidder, as a party that directly controls the Bidder. In addition, the AN Branch members, GL Investimenti and HPA are to be considered as Persons Acting in Concert with the Bidder pursuant to art. 101-*bis*, paragraphs 4 and 4-*bis*, lett. a) of TUF, as they signed the Shareholders' Agreement;
- pursuant to the Related Parties Regulation and Circular 285, the Bidder is a related party of the Issuer as both are subject to the common control of Holding. As to the relevant shareholders of the Bidder, on the Date of the Bid Document, Holding, which directly controls the Issuer, is to be considered as a related party of the Issuer pursuant to the Related Parties Regulation and Circular 285. The Bid Document also states that the following persons are related parties of the Issuer, pursuant to the Related Parties Regulation: (i) dott. Arturo Nattino who, in addition to being Holding Chairman, is also the Managing Director and General Manager of Banca Finnat, is the Bidder's sole administrator; (ii) Holding board members in their capacity as "directors with strategic responsibilities" of the party controlling the Issuer; (iii) the close family members of the parties stated in points (i) and (ii) above;
- the Bid Acceptance Period, agreed with Borsa Italiana, corresponding to 17 Open Trading Days, will begin at 8:30 (Italian time) on 24 October 2022 and end at 17:30 (Italian time) on 15 November 2022, inclusive, barring any extensions;
- during the Acceptance Period the Bidder is entitled to acquire the Issuer's ordinary shares outside of the Bid within the limits set out in the applicable regulations. Any purchases made outside of the Bid will be disclosed to the market pursuant to art. 41(2) lett c) of the Issuers

Regulation; the number of Shares Offered in the Bid may, therefore, be automatically reduced as a result of Shares purchased by the Bidder (and/or Persons Acting in Concert) outside of the Bid.

- the Shares Offered in the Bid shall be freely transferable to the Bidder and free from constraints and encumbrances of any kind, whether real, obligatory or personal;
- the Bidder will pay each accepting shareholder the Consideration equal to Euro 0.31 for each Share offered in the Bid, as described in more detail in paragraph 5.1;
- the Bid, being mandatory under the combined provision of art. 106(1) and 109 of TUF, is not subject to any effectiveness condition. In particular, the Bid is not conditional on reaching a minimum threshold of acceptances and is aimed at all shareholders on equal terms. No Bid effectiveness conditions are set out in law;
- the promotion of the Bid is not subject to any authorisation;
- the terms will not be reopened, pursuant to art. 40-*bis*, paragraph 3, letter b) of the Issuers Regulation, as, if at the end of the Acceptance Period the requirements pursuant to art. 40-*bis*, paragraph 1, letter b), point 2, of the Issuers Regulation are met - and therefore at least half the Shares Subject to the Bid are accepted - BidCo (i) will hold a stake over 90% and (ii) does not intend to restore a sufficient float to ensure regular trading;
- the Bid is promoted exclusively in Italy. The Bid is not and shall not be carried out in the United States, Canada, Japan, Australia or in any other country in which Bid promotion and acceptance would not comply with the laws and regulations on financial markets or other local laws and regulations or would not be permitted in the absence of preventive registration, approval or filing with the respective supervisory authorities, nor using the national or international communication or trading tools of these Countries (including, by way of example, the postal network, fax, telefax, email, telephone and internet), nor through any structure of any financial broker in these Countries, nor in any other way.

4.2. REASONS FOR THE BID AND FUTURE PLANS

With particular regard to the reasons for the Bid and the Issuer's future plans in relation to the Issuer, the Independent Directors note that the Bidder, in the Bid Document, has declared the following:

The aim of the Bid is to acquire the entire share capital of the Issuer and, in any case, to Delist. Therefore, upon the relative requirements being met, the Bidder does not intend to restore a sufficient float to ensure regular share trading.

In the event the Bank is delisted, Holding intends to propose to the competent bodies of the same, subject to the release of the necessary legal and regulatory authorisations, the Reverse Merger by incorporation of BidCo into the Issuer.

These aims fall within the objectives declared by the Bidder in the Bid Document, which states that: *“through the Bid and the Delisting, the Bidder intends to reorganise the Issuer in order to make it stronger - an operation that is more easily pursued by assuming the status of an unlisted company. This situation normally carries lower expenses and an increased degree of managerial and organisational flexibility in light of the advantages arising from simplifying the ownership structures. In the event the entirety of Banca Finnat’s ordinary shares are concentrated in the hands of the Bidder and the Persons Acting in Concert with the Bidder, the limitations imposed by law in the presence of minority shareholders and the ordinary costs resulting from disclosure requirements associated with listed company status would not apply. Further operational flexibility may be achieved in the context of the private capital market both in relation to the structuring of new operations aimed at external growth and the management of existing initiatives.”* The Bidder also pointed out that the *“Delisting will allow the disapplication of certain European regulatory provisions in the banking sector, therefore pursuing a simplification of the operational and management functioning of the Bank and of Banca Finnat Group.”*

In the event the requirements for Delisting are not met at the end of the Bid, *“the Bidder intends to delist through the merger by incorporation of the Issuer into the Bidder, an unlisted company, subject to the release of the authorisations envisaged under current legislation”*.

The Independent Directors inform the Bank’s shareholders of the circumstance – announced in the Bid Document – that on the Date of the Bid Document the Bidder and Holding hold a 72.3% stake in the Issuer’s share capital; said stake is such as to ensure approval of the extraordinary general meeting resolutions (i.e. more than two-thirds of the share capital), including the Merger.

The Bid Document, however, notes that, on the date of said document, no formal decisions have been made by the relevant bodies of the companies that may be involved in these extraordinary transactions.

For further information on the reasons for the Bid and the Bidder’s future plans, see Section G.2 of the Bid Document.

It should be noted that, in line with the aforesaid objectives, the Bidder stated in the Bid Document that, on meeting the requirements, it will fulfil the Purchase Obligation pursuant to art. 108(2) of

TUF with the Issuer's shareholders that have requested it at a consideration per share determined pursuant to the provisions of art. 108(3) of TUF, i.e. at a price equal to the Bid Consideration.

Furthermore, on meeting the requirements, as stated in the Bid Document, the Bidder has declared its intention to exercise the Right of Purchase pursuant to art. 111 of TUF at a consideration per Share determined under art. 108(3) of TUF, as cited in art. 111 of TUF, i.e. at a price equal to the Bid Consideration. The Bidder exercising the Right of Purchase, conditions permitting, will also meet the Purchase Obligation pursuant to art. 108(1) of TUF, from the Issuer's shareholders that have requested it, implementing the Joint Procedure.

The Bid Document states that the macroeconomic scenario is seriously impacted by the conflict between Russia and Ukraine and the strict commercial and financial sanctions and restrictions imposed by various European Union countries, among others, on the Russian economy and by the consequent repercussions on the national and international economic situation. Furthermore, the international geopolitical situation is also affected by the profound uncertainty arising from the possible escalation of the political and military tensions between China and USA, connected to the crisis between China and Taiwan.

On the Date of the Bid Document, the Bidder, with regard to the industrial and financial aims of the Bid, feels that the reasons for the Bid will not be jeopardised by the current geopolitical situation.

However, in light of the uncertainties surrounding the escalating conflict between Russia and Ukraine, any tightening of the aforementioned sanctions and restrictions and, with regard to China-USA relations, a possible escalation of political and military tensions, as well as the possible financial crisis and/or economic recession that may follow, the Bidder has stated that, on the Date of the Bid Document, it is not possible to foresee if the above events may have repercussions: (i) on the Bid; and/or (ii) on the income, asset and/or financial conditions of the Issuer and/or Group, compared to those recorded in the half-yearly financial report of 30 June 2022.

The Bid Document also states that, on the Date of the Bid Document, the national and international macroeconomic context is still affected by the health emergency arising from the Covid-19 pandemic. There is still considerable uncertainty surrounding the developments and effects of the pandemic, the adoption of measures by the authorities regarding the resumption of production activities and the economic recession that may ensue.

The Bid Document does not envisage any significant impact on the Bidder's business, not least because the Bidder is a newly established company that has not carried out any significant operational activities, with the exception of the preparations for promoting the Bid.

With regard to the Issuer's business, the Bid Document states that the industrial strategies of Banca Finnat Group have not changed as a result of the pandemic. In particular, the Bid Document states that, based on the information publicly available, Banca Finnat Group's consolidated net fee and commission income on 30 June 2022 rose by 10% compared to the corresponding period of 2021, rising from approximately Euro 25.8 million on 30 June 2021 to approximately Euro 28.3 million on 30 June 2022.

Notwithstanding the above, in light of the uncertainty surrounding the evolution and effects of the pandemic, the adoption of measures by national authorities for preventing contagion, and the possible financial crisis and/or economic recession that may ensue, the Bidder notes that, on the Date of the Bid Document, it is not possible to foresee whether these circumstances will have substantial negative effects: (i) on the Bid; and/or (ii) on the income, asset and/or financial conditions of the Issuer and/or Group, compared to those recorded in the half-yearly financial report of 30 June 2022.

4.3. MEANS OF FINANCING THE BID

The Independent Directors intend to call attention to the following profiles relating to the means of financing the Bid, as outlined in the Bid Document.

According to that stated in the Bid Document, to cover the financial requirements resulting from the payment obligations connected to the Bid, calculated assuming full acceptance of the Bid by the offerees and therefore equal to the Maximum Outlay:

- a) Holding made capital contributions directly available to the Bidder, as stated in the Equity Commitment Letter, in the form of a shareholder loan of Euro 5,970,000.00, in part used by the Bidder to acquire 13,000,000 Shares, equal to approximately 3.58% of the Issuer's share capital, for an amount equal to approximately Euro 4,031,588, including commissions, between the Reference Date and the Announcement Date; therefore, as stated in the Bid Document, approximately Euro 1,938,412 remains at the Bidder's disposal on the Date of the Bid Document;
- b) the Bidder will partly make use of a loan granted by the Lending Bank under the Loan Contract, signed between the Bidder and the Lending Bank on 27 July 2022, in the event BidCo, at the end of the Bid, holds (directly and indirectly, together with the Persons Acting in Concert with the same) an overall stake in the Issuer above 90% of its capital, also taking into account the Treasury Shares held by the Bank.

The Bidder stated in the Bid Document that if the threshold in lett. b) above is not met, the Bidder will purchase the Shares offered in the Bid over the course of the Acceptance Period using its own cash holdings.

In particular, under the Loan Contract, the Lending Bank made available to the Bidder:

(a) the Cash Confirmation Line of Credit for up to Euro 17,300,000.00, to service the release of the Performance Guarantee by the Lending Bank; and

(b) Line of Credit B for a maximum amount of Euro 13,300,000.00 for payment (i) of the consideration for purchasing the Shares offered in the Bid, (ii) of the consideration due in the event of the Purchase Obligation pursuant art. 108 of TUF, (iii) for any remaining part, of the consideration due in the event the Right of Purchase is exercised under art. 111 of TUF and (iv) of the costs of any kind connected with the loan and with the Bid.

Furthermore, as stated by the Bidder in the Bid Document, under the Loan Contract, the use of the Lines of Credit is subject to the satisfaction of certain standard suspensive conditions for operations of this kind, including but not limited to: release of all the necessary regulatory authorisations by the competent Authorities, establishment and fulfilment of the guarantees underpinning the Loan Contract, submission to the Lending Bank of the statements from the Bidder's legal representative.

For further information on the main terms and conditions of the Loan Contract, see Section G.1 of the Bid Document.

To guarantee the proper fulfilment of the Bidder's payment obligations within the Bid, Intesa Sanpaolo S.p.A., in its capacity as the bank issuing the performance guarantee under the Loan Contract, issued the Performance Guarantee, pursuant to art. 37-*bis* of the Issuers Regulation, consisting in a statement in which the Lending Bank committed, irrevocably and unconditionally, to guarantee the proper fulfilment of the Bidder's payment obligations within the Bid, to make available to the Intermediary in Charge of Coordinating the Collection of Acceptances the sum due from the Bidder as consideration for the Shares offered in the Bid up to a maximum equal to the Maximum Outlay. Intesa Sanpaolo S.p.A. will provide said amounts on the request of the Intermediary in Charge of Coordinating the Collection of Acceptances, without benefit of prior execution of the Bidder and without prejudice to any exception, so as to enable it to make the payments due on the relevant payment dates on behalf of the Bidder. As stated in the Bid Document, the Performance Guarantee will remain fully valid and effective until the earliest of the following dates: (i) the first working day after the payment Date and (ii) 13 January 2023.

In addition to the above, Intesa Sanpaolo S.p.A. has also undertaken - in the event that on completion of Bid the legal requirements of the Purchase Obligation pursuant to art. 108(2) of TUF and/or of the Purchase Obligation pursuant to art. 108(1) of TUF and of the Right of Purchase are met - to issue two further performance guarantees of the Bidder's obligations to pay the full price for all Shares that are to be acquired by the same, respectively, in fulfilment of the aforesaid Purchase Obligation pursuant to art. 108(2) of TUF and/or in implementation of the Joint Procedure.

The Bid Document also states that the Performance Guarantee - including additional performance guarantee(s) to be issued under the Purchase Obligation pursuant to art. 108(2) of TUF and/or under the Joint Procedure - remains fully valid and effective regardless of the validity and effectiveness of the Loan Contract, as well as in the event the Line of Credit B under the Loan Contract is not used.

For further information on the remarks provided by the Bidder with regard to the Consideration, see Section G.1 of the Bid Document.

4.4. REMARKS ON POSSIBLE SCENARIOS AT THE END OF THE BID

On the basis of that stated by the Bidder in the Bid Document, the Independent Directors call the Company shareholders' attention to the following possible scenarios that may arise at the end of the Bid.

More specifically, the "alternative scenarios for Banca Finnat shareholders" identified by the Bidder in the Bid Document are outlined below:

- (iii) Acceptance of the Bid.
- (iv) Non-acceptance of the Bid:
 - a. *The Bidder reaches at least 95% of the Issuer's share capital.*
 - b. *The Bidder reaches between 90% and 95% of the Issuer's share capital.*
 - c. *The Bidder reaches less than 90% of the Issuer's share capital.*

For further information on the aforesaid scenarios, see Section A.12 of the Bid Document.

The Independent Directors feel it is appropriate to remind the Bank's shareholders that, as stated in the Bid Document, the Bidder intends to proceed with the Merger by incorporation between the Issuer and BidCo, subject to the release of all the authorisations envisaged under current legislation.

More specifically, as stated by the Bidder (i) if Delisting goes ahead, Holding intends to propose to the competent bodies of the same, subject to the release of all the necessary legal and regulatory

authorisations, the Reverse Merger by incorporation of BidCo into the Issuer; and (ii) if the requirements for Delisting are not met at the end of the Bid, the Bidder intends to delist through the merger by incorporation of the Issuer into the Bidder (an unlisted company), subject to the release of the authorisations envisaged under current legislation.

As stated by the Bidder, no decision has yet been made regarding the possible Merger or the manner in which it will be carried out, even though it is consistent with the aims of the Bid in line with the reasons for the same.

It should also be noted that, on the Date of the Bid Document, the Bidder and Holding hold a 72.3% stake in the Issuer's share capital; said stake is such as to ensure approval of the extraordinary general meeting resolutions (i.e. more than two-thirds of the share capital), including the Merger.

For further information, see Section A.8.1. and Section G.2.2. of the Bid Document.

5. VALUATIONS OF THE FAIRNESS OF THE CONSIDERATION

5.1. BID CONSIDERATION

As stated in the Bid Document, the Bidder will pay each accepting shareholder the Consideration in cash equal to Euro 0.31 for each Share offered.

As stated in the Bid Document, the Consideration has been determined (i) in the assumption that the Issuer neither approves nor initiates the distribution of ordinary or extraordinary dividends from profits or reserves; in that event, the Consideration shall be automatically reduced by an amount equal to the dividend for each Share, and (ii) taking account of that laid down in art. 106, paragraph 2 of TUF, in compliance with which a public acquisition offer must be promoted at a price not lower than the highest price paid by the bidder for the purchase of the issuer's ordinary shares in the twelve months prior to the notice date under art. 102 TUF.

In particular, the Bidder determined the Bid price, autonomously and in compliance with that laid down in art. 106, paragraph 2 of TUF, to be Euro 0.31. The draft Bid Document also stated that, in determining the Consideration, the Bidder neither made use of nor obtained any expert opinions prepared by independent parties or aimed at assessing the fairness of the same. Furthermore, the Bidder also primarily took into account (i) the implied premium of the Consideration that was intended to be paid to the Issuer's minority shareholders on top of the official Price of the Issuer's Shares on the day before the Reference Date and the arithmetic mean of the official prices weighted by volumes traded in the Issuer's Shares relating to 1 (one), 3 (three), 6 (six) and 12 (twelve) months prior to the Reference Date, and (ii) the market multiples method, i.e. a comparison of the implied P/E (*Price/Earnings*) multiple of the Issuer, valued at the Consideration,

with the P/E multiple of a sample of listed companies deemed to be potentially or partially comparable.

In line with the above criteria, since neither the Bidder nor the Persons Acting in Concert with the Bidder has acquired the Issuer's shares - in the twelve months prior to the Bidder Notice - at a price above the unit valuation of the Issuer's shares recognised by the Bidder, the Consideration is equal to Euro 0.31.

Furthermore, the Consideration is not lower than Transfer values under the Capital Increase to Service the Transfer as verified by the expert, Prof. Alberto Dello Strologo, in the context of the sworn report released pursuant to art. 2465 of the Italian Civil Code on 7 September 2022.

The Consideration is understood as being net of any stamps due and of any fees, commissions and expenses, which remain payable by the Bidder. The substitute tax on capital gains, if due, will remain payable by the accepting shareholders.

As stated by the Bidder in the Bid Document, the official price per Issuer ordinary share on 23 March 2022 - the last Open Trading Day in which Banca Finnat stock was traded before the Reference Date - was equal to Euro 0.257 (source: *Bloomberg*). Compared to this value, the Consideration therefore incorporates a premium of approximately 20.7%.

The Bidder identified Euro 0.31 – and, therefore, the implied incorporated premium with respect to the last Open Trading Day in which Banca Finnat stock was traded before the Reference Date (i.e. approximately 20.7%) - as the most suitable consideration for adequately valuating the minority stake subject to the bid in order to maximise the success of the Bid itself.

The Bidder also stated in the Bid Document that, under the Bid, no further agreements exist nor have further considerations been agreed with any of the Issuer's shareholders.

The Maximum Overall Outlay of the Bid, in the event all shareholders accept the Bid, will be Euro 13,220,053.23.

For further information on the remarks provided by the Bidder with regard to the Consideration, see Section E of the Bid Document.

5.2. FAIRNESS OPINION

As stated above, the Independent Directors selected and appointed the Independent Expert for the purpose of issuing the Fairness Opinion. The Independent Expert conducted his own analysis and issued the Fairness Opinion on 19 October 2022.

For further information on the methodologies used and the valuations made by the Independent Expert, see the Fairness Opinion attached in full to this Opinion.

Conclusions of the Fairness Opinion

The Independent Expert concluded the Fairness Opinion in the following terms:

“In conclusion – in light of that described above and taking account of the outcomes of the valuation methods adopted and the analysis conducted, as well as acknowledging that these methods (and the individual parameters used) are an inseparable part of a process aimed at identifying the range of values that, in reasoned summary and within a determined time frame, also considering market trends, can represent the value range per Finnat share – it has been found that:

- i) the Bid Consideration is higher than the Company value inferable from the analysis of stock market listings for the relative share certificates over the last 6 months;*
- ii) the implied Bid premium is not lower than the range of premiums recognised within the examined basket of mandatory public acquisition offers made in Italy, again taking account of the stock market listings for Finnat share certificates over the last 6 months;*
- iii) the Bid Consideration is higher than the value per share determined both by applying the direct market multiples method and considering that observed in recent comparable transactions.*

It should also be pointed out that the Bid formulated by BidCo refers to a minority stake in Finnat and is aimed at delisting the Issuer’s shares , which would be followed by a merger by incorporation.

This circumstance suggests that possible discounts in the value of the Float may exist, as better defined in business and economics doctrine, which were conservatively not considered in the above estimates.

* * *

In light of the above and having regard to the characteristics and structure of the Bid, in addition to taking account of the analysis conducted and the outcomes of the valuation methods used, in line with the aims of this Opinion, the Consideration offered to Company shareholders as outlined in the Bid Document can be deemed to be fair for said shareholders”.

6. VALUATIONS OF THE INDEPENDENT DIRECTORS

With regard to the Bid as a whole, the Independent Directors make the following preliminary statements.

- The Independent Directors appointed the Independent Expert to issue the Fairness Opinion, pursuant to art. 39-*bis* of the Issuers Regulation. The task given to the Independent Expert envisages that the Board of Directors may also use the Fairness Opinion to draw up the Issuer Notice.
- The Independent Directors, making use of the overall investigation conducted, also agree, in their capacity as members of the Board of Directors, with the valuations and resolutions of the Board of Directors.

6.1. BID VALUATIONS

With reference to the Bid, taking account of the information provided by the Bidder in the Bid Document, the Independent Directors have conducted the following valuations of their own.

Delisting

- The Bidder states that it intends to Delist the Bank and, therefore, upon the relative requirements being met, it does not intend to restore a sufficient float to ensure regular share trading.
- The Independent Directors share that stated by the Bidder in the Bid Document, in which it states that, in the event of Delisting, the Bank, as an unlisted company, will assume a status which normally carries lower expenses and an increased degree of managerial and organisational flexibility.
- In that regard, the Independent Directors note that, should the financial instruments no longer be traded on the market, the status of unlisted company would result in a simplification of the ownership structures and also lead to the elimination of the legal constraints for minority shareholders and of the ordinary costs arising from the legislative and regulatory framework surrounding disclosure requirements associated with the status of a listed company. In general, the status of unlisted company can enable a simplification of the operational and management functioning of the Bank and of Banca Finnat Group.
- With regard to the consequences for the Issuer's shareholders, the Independent Directors note - in line with that stated by the Bidder in the Bid Document - that, if Delisting went ahead, those who remained shareholders of the Issuer would find themselves in possession of Shares not traded on any regulated market and would consequently have difficulty liquidating their investment or transferring such financial instruments.
- The Independent Directors also note that the rules on transparency and disclosure to shareholders established in legal and regulatory provisions for listed companies are stricter than those envisaged for unlisted companies and the governance of listed companies

includes institutions aimed at protecting minorities, such as, among other things, list voting rules for the appointment of management and control bodies, which are not mandatory for unlisted companies; furthermore, the exercise of certain rights in listed companies requires the possession of lower shareholding thresholds than in unlisted companies (for example, the right to challenge meeting resolutions pursuant to art. 2377 of the Italian Civil Code, the promotion of liability action pursuant to art. 2393-*bis* of the Italian Civil Code).

Further objectives of the Bidder

- The Bidder has, among other things, declared its intention to pursue the further strengthening of the Bank. More specifically, the Bidder, through the Bid and the Delisting, intends to reorganise the Issuer in order to make it stronger - an operation that is more easily pursued by assuming the status of an unlisted company.
- The Bidder also stated that, if Delisting goes ahead, Holding intends to propose to the competent bodies of the same, subject to the release of the necessary legal and regulatory authorisations, the Reverse Merger by incorporation of BidCo into the Issuer. In that event, the Issuer's shareholders who: (i) remain such in the event the Bidder (together with the Persons Acting in Concert) holds between 90% and 95% of the Issuer's share capital, and (ii) did not participate in the approval of the Merger ruling, would have the right of withdrawal solely upon the occurrence of one of the cases stipulated in art. 2437 of the Italian Civil Code. The liquidation value of the shares subject to withdrawal, where envisaged, would be determined pursuant to article 2437-*ter*, paragraph 2 of the Italian Civil Code, taking account of the Issuer's balance sheet and income prospects as well as the possible market value of the shares.
- In any event, including where the requirements for Delisting were not met at the end of the Bid, the Bidder is entitled to delist through the merger by incorporation of the Issuer into the Bidder, an unlisted company, subject to the release of the authorisations envisaged under current legislation. In that event, (i) the Merger would take place on the basis of an exchange ratio determined pursuant to art. 2501-*ter* Italian Civil Code, with no premium being payable to the minority shareholders of the company being acquired; (ii) the Merger would be classified as a related-party transaction as the Bidder is a related party of the Issuer pursuant to the Related Parties Regulation and, consequently, would be subject to the principles and rules of substantial and procedural transparency and correctness; (iii) the Issuer's shareholders who did not participate in the resolution approving the Merger (and therefore the delisting) would have the right of withdrawal pursuant to article 2437-*quinquies* of the Italian Civil Code, as, in that event, they would be holding shares not listed on any regulated market. In that event, as

stated above, the liquidation value of the shares subject to withdrawal would be determined pursuant to article 2437-ter, paragraph 3 of the Italian Civil Code. On completion of the Merger, those who remained shareholders and did not exercise the right of withdrawal would find themselves in possession of unlisted shares and would consequently have difficulty liquidating their investment in the future.

Effects of the merger on indebtedness

- With regard to the effects on indebtedness, as stated by the Bidder in the Bid Document, the Merger (in the absence of Delisting) of the Issuer into the Bidder (unlisted) may be classified as a “*merger with indebtedness*”, with consequent applicability of the provision under art. 2501-bis of the Italian Civil Code. In that event, once the operation is completed, the total remaining indebtedness of the participating companies would be transferred to the company resulting from the operation. The Issuer’s assets would constitute a source of repayment of the aforesaid indebtedness; consequently, the Bank’s shareholders who did not accept the Bid or who did not subsequently exercise the right of withdrawal, would find themselves owners of a stake in a company with a level of indebtedness above that prior to the Merger. Furthermore, in line with that stated by the Bidder in the Bid Document, it cannot be excluded that in order to meet the repayment of the amounts due under the Loan Contract, recourse would be made, as the case may be, to the use of cash flows deriving from the possible distribution of dividends and/or available reserves (where existing) of the Issuer and/or, in the event of a Merger, to the use of the Issuer’s cash flows.
- In the event of a Reverse Merger by incorporation of the Bidder into the Issuer after Delisting, in line with that laid down by the Bidder in the Bid Document, the Merger would be classified, if it occurred, as a “*merger with indebtedness*” with the consequent applicability of art. 2501-bis of the Italian Civil Code. The Issuer’s total indebtedness would rise by an amount equal to the sums loaned to the Bidder under the Loan Contract and not repaid on the effective date of the aforesaid Merger equal to, on the Date of the Bid Document, approximately Euro 7.6 million (in the event of 95% acceptance), increased by a further Euro 5.6 million, approximately, in the event of 100% acceptance, in addition to approximately Euro 5.9 million made available to the Bidder, in the form of a shareholder loan, directly by Holding.
- With regard to future investments and sources of financing, the Bid Document states that the Bidder has not made any proposals to the Issuer’s Board of Directors concerning significant investments and/or investments in addition to those generally required for the operative management of the activities in the sector in which the Issuer operates.

6.2. VALUATIONS OF THE CONSIDERATION

With particular regard to the Consideration, the Independent Directors conducted the following valuations.

- As stated above, the Fairness Opinion issued by the Independent Expert highlights the following profiles relating to the Consideration:
 - *“the Bid Consideration is higher than the Company value inferable from the analysis of stock market listings for the relative share certificates over the last 6 months;*
 - *the implied Bid premium is not lower than the range of premiums recognised within the examined basket of mandatory public acquisition offers made in Italy, again taking account of the stock market listings for Finnat share certificates over the last 6 months;*
 - *the Bid Consideration is higher than the value per share determined both by applying the direct market multiples method and considering that observed in recent comparable transactions.”*
- In addition, the Independent Expert points out that the Bid formulated by BidCo refers to a minority stake in Banca Finnat and is aimed at delisting the Issuer’s shares, which would be followed by a merger by incorporation. This circumstance, as indicated in the Fairness Opinion, suggests that *“possible discounts in the value of the Float may exist, as better defined in business and economics doctrine, which were conservatively not considered in the above estimates”*.
- On completing the examination of the Fairness Opinion issued by the Independent Expert, the Independent Directors share its method, assumptions and concluding remarks, particularly considering the methodologies contained therein to be consistent with professional and market practice, and suitable for enabling the valuation to be carried out.
- They therefore acknowledge that the Independent Expert concluded that *“the Consideration offered to Company shareholders as outlined in the Bid Document can be deemed to be fair for said shareholders”*.

7. CONCLUSIONS

In light of the above, the Independent Directors unanimously:

- having considered that this Opinion does not or cannot in any way be understood as a recommendation to accept or not accept the Bid and does not replace the judgement that each shareholder must personally make in relation to accepting the Bid;
- having examined the documentation indicated in paragraph 3.3 of this Opinion;
- notwithstanding the remarks made in this Opinion and, in particular, in paragraph 6;

- having considered that, from a strategic point of view, the aim of the Bid is to Delist the Bank and that this aim would allow - upon the Company's shares being delisted - a reduction in costs (including those arising from the legislative and regulatory framework), greater flexibility in Bank management and organisation, and, more generally, a simplification of the Bank's and the Group's operational and management functioning;
- having clarified that the shareholders who do not accept the Bid may find themselves shareholders of an unlisted company - and therefore having less protections for the interests of minority shareholders - and higher indebtedness;
- having taken account of the Fairness Opinion and its conclusions as outlined in paragraph 5.2;
- having ascertained that the Opinion is issued pursuant to art. 39-*bis* of the Issuers Regulation and, therefore, for the purpose of the release of the Issuer Notice by the Board of Directors;

assess the Bid positively and consider the Bid Consideration, as indicated by the Bidder in the Bid Document, equal to Euro 0.31 per Share offered, to be fair.

* * *

This Opinion, containing the valuations of the Bid and of the fairness of the Consideration, is made available to the Issuer's Board of Directors, together with the Fairness Opinion, for its consideration.

* * *

Annex:

- Fairness Opinion of Prof. Tiziano Onesti.

Rome, 19 October 2022

The Independent Directors of Banca Finnat Euramerica S.p.A.

(Maria Teresa Bianchi)

(Vincenzo Marini Marini)

(Paola Pierri)

Per ulteriori Informazioni:

Banca Finnat Euramerica S.p.A. (www.bancafinnat.it):

IR Manager:

Gian Franco Traverso Guicciardi - tel. +39 06 699 331 - g.traverso@finnat.it

Ufficio Stampa - Comin & Partners:

Giorgia Bazurli – tel. +39 06 902555 53 - +39 349 2840676

Giorgia.bazurli@cominandpartners.com

Annex 1

OPINION OF THE INDEPENDENT DIRECTORS PURSUANT TO ART. 39-BIS OF THE REGULATION ISSUED BY CONSOB WITH RULING NO. 11971 OF 1999 RELATING TO THE MANDATORY PUBLIC ACQUISITION OFFER PROMOTED BY P.N. 1898 S.R.L. – PURSUANT TO ARTICLES 102, 106(1), AND 109 OF LEG. DEC. NO. 58 OF 24 FEBRUARY 1998 – OF A TOTAL OF 42,645,333 ORDINARY SHARES IN BANCA FINNAT EURAMERICA S.P.A.

19 OCTOBER 2022

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DEFINITIONS

Independent Directors	The independent directors of Banca Finnat who draw up this Opinion pursuant to art. 39- <i>bis</i> of the Issuers Regulation.
Capital Increase to Service the Transfer	Holding's capital increase from Euro 10,000.00 to Euro 100,000.00, for a total therefore of Euro 90,000.00 with an overall share premium of Euro 55,603,599.83, voted on by the extraordinary shareholders' meeting at Holding on 8 September 2022, fully executed and paid-in via the Transfer on 12 September 2022.
Shares	The 362,880,000 ordinary shares representing the share capital of Banca Finnat, with a nominal value of Euro 0.20 each, with regular dividend rights listed on Euronext STAR Milan (ISIN code: IT0000088853).
Share Subject to the Bid or Shares Subject to the Bid	Each (or all or part, when in the plural) of the 42,645,333 ordinary shares in Banca Finnat subject to the Bid, equal to approximately 11.75% of the Bank's share capital, with a nominal value of Euro 0.20 each, i.e. the entirety of the Issuer's Shares minus (i) the shares held by Holding, directly (equal to approximately 68.72% of the Issuer's share capital) and indirectly through BidCo (equal to approximately 3.58% of the Issuer's share capital), (ii) the shares held by the AN Branch (equal to approximately 4.80% of the Issuer's share capital), (iii) the shares held by the GL Investimenti (equal to approximately 2.01% of the Issuer's share capital), (iv) the shares held by HPA (equal to approximately 1.19% of the Issuer's share capital), and (v) Treasury Shares (equal to approximately 7.94% of the Issuer's share capital).
Treasury Shares	The 28,810,640 Treasury shares held by the Issuer, equal to approximately 7.94% of the Issuer's share capital.
Lending Bank	Intesa Sanpaolo S.p.A.
Borsa Italiana	Borsa Italiana S.p.A., with registered office in Piazza degli Affari 6, Milan.
Circular 285	Circular no. 285 issued by Banca d'Italia on 17 December 2013 on Supervisory Provisions for Banks.
Commitment Letter	The commitment letter, including a binding term-sheet, signed by the Lending Bank, Holding and BidCo on 23 March 2022, containing the terms and conditions of a loan contract for the arrangement of the Lines of Credit granted to the Bidder by the Lending Bank in the context of the Bid.

Issuer Notice	The Issuer notice to be approved pursuant to art. 103(3) of TUF and art. 39 of the Issuers Regulation, containing all useful information for Bid assessment and Bid valuation, including the Opinion of the Independent Directors under art. 39- <i>bis</i> of the Issuers Regulation.
Bidder Notice	The notice released to the market by the Bidder, pursuant to art. 102 of TUF and art. 37 of the Issuers Regulation, on 12 September 2022.
Reorganisation Notice	Press release, published on 24 March 2022, announcing the intention of the members of the GN Branch, subject to the release of the necessary legal authorisations, to concentrate in Holding the Shares held in the Bank equal to approximately 68.72% of the share capital of the same, by means of the Transfer.
Consob	Commissione Nazionale per le Società e per la Borsa, based in Via G.B. Martini 3, Rome.
Loan Contract	The loan contract governing the Loan signed on 27 July 2022 by the Bidder and by the Lending Bank.
Transfer	The operation, executed on 12 September 2022, through which the members of the GN Branch transferred to Holding the 249,383,724 Shares, equal to approximately 68.72% of the Issuer's share capital.
Consideration	The consideration paid for each Share offered in the Bid, equal to Euro 0.31.
Date of the Bid Document	The Bid Document publication date.
Announcement Date	The publication date of the Bidder Notice, pursuant to art. 102 of TUF and art. 37 of the Issuers Regulation, i.e. 12 September 2022.
Payment Date	The date on which the Consideration will be paid, at the same time as the transfer of the right of ownership over the Shares Subject to the Bid to the Bidder, corresponding to the fourth Open Trading Day after the end of the Acceptance Period, and therefore (notwithstanding any extension of the Acceptance Period in compliance with the applicable regulations), 21 November 2022.
Reference Date	The date of the Reorganisation Notice, i.e. 24 March 2022.

Delisting	The removal of Banca Finnat ordinary shares from Euronext STAR Milan.
Right of Purchase	The Bidder's right to purchase the remaining Shares Subject to the Bid pursuant to art. 111(1) of TUF in the event the Bidder (together with the Persons Acting in Concert) holds an overall stake equal to at least 95% of the Issuer's share capital by the end of the Acceptance Period, including as a result of purchases made outside of the Bid, and/or during, or as a result of, the fulfilment of the Purchase Obligation pursuant to art. 108(2) of TUF.
Bid Document	The bid document written by the Bidder pursuant to art. 102 et seq. of TUF.
Issuer or Banca Finnat or Bank or Company	Banca Finnat Euramerica S.p.A., with registered office in Rome, Piazza del Gesù 49, Rome Companies Register and tax code 00168220069, VAT Number 00856091004, REA no. 444286, registered on the Banks Register held by Banca d'Italia under number 5369 and, as the parent company of "Gruppo Bancario Banca Finnat", on the Banking Groups Register under number 5557, and a member of the Fondo Interbancario di Tutela dei Depositi (Interbank fund for the protection of deposits) and the Fondo Nazionale di Garanzia (National Compensation Fund).
Equity Commitment Letter	The commitment letter issued by Holding to BidCo on 23 March 2022, in which Holding commits to making available to the Bidder, in the form of a shareholder loan, an amount equal to Euro 5,970,000.00.
Maximum Overall Outlay	The maximum overall equivalent value of the Bid, calculated according to the Consideration, assuming that all Shares Subject to the Bid are offered in the Bid, and therefore equal to Euro 13,220,053.23.
Independent Expert	Prof. Tiziano Onesti, who issued the Fairness Opinion.
Euronext STAR Milan	Segment of Euronext Milan, a regulated market organised and managed by Borsa Italiana.
Fairness Opinion	The "independent opinion pursuant to art. 39-bis of Consob Issuers Regulation no. 11971 of 14 May 1999 and subsequent amendments" released on 19 October 2022 by prof. Tiziano Onesti and attached to this Opinion.
Merger	The merger by incorporation between the Issuer and BidCo (unlisted company).

Guarantor	Intesa Sanpaolo S.p.A., as the party that issued the Performance Guarantee.
Performance Guarantee	The performance guarantee, pursuant to art. 37- <i>bis</i> of the Issuers Regulation, with which Intesa Sanpaolo S.p.A., as the Guarantor, committed, irrevocably and unconditionally, to make available to the Intermediary in Charge of Coordinating the Collection of Acceptances the sum due from the Bidder as consideration for the Shares offered in the Bid up to a maximum equal to the Maximum Outlay.
Open Trading Day	Each day the Italian regulated markets are open within the trading calendar established by Borsa Italiana.
GL Investimenti	GL Investimenti S.r.l., with registered office in Rome, Viale Gioacchino Rossini 26, Rome Companies Register no. 1195828, tax code and VAT Number 09902991000.
Banca Finnat Group	Collectively, the Issuer and the Issuer's subsidiaries pursuant to art. 93 of TUF.
Holding	Nattino Holding S.r.l., with registered office in Rome, Piazza del Gesù 49, Rome Companies Register, tax code and VAT number 16594091007, share capital Euro 100,000.00, fully paid up and subscribed.
HPA	H.P.A. S.r.l., with registered office in Rome, Via Francesco Denza 27, Rome Companies Register no. 669125, tax code 08599620583 and VAT Number 02097541003.
Intermediary in Charge of Coordinating the Collection of Acceptances	The intermediary in charge of coordinating the collection of acceptances to the Bid, i.e. Intesa Sanpaolo S.p.A.
Line of Credit B	a cash line of credit for a maximum amount of Euro 13,300,000.00 for payment (i) of the consideration for purchasing the Shares offered in the Bid, (ii) of the consideration due in the event of the purchase obligation pursuant art. 108 of TUF, (iii) for any remaining part, of the consideration due in the event the right of purchase is exercised under art. 111 of TUF and (iv) of the costs of any kind connected with the loan and with the Bid.
Cash Confirmation Line of Credit	A signature line of credit for up to Euro 17,300,000.00, to service the release of the Performance Guarantee by the Lending Bank.

Lines of Credit	Cash Confirmation Line of Credit and Line of Credit B.
Purchase Obligation pursuant to art. 108(1) of TUF	The Bidder's obligation to purchase the remaining Shares from those that have requested it, pursuant to art. 108(1) of TUF in the event the Bidder (together with the Persons Acting in Concert), as a result of Bid acceptance and purchases made outside of the Bid, holds, directly or indirectly, by the Bidder and/or by the Persons Acting in Concert, an overall stake equal to at least 95% of the Issuer's share capital after the Date of the Bid Document and by the end of the Acceptance Period and/or during or as a result of the fulfilment of the Purchase Obligation pursuant to art. 108(2) of TUF.
Purchase Obligation pursuant to art. 108(2) of TUF	The Bidder's obligation to purchase Shares not offered in the Bid from those that have requested it, pursuant to art. 108(2) of TUF in the event the Bidder (together with the Persons Acting in Concert), holds, directly or indirectly, by the Bidder and/or by the Persons Acting in Concert, between 90% and 95% of the Issuer's share capital after the Date of the Bid Document and by the end of the Acceptance Period as a result of Bid acceptance and purchases made outside of the Bid.
Bidder or BidCo	P.N. 1898 S.r.l., a limited liability company under Italian law, based in Rome, Piazza del Gesù 49, Rome Companies Register, tax code and VAT number 16600051003, share capital Euro 10,000.00 fully paid up and subscribed.
Bid	The mandatory public acquisition offer aiming to acquire all Banca Finnat's ordinary shares in circulation, minus (i) the shares held by Holding, (ii) the shares held by the AN Branch, (iii) the shares held by GL Investimenti, (iv) the shares held by HPA, (v) Treasury Shares, and (vi) the shares held by BidCo, promoted by the Bidder pursuant to art. 102, 106(1) and 109 of TUF, described in the Bid Document.
Opinion of the Independent Directors or Opinion	This reasoned opinion containing valuations of the Bid and the fairness of the Consideration written by the Issuer's Independent Directors who are not related parties of the Bidder pursuant to art. 39- <i>bis</i> of the Issuers Regulation.
Shareholders' Agreement	The shareholders' agreement with which the AN Branch, GL Investimenti and HPA, on 24 March 2022, entered into significant commitments pursuant to art. 122 paragraphs 1 and 5 of TUF towards Holding and BidCo in the context of the Bid, an extract of which was published on 29 March 2022 pursuant to art. 122 of TUF.

Acceptance Period	The Bid acceptance period, agreed with Borsa Italiana, corresponding to 17 Open Trading Days, which will begin at 8:30 (Italian time) on 24 October 2022 and end at 17:30 (Italian time) on 15 November 2022, inclusive, in which the Bid can be accepted, barring any extensions in compliance with applicable regulations.
Persons Acting in Concert	The persons acting in concert with the Bidder, pursuant to art. 101- <i>bis</i> , paragraphs 4 and 4- <i>bis</i> , of TUF, i.e. Holding, the members of the AN Branch, GL Investimenti and HPA. The persons acting in concert are jointly and severally liable for the obligations arising from the Bid to third parties pursuant to art. 109 of TUF.
Joint Procedure	The joint procedure for the fulfilment of the Purchase Obligation pursuant to art. 108(1) of TUF and the exercise of the Right of Purchase pursuant to art. 111(1) of TUF, agreed with Consob and Borsa Italiana pursuant to art. 50- <i>quinquies</i> , paragraph 1, of the Issuers Regulation.
AN Branch	Avv. Maria Sole Nattino, Ms Ilaria Nattino and Avv. Daniela Salivetto.
GN Branch	Dott. Arturo Nattino, Dott. Giampietro Nattino jr., Dott. Giampietro Nattino, Ms Celeste Buitoni, Dott. Paolo Nattino, Dott.ssa Giulia Nattino, Dott.ssa Paola Nattino, and Mr Andrea Nattino.
Issuers Regulation	The regulation approved with Consob resolution no. 11971 of 14 May 1999, as subsequently amended and in force on the date of this Opinion.
Related Parties Regulation	The regulation approved with Consob resolution no. 17221 of 12 March 2010, as subsequently amended and in force on the date of this Opinion.
TUF	Legislative Decree no. 58 of 24 February 1998, as subsequently amended and in force on the date of this Opinion.

6. FOREWORD

This Opinion, released pursuant to art. 39-*bis* of the Issuers Regulation, contains the assessments of Banca Finnat's Independent Directors of the Bid promoted by the Bidder pursuant to articles 102 and 106(1) and 109 of TUF for the entirety of the Bank's Shares, as outlined below.

* * *

The obligation to proceed with the Bid follows the execution, on 12 September 2022, of the Transfer.

In particular, on 23 March 2022 (i) Holding issued to the Bidder a commitment letter in which Holding committed to make directly available to the Bidder amounts, in the form of a shareholder loan, equal to Euro 5,970,000.00 (the Equity Commitment Letter), and (ii) the Lending Bank, Holding and BidCo signed a commitment letter, including a binding term-sheet, containing the terms and conditions of a loan contract for the arrangement of the Lines of Credit granted to the Bidder by the Lending Bank in the context of the Bid (the Commitment Letter).

Subsequently, on 24 March 2022 (the Reference Date), the members of the GN Branch disclosed to the market, with a press release circulated through the Bank, its intention, subject to the release of the necessary legal authorisations, to concentrate in Holding the Shares held in the Bank equal to approximately 68.72% of the share capital of the same, by means of the Transfer. The transaction aims to provide long-term stability to the Bank's ownership structure through the adoption of a suitable statutory structure for the Holding (the Reorganisation Notice).

On the same Reference Date, the AN Branch, GL Investimenti and HPA signed the Shareholders' Agreement containing significant commitments towards Holding and BidCo pursuant to art. 122 paragraphs 1 and 5 of TUF: (a) not to offer any shares in the Bid; (b) not to sell, transfer, either directly or through its subsidiaries or affiliates, or otherwise dispose of, or agree to sell, transfer or otherwise dispose of, place encumbrances on, or grant third party rights to, directly or through any of its subsidiaries or affiliates, the shares, for a period of 12

(twelve) months from the date the Shareholders' Agreement is signed; (c) not to purchase or acquire shares and/or financial instruments in the Issuer, or any other related financial instrument, either directly or through its subsidiaries or affiliates, other than through Holding or BidCo, until 6 (six) months after completion of the Bid; not to undertake, or cause any of their subsidiaries or affiliates to undertake, any transaction that would, for any reason, increase the price of the Bid or thwart the success of the Bid (including any new, raised, renewed or modified bid); (d) to consult the Holding in advance before exercising the right to vote at the Issuer's ordinary and extraordinary general meetings.

On 8 September 2022 the extraordinary general meeting at Holding ruled on the Capital Increase to Service the Transfer. The deed of Transfer was signed on the same date. Following the registration, on 12 September 2022, of the minutes of the aforesaid extraordinary general meeting and the deed of transfer in the Rome Companies Register, the Transfer was executed with the consequent acquisition by Holding of the legal control of the Bank and the arising of Holding's obligation to promote the Offer.

The Capital Increase to Service the Transfer was paid in through the transfer to Holding of the shares held in the Issuer by GN Branch members and, in particular: (i) by Dott. Arturo Nattino (78,654,240 Shares, equal to 21.68% of the Issuer's share capital), (ii) by Dott. Giampietro Nattino jr. (11,177,324 Shares, equal to 3.08% of the Issuer's share capital, of which 228,400 Fully owned shares and 10,948,924 Bare ownership shares with usufruct to Giampietro Nattino for 4,157,338 Shares and to Celeste Buitoni for 6,791,586 Shares), (iii) by Dott. Paolo Nattino (11,177,324 Shares, equal to 3.08% of the Issuer's share capital, of which 228,400 Fully owned shares and 10,948,924 Bare ownership shares with usufruct to Giampietro Nattino for 4,157,338 Shares, and to Celeste Buitoni for 6,791,586 Shares), (iv) by Dott.ssa Giulia Nattino (43,545,600 Shares, equal to 12% of the Issuer's share capital), (v) by Dott.ssa Paola Nattino (43,545,600 Shares, equal to 12% of the Issuer's share capital), and (vi) by Mr Andrea Nattino (61,283,636 Shares, equal to 16.89% of the Issuer's share capital, of which 39,385,789 Fully owned shares and 21,897,847 Bare ownership shares with usufruct to Giampietro Nattino for 8,314,676 Shares, and to Celeste Buitoni for 13,583,171 Shares). The completion of the operation was subject to the necessary regulatory and statutory

authorisations from the competent authorities, which were released as stated in the Bid Document.

Upon completion of the Transfer, Holding exerts legal control of the Issuer, pursuant to art. 2359 of the Italian Civil Code and to art. 93 of TUF.

On 12 September 2022 the Bidder disclosed to Consob and to the market that the legal requirements for promoting the Bid had been met, through a notice issued pursuant to art. 102(1) of TUF and art. 37(1) of the Issuers Regulation (the Bidder Notice).

On 27 September 2022 the Bid Document was filed at Consob by the Bidder, pursuant to art. 102(3) of TUF and art. 37-*ter* of the Issuers Regulation, and subsequently approved on 11 October 2022 and published on 14 October 2022 on the Bank's website.

7. AIMS AND LIMITATION OF THIS OPINION

This Opinion was written exclusively pursuant to art. 39-*bis* of the Issuers Regulation and is made available to the Issuer's Board of Directors in order that the latter may issue the Issuer Notice (pursuant to art. 103(3) of TUF and art. 39 of the Issuers Regulation).

The Bid falls within the scope of article 39-*bis* paragraph 1 of the Issuers Regulation and is, therefore, subject to the discipline provided for by said regulation. Article 39-*bis* of the Issuers Regulation provides that, before the Issuer Notice can be approved, the Independent Directors that are not related parties of the Bidder, are called upon to formulate a reasoned opinion containing the assessments of the bid and the fairness of the consideration, and using, at the Issuer's expense, the assistance of an independent expert identified by the Issuer.

The aim of this Opinion of the Independent Directors is, therefore, to describe the assessments that, pursuant to art. 39-*bis* of the Issuers Regulation, the Independent Directors made at the outcome of the analysis conducted, including with the assistance of the Independent Expert, in relation to the Bid and the fairness of the consideration offered within it, in order to help shareholders in making an informed choice in relation to the acceptance of the Bid.

As such, the Opinion does not intend in any way to replace the Issuer Notice or Bid Document, or any other document relating to the Bid under the competence and responsibility of the Bidder and circulated by the same; the Opinion cannot in any way be understood as a recommendation to accept or not accept the Bid and does not replace the need for each person to make their own assessment in relation to accepting the Bid.

The remarks of the Independent Directors are independent of any broader assessment that a shareholder must independently make in relation to accepting or not accepting the Bid, taking account of the market performance of the Shares, their own investment strategies and the characteristics of the stake held.

8. ACTIVITIES OF THE INDEPENDENT DIRECTORS

3.5. DIRECTORS WHO PARTICIPATED IN DRAWING UP THE OPINION

On the date of this Opinion, the Issuer's Board of Directors comprises 10 members, appointed by the Banca Finnat shareholders' meeting of 30 April 2021 for a three-year period and, therefore, until the meeting held to approve the financial statement to 31 December 2023.

Solely the Bank's Independent Directors who meet the requirements of independence pursuant to TUF, TUB and the Code of Corporate Governance participated in drawing up this Opinion:

- Maria Teresa Bianchi,
- Vincenzo Marini Marini,
- Paola Pierri.

For the purposes of issuing the Opinion, the Independent Directors declare, in compliance with art. 39-*bis* of the Issuers Regulation, that they are neither related parties of the Bidder nor bearers of interests, on their own behalf or on behalf of third parties, with respect to the Bid.

3.6. APPOINTMENT OF THE INDEPENDENT EXPERT

For the purposes of the Opinion, the Independent Directors decided to use the assistance of the Independent Expert, as envisaged under art. 39-*bis* paragraph 2 of the Issuers Regulation. They therefore carried out a beauty contest among experts of primary standing and with characteristics that will be outlined below; this process led to prof. Tiziano Onesti being appointed Independent Expert, who was asked to issue the Fairness Opinion.

The task given to the Independent Expert envisages that the Board of Directors may also use the Fairness Opinion to draw up the Issuer Notice.

More specifically, the Independent Expert was identified, as briefly outlined above, at the end of a selection procedure conducted whilst taking account of (i) the absence of any economic, asset or financial relationship with the “interested parties” under art. 35(1), lett. b) of the Issuers Regulation; (ii) that no spouse (or cohabiting partner) or close relatives of the Independent Expert (a) holds (or has held) positions of administration or control in the corporate governance of Banca Finnat or in the corporate governance of the parties controlling Banca Finnat, the subsidiaries of Banca Finnat or companies subject to joint control with Banca Finnat, or (b) is (or has been) linked to Banca Finnat by freelance or employed work or by other asset or professional relationships such as to compromise the independence and autonomy of judgement for the purposes of the role; (iii) that, outside the hypotheses referred to in points (i) and (ii) above, no situations exist that could undermine the independence of the Independent Expert or that could give rise to conflicts of interest in relation to his task within the role.

For the purpose of identifying the Independent Expert, the following criteria were taken into account: the professional competence, the experience in financial valuations, the reputation on the market, the requested fee.

On 19 October 2022, the Independent Expert issued the Fairness Opinion, attached to this Opinion, the conclusions of which are indicated in paragraph 5.2.

3.7. DOCUMENTATION EXAMINED

For the purpose of drawing up the Opinion, the Independent Directors examined not only the documentation underlying board proceedings, but also the following documents.

- The press release of 24 March 2022 announcing the intention of the GN Branch members to complete the Transfer, subject to the release of the necessary legal authorisations.
- The press release of 8 September 2022, with which Holding announced, via the Bank, that it had ruled on the Capital Increase to Service the Transfer by GN Branch members.
- The press release of 12 September 2022, issued by Holding and circulated via the Bank, relating to the completion of the Transfer.
- The press release of 27 September 2022 on the filing of the Bid Document by the Bidder.
- The press release of 11 October 2022 with which P.N. 1898 S.r.l. announced the approval of the Bid Document.
- The press release of 14 October 2022 on the publication of the Bid Document.
- The Bidder Notice pursuant to art. 102(1) of TUF.
- The drafts of the Bid Document, in the versions released and, lastly, the version approved by Consob on 11 October 2022.
- The documentation relating to the Shareholders' Agreement published pursuant to art. 122 of TUF.
- The Fairness Opinion of the Independent Expert.

3.8. INVESTIGATION AND DELIBERATION OF THIS OPINION

The Independent Directors met on several occasions, including via remote connections, to carry out the investigative and prodromal activities necessary to draw up the Opinion.

In particular, the Independent Directors, at the meetings, identified the Independent Expert by means of the selection process described in paragraph 3.2. The Independent Directors also carefully examined the draft Bid Documents and the additional documentation relating to the

Bid and discussed the same, including with the Independent Expert. In conducting the investigative activities in relation to the Bid, for the purposes of this Opinion, the Independent Directors examined all relevant aspects and profiles for assessment of the Bid, as well as its valuation and the valuation of the fairness of the Consideration, including on the basis of the Fairness Opinion.

On 19 October 2022 the Independent Directors met to examine the Fairness Opinion, having regard to the contents of the same and the methodologies applied to the drafting of the document. At the end of this meeting, the Opinion was finalised and resolved by the Independent Directors, and sent to the Board of Directors.

9. BID VALUATIONS

7.1. BID CHARACTERISTICS

In consideration of the aims of this Opinion, paragraph 4.1 includes the essential elements of the Bid, as indicated in the Bid Document, in order to facilitate its valuation by recipients.

More specifically, the Independent Directors, in drawing up this Opinion, drew the following essential information from the examination of the Bid Document - which must be referred to for a full description of the Bid contents:

- the Bid consists in a mandatory public acquisition offer pursuant to art. 102 and 106(1) and 109 of TUF;
- the Bid aims to acquire the entire share capital of the Issuer and to Delist;
- the Bid is promoted on a maximum of 42,645,333 Shares, representing approximately 11.75% of the Bank's share capital, at a nominal value of Euro 0.20 each, with regular dividend rights and fully paid-in, corresponding to the entirety of the Issuer's Shares, minus:
 - f) the overall 262,383,724 Shares, equal to approximately 72.3% of the Issuer's share capital, held by Holding (of which 249,383,724 Shares held directly, equal to approximately 68.72% of the Issuer's share capital, and 13,000,000 Shares held indirectly through BidCo, equal to approximately 3.58% of the Issuer's share capital);

- g) the overall 17,434,075 Shares, equal to approximately 4.80% of the Issuer's share capital, held, respectively, by Avv. Maria Sole Nattino (6,704,868 Shares, equal to 1.85% of the Issuer's share capital, of which 5,704,868 fully owned shares and 1,000,000 bare ownership shares with usufruct to Avv. Daniela Salivetto), by Dott.ssa Ilaria Nattino (6,954,867 Shares, equal to 1.92% of the Issuer's share capital, of which 5,954,867 fully owned shares and 1,000,000 bare ownership shares with usufruct to Avv. Daniela Salivetto) and by Avv. Daniela Salivetto (3,774,340 Shares, equal to 1.04% of the Issuer's share capital, fully owned) (jointly, the "AN Branch");
 - h) the overall 7,303,000 Shares, equal to approximately 2.01% of the Issuer's share capital, held by Dott. Giovanni Malagò and by Dott. Lupo Rattazzi via the holding company GL Investimenti;
 - i) the overall 4,303,228 Shares, equal to approximately 1.19% of the Issuer's share capital, held by HPA;
 - j) the 28,810,640 Treasury shares held by the Issuer, equal to approximately 7.94% of the Issuer's share capital.
- after the Transfer, Holding exerts legal control of the Issuer, pursuant to art. 2359 of the Italian Civil Code and to art. 93 of TUF;
 - as stated in the Bid Document, the Bidder's share capital is entirely held by Holding which, after the Transfer, has the following ownership structure: (a) Dott. Arturo Nattino fully owns a 31.54% stake in the share capital; (b) Dott. ssa Giulia Nattino fully owns a 17.461% stake in the share capital; (c) Dott. ssa Paola Nattino fully owns a 17.461% stake in the share capital; (d) Mr Andrea Nattino holds a 24.574% stake in the share capital, including in bare ownership (i) 3.33% of Holding's share capital with usufruct to dott. Giampietro Nattino and (ii) 5.45% of Holding's share capital with usufruct to Ms Celeste Buitoni; (e) Dott. Giampietro Nattino jr holds a 4.482% stake in the share capital, including in bare ownership (i) 1.67% of Holding's share capital with usufruct to Dott. Giampietro Nattino and (ii) 2.72% of Holding's share capital with usufruct to Ms Celeste Buitoni; (f) Dott. Paolo Nattino holds a 4.482% stake in the share capital, including in

- bare ownership (i) 1.67% of Holding's share capital with usufruct to Dott. Giampietro Nattino and (ii) 2.72% of Holding's share capital with usufruct to Ms Celeste Buitoni;
- pursuant to art. 101-*bis*, paragraph 4-*bis*, letter b), of TUF, Holding is to be considered as a Person Acting in Concert with the Bidder, as a party that directly controls the Bidder. In addition, the AN Branch members, GL Investimenti and HPA are to be considered as Persons Acting in Concert with the Bidder pursuant to art. 101-*bis*, paragraphs 4 and 4-*bis*, lett. a) of TUF, as they signed the Shareholders' Agreement;
 - pursuant to the Related Parties Regulation and Circular 285, the Bidder is a related party of the Issuer as both are subject to the common control of Holding. As to the relevant shareholders of the Bidder, on the Date of the Bid Document, Holding, which directly controls the Issuer, is to be considered as a related party of the Issuer pursuant to the Related Parties Regulation and Circular 285. The Bid Document also states that the following persons are related parties of the Issuer, pursuant to the Related Parties Regulation: (i) dott. Arturo Nattino who, in addition to being Holding Chairman, is also the Managing Director and General Manager of Banca Finnat, is the Bidder's sole administrator; (ii) Holding board members in their capacity as "directors with strategic responsibilities" of the party controlling the Issuer; (iii) the close family members of the parties stated in points (i) and (ii) above;
 - the Bid Acceptance Period, agreed with Borsa Italiana, corresponding to 17 Open Trading Days, will begin at 8:30 (Italian time) on 24 October 2022 and end at 17:30 (Italian time) on 15 November 2022, inclusive, barring any extensions;
 - during the Acceptance Period the Bidder is entitled to acquire the Issuer's ordinary shares outside of the Bid within the limits set out in the applicable regulations. Any purchases made outside of the Bid will be disclosed to the market pursuant to art. 41(2) lett c) of the Issuers Regulation; the number of Shares Offered in the Bid may, therefore, be automatically reduced as a result of Shares purchased by the Bidder (and/or Persons Acting in Concert) outside of the Bid.
 - the Shares Offered in the Bid shall be freely transferable to the Bidder and free from constraints and encumbrances of any kind, whether real, obligatory or personal;

- the Bidder will pay each accepting shareholder the Consideration equal to Euro 0.31 for each Share offered in the Bid, as described in more detail in paragraph 5.1;
- the Bid, being mandatory under the combined provision of art. 106(1) and 109 of TUF, is not subject to any effectiveness condition. In particular, the Bid is not conditional on reaching a minimum threshold of acceptances and is aimed at all shareholders on equal terms. No Bid effectiveness conditions are set out in law;
- the promotion of the Bid is not subject to any authorisation;
- the terms will not be reopened, pursuant to art. 40-*bis*, paragraph 3, letter b) of the Issuers Regulation, as, if at the end of the Acceptance Period the requirements pursuant to art. 40-*bis*, paragraph 1, letter b), point 2, of the Issuers Regulation are met - and therefore at least half the Shares Subject to the Bid are accepted - BidCo (i) will hold a stake over 90% and (ii) does not intend to restore a sufficient float to ensure regular trading;
- the Bid is promoted exclusively in Italy. The Bid is not and shall not be carried out in the United States, Canada, Japan, Australia or in any other country in which Bid promotion and acceptance would not comply with the laws and regulations on financial markets or other local laws and regulations or would not be permitted in the absence of preventive registration, approval or filing with the respective supervisory authorities, nor using the national or international communication or trading tools of these Countries (including, by way of example, the postal network, fax, telefax, email, telephone and internet), nor through any structure of any financial broker in these Countries, nor in any other way.

7.2. REASONS FOR THE BID AND FUTURE PLANS

With particular regard to the reasons for the Bid and the Issuer's future plans in relation to the Issuer, the Independent Directors note that the Bidder, in the Bid Document, has declared the following:

The aim of the Bid is to acquire the entire share capital of the Issuer and, in any case, to Delist. Therefore, upon the relative requirements being met, the Bidder does not intend to restore a sufficient float to ensure regular share trading.

In the event the Bank is delisted, Holding intends to propose to the competent bodies of the same, subject to the release of the necessary legal and regulatory authorisations, the Reverse Merger by incorporation of BidCo into the Issuer.

These aims fall within the objectives declared by the Bidder in the Bid Document, which states that: *“through the Bid and the Delisting, the Bidder intends to reorganise the Issuer in order to make it stronger - an operation that is more easily pursued by assuming the status of an unlisted company. This situation normally carries lower expenses and an increased degree of managerial and organisational flexibility in light of the advantages arising from simplifying the ownership structures. In the event the entirety of Banca Finnat’s ordinary shares are concentrated in the hands of the Bidder and the Persons Acting in Concert with the Bidder, the limitations imposed by law in the presence of minority shareholders and the ordinary costs resulting from disclosure requirements associated with listed company status would not apply. Further operational flexibility may be achieved in the context of the private capital market both in relation to the structuring of new operations aimed at external growth and the management of existing initiatives.”* The Bidder also pointed out that the *“Delisting will allow the disapplication of certain European regulatory provisions in the banking sector, therefore pursuing a simplification of the operational and management functioning of the Bank and of Banca Finnat Group.”*

In the event the requirements for Delisting are not met at the end of the Bid, *“the Bidder intends to delist through the merger by incorporation of the Issuer into the Bidder, an unlisted company, subject to the release of the authorisations envisaged under current legislation”*.

The Independent Directors inform the Bank’s shareholders of the circumstance – announced in the Bid Document – that on the Date of the Bid Document the Bidder and Holding hold a 72.3% stake in the Issuer’s share capital; said stake is such as to ensure approval of the extraordinary general meeting resolutions (i.e. more than two-thirds of the share capital), including the Merger.

The Bid Document, however, notes that, on the date of said document, no formal decisions have been made by the relevant bodies of the companies that may be involved in these extraordinary transactions.

For further information on the reasons for the Bid and the Bidder's future plans, see Section G.2 of the Bid Document.

It should be noted that, in line with the aforesaid objectives, the Bidder stated in the Bid Document that, on meeting the requirements, it will fulfil the Purchase Obligation pursuant to art. 108(2) of TUF with the Issuer's shareholders that have requested it at a consideration per share determined pursuant to the provisions of art. 108(3) of TUF, i.e. at a price equal to the Bid Consideration.

Furthermore, on meeting the requirements, as stated in the Bid Document, the Bidder has declared its intention to exercise the Right of Purchase pursuant to art. 111 of TUF at a consideration per Share determined under art. 108(3) of TUF, as cited in art. 111 of TUF, i.e. at a price equal to the Bid Consideration. The Bidder exercising the Right of Purchase, conditions permitting, will also meet the Purchase Obligation pursuant to art. 108(1) of TUF, from the Issuer's shareholders that have requested it, implementing the Joint Procedure.

The Bid Document states that the macroeconomic scenario is seriously impacted by the conflict between Russia and Ukraine and the strict commercial and financial sanctions and restrictions imposed by various European Union countries, among others, on the Russian economy and by the consequent repercussions on the national and international economic situation. Furthermore, the international geopolitical situation is also affected by the profound uncertainty arising from the possible escalation of the political and military tensions between China and USA, connected to the crisis between China and Taiwan.

On the Date of the Bid Document, the Bidder, with regard to the industrial and financial aims of the Bid, feels that the reasons for the Bid will not be jeopardised by the current geopolitical situation.

However, in light of the uncertainties surrounding the escalating conflict between Russia and Ukraine, any tightening of the aforementioned sanctions and restrictions and, with regard to China-USA relations, a possible escalation of political and military tensions, as well as the possible financial crisis and/or economic recession that may follow, the Bidder has stated that, on the Date of the Bid Document, it is not possible to foresee if the above events may

have repercussions: (i) on the Bid; and/or (ii) on the income, asset and/or financial conditions of the Issuer and/or Group, compared to those recorded in the half-yearly financial report of 30 June 2022.

The Bid Document also states that, on the Date of the Bid Document, the national and international macroeconomic context is still affected by the health emergency arising from the Covid-19 pandemic. There is still considerable uncertainty surrounding the developments and effects of the pandemic, the adoption of measures by the authorities regarding the resumption of production activities and the economic recession that may ensue.

The Bid Document does not envisage any significant impact on the Bidder's business, not least because the Bidder is a newly established company that has not carried out any significant operational activities, with the exception of the preparations for promoting the Bid.

With regard to the Issuer's business, the Bid Document states that the industrial strategies of Banca Finnat Group have not changed as a result of the pandemic. In particular, the Bid Document states that, based on the information publicly available, Banca Finnat Group's consolidated net fee and commission income on 30 June 2022 rose by 10% compared to the corresponding period of 2021, rising from approximately Euro 25.8 million on 30 June 2021 to approximately Euro 28.3 million on 30 June 2022.

Notwithstanding the above, in light of the uncertainty surrounding the evolution and effects of the pandemic, the adoption of measures by national authorities for preventing contagion, and the possible financial crisis and/or economic recession that may ensue, the Bidder notes that, on the Date of the Bid Document, it is not possible to foresee whether these circumstances will have substantial negative effects: (i) on the Bid; and/or (ii) on the income, asset and/or financial conditions of the Issuer and/or Group, compared to those recorded in the half-yearly financial report of 30 June 2022.

7.3. MEANS OF FINANCING THE BID

The Independent Directors intend to call attention to the following profiles relating to the means of financing the Bid, as outlined in the Bid Document.

According to that stated in the Bid Document, to cover the financial requirements resulting from the payment obligations connected to the Bid, calculated assuming full acceptance of the Bid by the offerees and therefore equal to the Maximum Outlay:

- c) Holding made capital contributions directly available to the Bidder, as stated in the Equity Commitment Letter, in the form of a shareholder loan of Euro 5,970,000.00, in part used by the Bidder to acquire 13,000,000 Shares, equal to approximately 3.58% of the Issuer's share capital, for an amount equal to approximately Euro 4,031,588, including commissions, between the Reference Date and the Announcement Date; therefore, as stated in the Bid Document, approximately Euro 1,938,412 remains at the Bidder's disposal on the Date of the Bid Document;
- d) the Bidder will partly make use of a loan granted by the Lending Bank under the Loan Contract, signed between the Bidder and the Lending Bank on 27 July 2022, in the event BidCo, at the end of the Bid, holds (directly and indirectly, together with the Persons Acting in Concert with the same) an overall stake in the Issuer above 90% of its capital, also taking into account the Treasury Shares held by the Bank.

The Bidder stated in the Bid Document that if the threshold in lett. b) above is not met, the Bidder will purchase the Shares offered in the Bid over the course of the Acceptance Period using its own cash holdings.

In particular, under the Loan Contract, the Lending Bank made available to the Bidder:

- (a) the Cash Confirmation Line of Credit for up to Euro 17,300,000.00, to service the release of the Performance Guarantee by the Lending Bank; and
- (b) Line of Credit B for a maximum amount of Euro 13,300,000.00 for payment (i) of the consideration for purchasing the Shares offered in the Bid, (ii) of the consideration due in the event of the Purchase Obligation pursuant art. 108 of TUF, (iii) for any remaining part, of the consideration due in the event the Right of Purchase is exercised under art. 111 of TUF and (iv) of the costs of any kind connected with the loan and with the Bid.

Furthermore, as stated by the Bidder in the Bid Document, under the Loan Contract, the use of the Lines of Credit is subject to the satisfaction of certain standard suspensive conditions for operations of this kind, including but not limited to: release of all the necessary regulatory authorisations by the competent Authorities, establishment and fulfilment of the guarantees underpinning the Loan Contract, submission to the Lending Bank of the statements from the Bidder's legal representative.

For further information on the main terms and conditions of the Loan Contract, see Section G.1 of the Bid Document.

To guarantee the proper fulfilment of the Bidder's payment obligations within the Bid, Intesa Sanpaolo S.p.A., in its capacity as the bank issuing the performance guarantee under the Loan Contract, issued the Performance Guarantee, pursuant to art. 37-*bis* of the Issuers Regulation, consisting in a statement in which the Lending Bank committed, irrevocably and unconditionally, to guarantee the proper fulfilment of the Bidder's payment obligations within the Bid, to make available to the Intermediary in Charge of Coordinating the Collection of Acceptances the sum due from the Bidder as consideration for the Shares offered in the Bid up to a maximum equal to the Maximum Outlay. Intesa Sanpaolo S.p.A. will provide said amounts on the request of the Intermediary in Charge of Coordinating the Collection of Acceptances, without benefit of prior execution of the Bidder and without prejudice to any exception, so as to enable it to make the payments due on the relevant payment dates on behalf of the Bidder. As stated in the Bid Document, the Performance Guarantee will remain fully valid and effective until the earliest of the following dates: (i) the first working day after the payment Date and (ii) 13 January 2023.

In addition to the above, Intesa Sanpaolo S.p.A. has also undertaken - in the event that on completion of Bid the legal requirements of the Purchase Obligation pursuant to art. 108(2) of TUF and/or of the Purchase Obligation pursuant to art. 108(1) of TUF and of the Right of Purchase are met - to issue two further performance guarantees of the Bidder's obligations to pay the full price for all Shares that are to be acquired by the same, respectively, in fulfilment

of the aforesaid Purchase Obligation pursuant to art. 108(2) of TUF and/or in implementation of the Joint Procedure.

The Bid Document also states that the Performance Guarantee - including additional performance guarantee(s) to be issued under the Purchase Obligation pursuant to art. 108(2) of TUF and/or under the Joint Procedure - remains fully valid and effective regardless of the validity and effectiveness of the Loan Contract, as well as in the event the Line of Credit B under the Loan Contract is not used.

For further information on the remarks provided by the Bidder with regard to the Consideration, see Section G.1 of the Bid Document.

7.4. REMARKS ON POSSIBLE SCENARIOS AT THE END OF THE BID

On the basis of that stated by the Bidder in the Bid Document, the Independent Directors call the Company shareholders' attention to the following possible scenarios that may arise at the end of the Bid.

More specifically, the "alternative scenarios for Banca Finnat shareholders" identified by the Bidder in the Bid Document are outlined below:

- (v) Acceptance of the Bid.
- (vi) Non-acceptance of the Bid:
 - a. *The Bidder reaches at least 95% of the Issuer's share capital.*
 - b. *The Bidder reaches between 90% and 95% of the Issuer's share capital.*
 - c. *The Bidder reaches less than 90% of the Issuer's share capital.*

For further information on the aforesaid scenarios, see Section A.12 of the Bid Document.

The Independent Directors feel it is appropriate to remind the Bank's shareholders that, as stated in the Bid Document, the Bidder intends to proceed with the Merger by incorporation between the Issuer and BidCo, subject to the release of all the authorisations envisaged under current legislation.

More specifically, as stated by the Bidder (i) if Delisting goes ahead, Holding intends to propose to the competent bodies of the same, subject to the release of all the necessary legal

and regulatory authorisations, the Reverse Merger by incorporation of BidCo into the Issuer; and (ii) if the requirements for Delisting are not met at the end of the Bid, the Bidder intends to delist through the merger by incorporation of the Issuer into the Bidder (an unlisted company), subject to the release of the authorisations envisaged under current legislation.

As stated by the Bidder, no decision has yet been made regarding the possible Merger or the manner in which it will be carried out, even though it is consistent with the aims of the Bid in line with the reasons for the same.

It should also be noted that, on the Date of the Bid Document, the Bidder and Holding hold a 72.3% stake in the Issuer's share capital; said stake is such as to ensure approval of the extraordinary general meeting resolutions (i.e. more than two-thirds of the share capital), including the Merger.

For further information, see Section A.8.1. and Section G.2.2. of the Bid Document.

8. VALUATIONS OF THE FAIRNESS OF THE CONSIDERATION

8.1. BID CONSIDERATION

As stated in the Bid Document, the Bidder will pay each accepting shareholder the Consideration in cash equal to Euro 0.31 for each Share offered.

As stated in the Bid Document, the Consideration has been determined (i) in the assumption that the Issuer neither approves nor initiates the distribution of ordinary or extraordinary dividends from profits or reserves; in that event, the Consideration shall be automatically reduced by an amount equal to the dividend for each Share, and (ii) taking account of that laid down in art. 106, paragraph 2 of TUF, in compliance with which a public acquisition offer must be promoted at a price not lower than the highest price paid by the bidder for the purchase of the issuer's ordinary shares in the twelve months prior to the notice date under art. 102 TUF.

In particular, the Bidder determined the Bid price, autonomously and in compliance with that laid down in art. 106, paragraph 2 of TUF, to be Euro 0.31. The draft Bid Document also stated that, in determining the Consideration, the Bidder neither made use of nor obtained

any expert opinions prepared by independent parties or aimed at assessing the fairness of the same. Furthermore, the Bidder also primarily took into account (i) the implied premium of the Consideration that was intended to be paid to the Issuer's minority shareholders on top of the official Price of the Issuer's Shares on the day before the Reference Date and the arithmetic mean of the official prices weighted by volumes traded in the Issuer's Shares relating to 1 (one), 3 (three), 6 (six) and 12 (twelve) months prior to the Reference Date, and (ii) the market multiples method, i.e. a comparison of the implied P/E (*Price/Earnings*) multiple of the Issuer, valued at the Consideration, with the P/E multiple of a sample of listed companies deemed to be potentially or partially comparable.

In line with the above criteria, since neither the Bidder nor the Persons Acting in Concert with the Bidder has acquired the Issuer's shares - in the twelve months prior to the Bidder Notice - at a price above the unit valuation of the Issuer's shares recognised by the Bidder, the Consideration is equal to Euro 0.31.

Furthermore, the Consideration is not lower than Transfer values under the Capital Increase to Service the Transfer as verified by the expert, Prof. Alberto Dello Strologo, in the context of the sworn report released pursuant to art. 2465 of the Italian Civil Code on 7 September 2022.

The Consideration is understood as being net of any stamps due and of any fees, commissions and expenses, which remain payable by the Bidder. The substitute tax on capital gains, if due, will remain payable by the accepting shareholders.

As stated by the Bidder in the Bid Document, the official price per Issuer ordinary share on 23 March 2022 - the last Open Trading Day in which Banca Finnat stock was traded before the Reference Date - was equal to Euro 0.257 (source: *Bloomberg*). Compared to this value, the Consideration therefore incorporates a premium of approximately 20.7%.

The Bidder identified Euro 0.31 – and, therefore, the implied incorporated premium with respect to the last Open Trading Day in which Banca Finnat stock was traded before the Reference Date (i.e. approximately 20.7%) - as the most suitable consideration for adequately

valuating the minority stake subject to the bid in order to maximise the success of the Bid itself.

The Bidder also stated in the Bid Document that, under the Bid, no further agreements exist nor have further considerations been agreed with any of the Issuer's shareholders.

The Maximum Overall Outlay of the Bid, in the event all shareholders accept the Bid, will be Euro 13,220,053.23.

For further information on the remarks provided by the Bidder with regard to the Consideration, see Section E of the Bid Document.

8.2. FAIRNESS OPINION

As stated above, the Independent Directors selected and appointed the Independent Expert for the purpose of issuing the Fairness Opinion. The Independent Expert conducted his own analysis and issued the Fairness Opinion on 19 October 2022.

For further information on the methodologies used and the valuations made by the Independent Expert, see the Fairness Opinion attached in full to this Opinion.

Conclusions of the Fairness Opinion

The Independent Expert concluded the Fairness Opinion in the following terms:

'In conclusion – in light of that described above and taking account of the outcomes of the valuation methods adopted and the analysis conducted, as well as acknowledging that these methods (and the individual parameters used) are an inseparable part of a process aimed at identifying the range of values that, in reasoned summary and within a determined time frame, also considering market trends, can represent the value range per Finnat share – it has been found that:

- iv) the Bid Consideration is higher than the Company value inferable from the analysis of stock market listings for the relative share certificates over the last 6 months;*
- v) the implied Bid premium is not lower than the range of premiums recognised within the examined basket of mandatory public acquisition offers made in Italy, again taking account of the stock market listings for Finnat share certificates over the last 6 months;*

vi) the Bid Consideration is higher than the value per share determined both by applying the direct market multiples method and considering that observed in recent comparable transactions.

It should also be pointed out that the Bid formulated by BidCo refers to a minority stake in Finnat and is aimed at delisting the Issuer's shares , which would be followed by a merger by incorporation.

This circumstance suggests that possible discounts in the value of the Float may exist, as better defined in business and economics doctrine, which were conservatively not considered in the above estimates.

*** * ***

In light of the above and having regard to the characteristics and structure of the Bid, in addition to taking account of the analysis conducted and the outcomes of the valuation methods used, in line with the aims of this Opinion, the Consideration offered to Company shareholders as outlined in the Bid Document can be deemed to be fair for said shareholders”.

9. VALUATIONS OF THE INDEPENDENT DIRECTORS

With regard to the Bid as a whole, the Independent Directors make the following preliminary statements.

- The Independent Directors appointed the Independent Expert to issue the Fairness Opinion, pursuant to art. 39-bis of the Issuers Regulation. The task given to the Independent Expert envisages that the Board of Directors may also use the Fairness Opinion to draw up the Issuer Notice.
- The Independent Directors, making use of the overall investigation conducted, also agree, in their capacity as members of the Board of Directors, with the valuations and resolutions of the Board of Directors.

9.1. BID VALUATIONS

With reference to the Bid, taking account of the information provided by the Bidder in the Bid Document, the Independent Directors have conducted the following valuations of their own.

Delisting

- The Bidder states that it intends to Delist the Bank and, therefore, upon the relative requirements being met, it does not intend to restore a sufficient float to ensure regular share trading.
- The Independent Directors share that stated by the Bidder in the Bid Document, in which it states that, in the event of Delisting, the Bank, as an unlisted company, will assume a status which normally carries lower expenses and an increased degree of managerial and organisational flexibility.
- In that regard, the Independent Directors note that, should the financial instruments no longer be traded on the market, the status of unlisted company would result in a simplification of the ownership structures and also lead to the elimination of the legal constraints for minority shareholders and of the ordinary costs arising from the legislative and regulatory framework surrounding disclosure requirements associated with the status of a listed company. In general, the status of unlisted company can enable a simplification of the operational and management functioning of the Bank and of Banca Finnat Group.
- With regard to the consequences for the Issuer's shareholders, the Independent Directors note - in line with that stated by the Bidder in the Bid Document - that, if Delisting went ahead, those who remained shareholders of the Issuer would find themselves in possession of Shares not traded on any regulated market and would consequently have difficulty liquidating their investment or transferring such financial instruments.
- The Independent Directors also note that the rules on transparency and disclosure to shareholders established in legal and regulatory provisions for listed companies are stricter than those envisaged for unlisted companies and the governance of listed companies includes institutions aimed at protecting minorities, such as, among other things, list voting rules for the appointment of management and control bodies, which are not mandatory for unlisted companies; furthermore, the exercise of certain rights in listed companies requires the possession of lower shareholding thresholds than in unlisted companies (for example, the right to challenge meeting resolutions pursuant to art. 2377 of the Italian Civil Code, the promotion of liability action pursuant to art. 2393-*bis* of the Italian Civil Code).

Further objectives of the Bidder

- The Bidder has, among other things, declared its intention to pursue the further strengthening of the Bank. More specifically, the Bidder, through the Bid and the Delisting, intends to reorganise the Issuer in order to make it stronger - an operation that is more easily pursued by assuming the status of an unlisted company.
- The Bidder also stated that, if Delisting goes ahead, Holding intends to propose to the competent bodies of the same, subject to the release of the necessary legal and regulatory authorisations, the Reverse Merger by incorporation of BidCo into the Issuer. In that event, the Issuer's shareholders who: (i) remain such in the event the Bidder (together with the Persons Acting in Concert) holds between 90% and 95% of the Issuer's share capital, and (ii) did not participate in the approval of the Merger ruling, would have the right of withdrawal solely upon the occurrence of one of the cases stipulated in art. 2437 of the Italian Civil Code. The liquidation value of the shares subject to withdrawal, where envisaged, would be determined pursuant to article 2437-ter, paragraph 2 of the Italian Civil Code, taking account of the Issuer's balance sheet and income prospects as well as the possible market value of the shares.
- In any event, including where the requirements for Delisting were not met at the end of the Bid, the Bidder is entitled to delist through the merger by incorporation of the Issuer into the Bidder, an unlisted company, subject to the release of the authorisations envisaged under current legislation. In that event, (i) the Merger would take place on the basis of an exchange ratio determined pursuant to art. 2501-ter Italian Civil Code, with no premium being payable to the minority shareholders of the company being acquired; (ii) the Merger would be classified as a related-party transaction as the Bidder is a related party of the Issuer pursuant to the Related Parties Regulation and, consequently, would be subject to the principles and rules of substantial and procedural transparency and correctness; (iii) the Issuer's shareholders who did not participate in the resolution approving the Merger (and therefore the delisting) would have the right of withdrawal pursuant to article 2437-quinquies of the Italian Civil Code, as, in that event, they would be holding shares not listed on any regulated market. In that event, as stated above, the

liquidation value of the shares subject to withdrawal would be determined pursuant to article 2437-ter, paragraph 3 of the Italian Civil Code. On completion of the Merger, those who remained shareholders and did not exercise the right of withdrawal would find themselves in possession of unlisted shares and would consequently have difficulty liquidating their investment in the future.

Effects of the merger on indebtedness

- With regard to the effects on indebtedness, as stated by the Bidder in the Bid Document, the Merger (in the absence of Delisting) of the Issuer into the Bidder (unlisted) may be classified as a “*merger with indebtedness*”, with consequent applicability of the provision under art. 2501-bis of the Italian Civil Code. In that event, once the operation is completed, the total remaining indebtedness of the participating companies would be transferred to the company resulting from the operation. The Issuer’s assets would constitute a source of repayment of the aforesaid indebtedness; consequently, the Bank’s shareholders who did not accept the Bid or who did not subsequently exercise the right of withdrawal, would find themselves owners of a stake in a company with a level of indebtedness above that prior to the Merger. Furthermore, in line with that stated by the Bidder in the Bid Document, it cannot be excluded that in order to meet the repayment of the amounts due under the Loan Contract, recourse would be made, as the case may be, to the use of cash flows deriving from the possible distribution of dividends and/or available reserves (where existing) of the Issuer and/or, in the event of a Merger, to the use of the Issuer’s cash flows.
- In the event of a Reverse Merger by incorporation of the Bidder into the Issuer after Delisting, in line with that laid down by the Bidder in the Bid Document, the Merger would be classified, if it occurred, as a “*merger with indebtedness*” with the consequent applicability of art. 2501-bis of the Italian Civil Code. The Issuer’s total indebtedness would rise by an amount equal to the sums loaned to the Bidder under the Loan Contract and not repaid on the effective date of the aforesaid Merger equal to, on the Date of the Bid Document, approximately Euro 7.6 million (in the event of 95% acceptance), increased by a further Euro 5.6 million, approximately, in the event of 100% acceptance,

in addition to approximately Euro 5.9 million made available to the Bidder, in the form of a shareholder loan, directly by Holding.

- With regard to future investments and sources of financing, the Bid Document states that the Bidder has not made any proposals to the Issuer's Board of Directors concerning significant investments and/or investments in addition to those generally required for the operative management of the activities in the sector in which the Issuer operates.

9.2. VALUATIONS OF THE CONSIDERATION

With particular regard to the Consideration, the Independent Directors conducted the following valuations.

- As stated above, the Fairness Opinion issued by the Independent Expert highlights the following profiles relating to the Consideration:
 - *“the Bid Consideration is higher than the Company value inferable from the analysis of stock market listings for the relative share certificates over the last 6 months;*
 - *the implied Bid premium is not lower than the range of premiums recognised within the examined basket of mandatory public acquisition offers made in Italy, again taking account of the stock market listings for Finnat share certificates over the last 6 months;*
 - *the Bid Consideration is higher than the value per share determined both by applying the direct market multiples method and considering that observed in recent comparable transactions.”*
- In addition, the Independent Expert points out that the Bid formulated by BidCo refers to a minority stake in Banca Finnat and is aimed at delisting the Issuer's shares, which would be followed by a merger by incorporation. This circumstance, as indicated in the Fairness Opinion, suggests that *“possible discounts in the value of the Float may exist, as better defined in business and economics doctrine, which were conservatively not considered in the above estimates”*.
- On completing the examination of the Fairness Opinion issued by the Independent Expert, the Independent Directors share its method, assumptions and concluding remarks, particularly considering the methodologies contained therein to be consistent

with professional and market practice, and suitable for enabling the valuation to be carried out.

- They therefore acknowledge that the Independent Expert concluded that *“the Consideration offered to Company shareholders as outlined in the Bid Document can be deemed to be fair for said shareholders”*.

10. CONCLUSIONS

In light of the above, the Independent Directors unanimously:

- having considered that this Opinion does not or cannot in any way be understood as a recommendation to accept or not accept the Bid and does not replace the judgement that each shareholder must personally make in relation to accepting the Bid;
- having examined the documentation indicated in paragraph 3.3 of this Opinion;
- notwithstanding the remarks made in this Opinion and, in particular, in paragraph 6;
- having considered that, from a strategic point of view, the aim of the Bid is to Delist the Bank and that this aim would allow - upon the Company's shares being delisted - a reduction in costs (including those arising from the legislative and regulatory framework), greater flexibility in Bank management and organisation, and, more generally, a simplification of the Bank's and the Group's operational and management functioning;
- having clarified that the shareholders who do not accept the Bid may find themselves shareholders of an unlisted company - and therefore having less protections for the interests of minority shareholders - and higher indebtedness;
- having taken account of the Fairness Opinion and its conclusions as outlined in paragraph 5.2;
- having ascertained that the Opinion is issued pursuant to art. 39-*bis* of the Issuers Regulation and, therefore, for the purpose of the release of the Issuer Notice by the Board of Directors;

assess the Bid positively and consider the Bid Consideration, as indicated by the Bidder in the Bid Document, equal to Euro 0.31 per Share offered, to be fair.

* * *

This Opinion, containing the valuations of the Bid and of the fairness of the Consideration, is made available to the Issuer's Board of Directors, together with the Fairness Opinion, for its consideration.

* * *

Annex:

- Fairness Opinion of Prof. Tiziano Onesti.

Rome, 19 October 2022

The Independent Directors of Banca Finnat Euramerica S.p.A.

(Maria Teresa Bianchi)

(Vincenzo Marini Marini)

(Paola Pierri)

Annex to Independent Directors Opinion

To
Banca Finnat Euramerica S.p.A.
Palazzo Altieri
Piazza del Gesù n. 49
00186 Rome (RM)

Attn. Independent Directors

Subject: Independent opinion pursuant to art. 39 bis of Consob Issuers Regulation no. 11971 of 14 May 1999 and subsequent amendments.

1. I was requested by the Independent Directors at Banca Finnat Euramerica S.p.A. (hereafter referred to as “Finnat”, “Company” or “Issuer”) to express an independent opinion (“Opinion”) pursuant to art. 39 bis of Consob Issuers Regulation no. 11971 of 14 May 1999 and subsequent amendments (“Issuers Regulation”) on the fairness of the price of €0.31 (“Consideration”) offered to Finnat shareholders under the mandatory public acquisition offer (“Bid”) announced on 12 September 2022 pursuant to art. 102(1) of Legislative Decree 24 February 1998 no. 58 and subsequent amendments (“TUF”) and pursuant to art. 37 of the Issuers Regulation by P.N. 1898 S.r.l. (“P.N. 1898”, “BidCo” or “Bidder”) – a company fully owned by Nattino Holding S.r.l. (“Holding”) – according to the terms and conditions stated in the announcement pursuant to art. 102(1) of TUF and art. 37 of the Issuers Regulation by P.N. 1898 (“Notice of 12 September 2022”) and in the bid document pursuant to art. 102 of TUF approved by Consob with ruling no. 22473 of 11 October 2022 (“Bid Document”) and published on 14 October 2022, as indicated in the notice released on the same date pursuant to art. 38(2) of the Issuers Regulation (“Notice of 14 October 2022”).

The Bid - already announced to the market with a press release dated 24 March 2022 (“Notice of 24 March 2022”) – aims to acquire all Finnat ordinary shares in circulation (equal to 362,880,000), minus 320,234,667 Company shares (corresponding to approximately 88.25% of the Issuer's share capital) held as follows:

- 249,383,724 shares (equal to approximately 68.72% of the Issuer's share capital) held by Nattino Holding S.r.l. (“Shares held by Holding”);

- 28,810,640 shares (equal to 7.94% of the Issuer's share capital) held by Banca Finnat Euramerica S.p.A. (“Treasury shares held by Finnat”);
- 17,434,075 shares (equal to approximately 4.80% of the Issuer's share capital), held, respectively, by Avv. Maria Sole Nattino (6,704,868 shares, equal to 1.85% of the Issuer's share capital, of which 5,704,868 fully owned shares and 1,000,000 bare ownership shares with usufruct to Avv. Daniela Salivetto), by Ms Ilaria Nattino (6,954,867 Shares, equal to 1.92% of the Issuer's share capital, of which 5,954,867 fully owned shares and 1,000,000 bare ownership shares with usufruct to Avv. Daniela Salivetto) and by Avv. Daniela Salivetto (3,774,340 Shares, equal to 1.04% of the Issuer's share capital, fully owned) (collectively, the “Shares held by AN Branch”);
- 13,000,000 shares (equal to approximately 3.58% of the Issuer's share capital) held by P.N. 1898 S.r.l. (“Shares held by BidCo”);
- 7,303,000 Shares (equal to approximately 2.01% of the Issuer's share capital) held by Dott. Giovanni Malagò and by Dott. Lupo Rattazzi via the holding company GL Investimenti S.r.l. (“Shares held by GL Investimenti”);
- 4,303,228 shares (equal to approximately 1.19% of the Issuer's share capital) held by H.P.A. S.r.l. (“Shares held by HPA”).

Therefore, the Bid involves a total of 42,645,333 Issuer shares, equal to approximately 11.75% of Finnat's share capital (“Float”).

A table clarifying the breakdown of the Issuer's share capital involved in the Bid is shown below.

Finnat share breakdown	no. shares		%	
Shares held by Holding	249,383,724	320,234,667	68.723%	88.25%
Treasury shares held by Finnat	28,810,640		7.940%	
Shares held by AN Branch	17,434,075		4.804%	
Shares held by BidCo	13,000,000		3.582%	
Shares held by GL Investimenti	7,303,000		2.014%	
Shares held by HPA	4,303,228		1.187%	
Float	42,645,333		11.75%	
Total Finnat shares	362,880,000		100.00%	

The Opinion - to be considered as confidential, since it is addressed to and intended for Finnat's Independent Directors (notwithstanding that it may be shared with the entire Board of Directors, and used for drawing up the notice under art. 103(3) of TUF and the opinion of the Independent Directors envisaged in art. 39 bis of the Issuers Regulation) - is drawn up to assist the same Finnat Independent Directors in their assessment of the fairness of the economic terms of the operation in question; therefore, it must not be used as a reference by any Company shareholder or by any other person, with the exception of the parties stated

above, i.e. the Independent Directors and the Finnat Board of Directors, within the limits stated above.

As such, the author - acting exclusively on behalf of the Independent Directors and for no-one else in relation to the Bid - authorises as of now (i) to describe and/or attach the contents of the Opinion in the context of the Issuer Notice relating to the Bid that the Company Board of Directors must publish under art. 103(3) of TUF and in the Opinion that the Independent Directors must issue under art. 39 bis of the Issuers Regulation, and (ii) to send the Opinion to Consob and to Borsa Italiana, where necessary.

2. Notwithstanding the above, the author - also referring to the statement of independence attached to the professional appointment proposal (to be deemed herein fully referred to and confirmed) - reiterates (i) that he was not in any way involved in the structuring of the Bid, nor in determining the Consideration or any other aspect relating to the Bid; (ii) that he was appointed exclusively to issue the Opinion to Finnat Independent Directors; (iii) that he has not to date performed any role in the corporate governance of the Company or Bidder, nor at any of the parent companies, subsidiaries, affiliates or companies subject to common control by the Company or Bidder; (iv) that he has not worked in a professional capacity for any of these parties over the last five years.

3. For the purposes of drawing up the Opinion, the following information was taken into account:

- i) the Notice of 24 March 2022;
- ii) the Notice of 12 September 2022;
- iii) the Notice of 14 October 2022;
- iv) the Bid Document approved by Consob with resolution no. 22473 of 11 October 2022;
- v) the statutory and consolidated financial statements of Finnat and the publicly available financial information from the last three reporting periods (2019-2021);
- vi) the trend in recorded prices and the trading in Finnat stock over recent years;
- vii) the prices paid in other public acquisition offers promoted in Italy, as indicated by Consob;
- viii) data and information made available on specialist economic-financial databases, and on other public sources;
- ix) other documents, information and elements deemed useful for the purposes of drawing up the Opinion, as referred to below.

4. The Opinion was issued on the basis of the following assumptions and limitations:
- the analysis was conducted on the basis of economic, financial, market and other conditions, as well as on current information made available up to today's date and on reasonably foreseeable forecasts. To that end, the difficulty of making forecasts in the current economic and financial context must be taken into account. Nothing contained in the Opinion may be interpreted as a guarantee of or an opinion about future Company performance. Events occurring after today's date may influence this document and the assumptions made therein. The author is not obliged to update, correct or repeat his opinion;
 - the information used in the quantitative and qualitative analysis were provided by the Company. Since the author has not carried out any audit of the data provided, he is not liable for the completeness, accuracy, reliability and representativeness of the data, documents and information, nor for any errors or omissions in these data, documents and information or for any errors or omissions that may arise during the valuation following their use;
 - it is assumed that all necessary information for processing and issuing the Opinion was made available to the author and that no undisclosed facts or circumstances are in place that may have rendered the information provided for the purposes of the Opinion inaccurate or misleading;
 - the non-confidential information considered as part of the analysis was taken from specialist economic-financial portals;
 - reliance was placed, without independent verification, on the accuracy and completeness of the publicly available information, i.e. that provided by Finnat;
 - no independent legal, fiscal, accounting, actuarial or other audits were carried out on the Company or on the Bid, and as such no opinion on these profiles is expressed;
 - no independent verification or valuation was carried out on the assets and liabilities of the Company or of the entities controlled or affiliated by it;
 - it is assumed that the Bid will be completed in accordance with the terms and conditions outlined in the Bid Document without any waiver, modification or delay of the same;
 - it is also assumed that any authorisations necessary for completing the Bid will be acquired within the appropriate timeframe and without any prejudice to the Company;
 - it is assumed that the Bidder has the financial means to complete the Bid in full;
 - it is assumed that, for every document sent in draft format to the author, the definitive version of the same will be consistent with the draft provided to the author and that it is

written with the same terms and conditions without any waiver, modification or delay of the terms and conditions;

- the Opinion does not contain valuations of the price at which Finnat shares may be traded in the future;
- the Opinion does not contain valuations of the merit of the Bid with respect to other alternative transactions, nor does it contain valuations of the feasibility or availability of said alternative transactions. The Opinion does not examine the business, strategic, financial or other reasons for which the Bid was formulated and may be approved;
- the data, information and estimates contained in the Opinion may not be used for any purpose other than that expressly stated in the Opinion itself;
- the conclusions drawn by the author in the Opinion are based on the overall valuations contained therein. No part of the Opinion may be used separately from the document in its entirety and for purposes other than those expressly stated;
- the conventional reference date of the Opinion is 23 March 2022 (“Reference Date”), the last day prior to the Notice of 24 March 2022 in which the Bid was announced to the market. Findings, assessments and valuations must therefore be understood to refer to verifying the fairness of the Consideration with respect to the value of the Finnat share on that date;
- the author was informed that no changes in the Company's economic, asset and financial situation and no other events that may have a significant impact on the estimates have occurred.

5. The Opinion was produced using standard professional financial analysis and valuation methods. Each method used has specific limitations and, consequently, the Opinion was drawn up on the basis of an overall valuation process and not on the basis of any one of the various analysis and valuation methods adopted. In particular, for the purposes of drawing up the findings of the Opinion, determined with regard to the Reference Date, the following analysis and valuation methods were adopted:

- i) stock exchange listing method: reference was made to the listing performance of Finnat stock observed in the last 6 months in order to take account of market and Company trends, and the weighted averages of daily trading volumes were identified from periods of various length prior to the reference date;
- ii) OPA premium method: the premiums implicitly recognised were analysed against the weighted average prices of the last 6 months prior to the reference date of the bid in the mandatory OPAs completed in Italy starting from 2009;

- iii) market multiples method: the direct market method was applied based on the *equity approach to evaluation*, using the *Price on Earning* multiple as a reference, whose value was determined based on the average statistics of a sample of businesses similar to Finnat;
- iv) direct method in the strict sense: the empirical approach enabled the identification of the Company share value on the basis of the terms of trade observed in a recent transaction involving the same share certificates of the Issuer.

More specifically, the valuation methods used led to the adoption of the following assumptions, hypotheses and estimates:

b) Stock exchange listing method: the stock exchange listing method aims to determine the value of a company on the basis of the capitalisation expressed with reference to the company's share prices, traded on regulated stock markets.

In the present case, the analysis was carried out in reference to the weighted average trend in the official price of Finnat ordinary shares on the day before the reference date, as well as in the previous 1, 3 and 6 months (Source: Bloomberg).

The reference time period was chosen considering the existing trade-off between the need to mitigate the impact on the statistics of any short-term volatility (which entails extending the time window to be considered) and the need to reflect the listings of the company to be assessed and the latest market conditions in general (which entails shortening the time window to be considered).

The result of the analysis enabled the identification of a range between 0.250 €/share and 0.271 €/share, against a consideration offered by P.N. 1898 of 0.31 €/share.

Period (prior to 24.03.2022)	Weighted average price per Finnat share	Consideration per share offered by P.N. 1898
1 day	0.257	0.31
1 month	0.250	0.31
3 months	0.262	0.31
6 months	0.271	0.31

c) OPA premium method: the OPA premium method aims to determine the implied premiums recognised by bidders to the target company's shareholders in specific public acquisition offer transactions.

In the present case, mandatory public acquisition offers were selected (with business combination prospects³) resulting from a Consob paper published in January 2021⁴.

³ Indeed, based on that presented to the market (see Notice of 24 March 2022), “*in the event that, on Offer completion, Holding and BidCo exceed the 90% threshold of the Bank's capital (also taking account of the treasury shares held by the latter), the float will not be restored and the Bank's shares will be delisted, in compliance with sell out and squeeze out rights. In the event the Bank is delisted, the Holding intends to propose to the competent bodies of the Bank, subject to the release of the necessary legal and regulatory authorisations, the merger by incorporation of BidCo into the same Bank?*”.

⁴ F. Picco, V. Ponziani, G. Trovatore, M. Venturuzzo (with introduction by R. Lener), *Le OPA in Italia dal 2007 al 2019. Evidenze empiriche e spunti di discussione*, Consob paper, Rome, January 2021.

This research enabled the identification of the average premium implicitly recognised for comparable transactions with respect to the weighted average prices on the day prior to the reference date, as well as in the previous 1, 3 and 6 months. The time period was selected considering the existing trade-off between the need to mitigate the impact on the statistics of any short-term volatility (which entails extending the time window to be considered) and the need to reflect the listings of the company to be assessed and the latest market conditions in general (which entails shortening the time window to be considered).

The analysis returned the following results:

Period (prior to 24.03.2022)	Weighted average price per Finnat share	Implied % premium of Consideration offered by P.N. 1898	Implied % market premium for mandatory OPAs with business combination
1 day	0.257	20.62%	8.50%
1 month	0.250	24.00%	9.20%
3 months	0.262	18.32%	7.50%
6 months	0.271	14.39%	10.60%

Ultimately, the above evidence leads to the estimation of a value range per Finnat share - taking account of the average premiums recognised by the market for similar OPAs (Source: Consob) compared to the weighted average prices on the day prior to the reference date, as well as the previous 1, 3 and 6 months (Source: Bloomberg) – between 0.273 €/share and 0.30 €/share (against a consideration offered by P.N. 1898 of 0.31 €/share);

- d) Market multiples method:** the estimate was made by adopting an equity approach to evaluation based on the application of the Price on Earning (“P/E”) multiple as of 31 December 2021, determined on the basis of a sample of companies similar to Finnat, taken from Bloomberg.

The choice of this multiple is justified by the fact that it is a multiplier typically used in valuation practice; the sample contained a number of companies similar to Finnat and also took account of the analysis conducted by the Issuer, as represented below.

Company	P/E 31.12.2021
JULIUS BAER GROUP LTD	12.09
VONTOBEL HOLDING AG-REG	11.94
VAN LANSCHOT KEMPEN NV	6.57
BANCA GENERALI SPA	13.79
AZIMUT HOLDING SPA	5.67
BANCA PROFILO SPA	15.58
BANCO DESIO E DELLA BRIANZA	7.37
CREDITO EMILIANO SPA	5.54
BANCA MEDIOLANUM SPA	8.96
Arithmetic mean	9.72

The application of the average of the aforesaid multiple both to the net income recorded in Finnat's consolidated financial statement and to the same value inferable from the Issuer's separate financial document, both as of 31 December 2021 (Source: Finnat), led to the following results:

P/E 31.12.2021	E separate 2021 (€)	P 2021 (€)	Stock	P/stock (€)
9.72	5,679,140	55,201,241	362,880,000	0.1521

P/E 31.12.2021	E consolidated 2021 (€/000)	P 2021 (€/000)	Stock/000	P/stock (€)
9.72	8,632	83,903	362,880	0.2312

Therefore, based on the P/E multiple at 31 December 2021 (determined as described above), the value per Finnat share is between €0.1521 and €0.2312 (against a consideration offered by P.N. 1898 of 0.31 €/share);

- e) **Direct method in the strict sense:** the empirical approach enables the identification of the Company share value on the basis of the terms of that observed in a recent transaction involving the same share certificates of the Issuer (Source: Finnat).

As such, it should be pointed out that, on 8 September 2022, 68.72% of Finnat shares were transferred, under art. 2465 of the Italian Civil Code, to Nattino Holding S.r.l. by Dott. Giampietro Nattino sr, Arturo Nattino, Andrea Nattino, Giulia Nattino, Paola Nattino, Celeste Buitoni, Giampietro Nattino jr and Paolo Nattino (the “members of the GN Branch”).

This transaction concerned the transfer of 249,383,724 shares to the transferee, in exchange for the latter's capital increase of €55,693,599.83 including share premium.

The terms of trade of the transaction lead to a price per share of approximately €0.22, as outlined below.

P at 08.09.2022 (€)	Stock	P/stock (€)
55,693,599.83	249,383,724	0.22

It should also be pointed out that, in relation to this transaction, the appointed Expert also issued a sworn expert opinion under art. 2465 of the Italian Civil Code, in which the overall value of the Company (determined by applying the dividend discounted model) was €109,724,838 on 30 June 2022; relating this value to the total number of Finnat shares (362,880,000) produces a share price of approximately €0.30.

P at 30.06.2022 (€)	Stock	P/stock (€)
109,724,838	362,880,000	0.30

In both cases, the identified value per share is below the 0.31 €/share consideration offered by P.N. 1898.

Nonetheless, it should be considered that this valuation method is less significant, taking into account both (i) the particular nature of the Bid (in which the Bidder intends to acquire a minority stake in the Issuer's share capital, equal to approximately 11.75%) with respect to the comparable transaction (which involves a majority stake in the Issuer's share capital), and (ii) the reference date of the transaction and the underlying valuation, both subsequent to the date of the Bidder notice.

6. In conclusion – in light of that described above and taking account of the outcomes of the valuation methods adopted and the analysis conducted, as well as acknowledging that these methods (and the individual parameters used) are an inseparable part of a process aimed at identifying the range of values that, in reasoned summary and within a determined time frame, also considering market trends, can represent the value range per Finnat share – it has been found that:

- i) the Bid Consideration is higher than the Company value inferable from the analysis of stock market listings for the relative share certificates over the last 6 months;
- ii) the implied Bid premium is not lower than the range of premiums recognised within the examined basket of mandatory public acquisition offers made in Italy, again taking account of the stock market listings for Finnat share certificates over the last 6 months;
- iii) the Bid Consideration is higher than the value per share determined both by applying the direct market multiples method and considering that observed in recent comparable transactions.

It should also be pointed out that the Bid formulated by BidCo refers to a minority stake in Finnat and is aimed at delisting the Issuer's shares, which would be followed by a merger by incorporation.

This circumstance suggests that possible discounts in the value of the Float may exist, as better defined in business and economics doctrine⁵, which were conservatively not considered in the above estimates.

* * *

In light of the above and having regard to the characteristics and structure of the Bid, in addition to taking account of the analysis conducted and the outcomes of the valuation methods used, in line with the aims of this Opinion, the Consideration offered to Company shareholders as outlined in the Bid Document can be deemed to be fair for said shareholders.

⁵ Cfr., *ex multis*, M. Romano, Premi e sconti nella valutazione delle aziende, Giuffrè, Milano, 2021; A. Cirillo, Lack of control, Cedam, Padova, 2017; L. Guatri L., M. Bini, La valutazione d'aziende, Egea, Milano, 2016; G. Zanda, M. Lacchini, T. Onesti, La valutazione delle aziende, Giappichelli, Torino, 2013; T. Onesti, Sconti di minoranza e sconti di liquidità, Cedam, Padova, 2002.

Rome, 19 October 2022

(Prof. Dott. Tiziano Onesti)

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