



(Translation from the Italian original which remains the definitive version)

## INFORMATION DOCUMENT

for the partial proportionate demerger of Astaldi S.p.A. to Webuild S.p.A.

prepared pursuant to article 70.3 of and Annex 3B (template 2) to the Italian regulation endorsed by CONSOB with resolution no. 11971 of 14 May 1999, as subsequently amended

This Information document, published on 15 April 2021, has been deposited at the registered office of Webuild S.p.A. in Via dei Missaglia 97, Milan. It is available for consultation on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com) in the "Governance - Other documents" section and in the authorised storage facility "1INFO" ([www.1info.it](http://www.1info.it)).

**PRO FORMA FINANCIAL HIGHLIGHTS AND INDICATORS PER SHARE**  
**AT 31 DECEMBER 2020**

| €m  | Webuild Group's<br>2020 historical figures | Webuild Group's<br>2020 pro forma figures |
|---|--|---|
| Total revenue and other income (*)                            | 5,021.8                                    | 6,143.3                                   |
| Operating profit  | 401.4                                      | 354.5                                     |
| Profit for the year   | 141.9                                      | 80.6                                      |
| Profit for the year attributable to the owners of the parent  | 147.0                                      | 85.0                                      |
| Profit for the year attributable to non-controlling interests | (5.1)                                      | (4.4)                                     |

\* the pro forma total revenue and other income include a gain of €548.2 million on the Astaldi acquisition

| €m   | Webuild Group's<br>historical figures as at 31<br>December 2020 | Webuild Group's pro forma figures<br>as at 31 December 2020 |
|--|---|---|
| Total assets                                     | 11,628.5  | 11,628.5  |
| Total liabilities                                | 9,543.6   | 9,543.6   |
| Total equity                                     | 2,084.9   | 2,084.9   |
| Equity attributable to the owners of the parent  | 1,429.0   | 1,851.9   |
| Equity attributable to non-controlling interests | 655.9   | 233.0   |

|   | Webuild Group's<br>2020 historical figures | Webuild Group's<br>2020 pro forma figures |
|---|--|---|
| Average outstanding ordinary shares (number)*                   | 892,457,646.0                              | 1,000,229,401.0                           |
| Profit for the year (€m)**                                      | 141.9                                      | 80.6                                      |
| Earnings per share attributable to the owners of the parent (€) | 0.16                                       | 0.08                                      |
| Cash flows (€m)***  | 500.5                                      | 511.1                                     |
| Cash flow per share (€)***                                      | 0.56                                       | 0.51                                      |

\* includes the number of new ordinary shares reserved for Astaldi's shareholders (other than Webuild) calculated on the basis of the Exchange ratio

\*\* includes the gain from the bargain purchase of Astaldi

\*\*\* for the purposes of this Information document, the cash flows are calculated as the sum of operating profit (loss), amortisation, depreciation, provisions and impairment losses

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## DEFINITIONS

This section provides a list of the definitions used in the Information document.

Unless specified otherwise, they have the meaning set out below and do not vary whether singular or plural.

|   |   |
|---|---|
| <b>Additional creditors</b>   | Jointly, the Potential creditors and Creditors non provided for.  |
| <b>Astaldi Group</b>  | Collectively Astaldi and its subsidiaries.  |
| <b>Astaldi or Demerged company</b>  | Astaldi S.p.A., a company managed and coordinated by Webuild, with registered office in Via Giulio Vincenzo Bona 65, Rome.  |
| <b>Astaldi's 2020 Annual Report</b>   | Astaldi (t/n Webuild in original text) Group's annual report as at and for the year ended 31 December 2020, available for consultation ( <i>n/t in Italian</i> ) on Astaldi's website <a href="http://www.astaldi.com">www.astaldi.com</a> in the "Governance - Shareholders/Bondholders meetings- Shareholders' meeting - April 29, 2021" section.   |
| <b>Astaldi's composition with creditors procedure or Composition with creditors procedure</b> | The composition with creditors on a going concern basis proposal filed by Astaldi with the bankruptcy section of the Rome Court as per article 161.6 of the Bankruptcy Law, authorised on 17 July 2020 and effective from that date.  |
| <b>Bankruptcy Law</b>   | Royal decree no. 267 of 16 March 1942, as subsequently amended and supplemented.  |
| <b>CONSOB</b>   | The Italian Commission for listed companies and the stock exchange with registered office in via G. B. Martini 3, Rome.   |
| <b>Consolidated Finance Act</b>   | Legislative decree no. 58 of 24 February 1998, as subsequently amended and integrated.  |
| <b>Core assets scope</b>  | Astaldi's construction, infrastructure, plant engineering, study, design, transport, maintenance, facility management activities and management of complex systems to be continued under the composition with creditors procedure.  |
| <b>Creditors non provided for</b>   | (i) Unsecured creditors whose claims have not even been partly included in the liabilities and the provisions for risks after the checks performed by the judicial commissioners as per article 171 of the Bankruptcy Law and (ii) the Potential creditors for the part of their claims not settled as part of the capital increase of up to €98,653,846.00, including share premium, resolved by Astaldi on 31 July 2020 and reserved for Creditors with filed claims and Potential creditors. |
| <b>Creditors with filed claims</b>  | Unsecured creditors with claims dating back to before the publication of the pre-composition with creditors proposal appeal on 1 October 2018, as shown in the list of liabilities filed  |

|  |  |
|--|--|
|  | with the composition with creditors proposal and the integrations made by the judicial commissioners after their checks as per article 171 of the Bankruptcy Law.  |
| <b>Demerger agreement</b>                      | The agreement signed on 23 and 24 March 2021 by the Demerger's parties which governs and regulates, inter alia, Webuild's taking over of Astaldi's obligations upon conclusion of the Demerger.  |
| <b>Demerger proposal</b>                       | The joint proposal for the partial proportionate demerger of Astaldi to Webuild prepared by the board of directors of the two companies pursuant to articles 2506-bis and 2501-ter of the Italian Civil Code and approved by both boards on 19 March 2021.   |
| <b>Demerger's parties or the two companies</b> | Astaldi and Webuild.   |
| <b>Directors' report</b>                       | Webuild's directors' report on the first item on the agenda of the extraordinary section of the shareholders' meeting of 30 April 2021 (proposal for the partial proportionate demerger of Astaldi S.p.A. to Webuild and related changes to the by-laws. Relevant and consequent resolutions) prepared pursuant to articles 2501-quinquies and 2506-ter.1 of the Italian Civil Code and article 70.2 of the Issuer regulation. It is available for consultation on Webuild's website <a href="http://www.webuildgroup.com">www.webuildgroup.com</a> in the "Governance - Shareholders' meeting - The ordinary and extraordinary shareholders' meeting - April 30, 2021" section. |
| <b>Effective date</b>                          | The date on which the Demerger will become effective for statutory, accounting and tax purposes pursuant to the Demerger proposal.   |
| <b>Exchange ratio</b>                          | The Demerger's exchange ratio, equal to 203 ( <i>two hundred and three</i> ) ordinary Webuild shares to 1,000 ( <i>one thousand</i> ) ordinary Astaldi shares.   |
| <b>Foundation</b>                              | The newly set-up " <i>Fondazione Creditori Chirografari</i> ", which, as part of the Demerger and upon its completion, will become the Demerged company's sole shareholder.  |
| <b>Issuer regulation</b>                       | The regulation implementing the Consolidated Act on issuers, endorsed by CONSOB with resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented.  |
| <b>Italian Civil Code</b>                      | Royal decree no. 262 of 16 March 1942 - XX, as subsequently amended and supplemented.  |
| <b>KPMG</b>                                    | KPMG S.p.A., with registered office in Via Vittor Pisani 25, Milan, the Issuer's independent auditors engaged for the  |

|  |   |
|--|---|
|  | statutory audit pursuant to article 39 of Legislative decree of 7 January 2010.   |
| <b>MTA</b>                             | The Italian electronic stock exchange organised and managed by Borsa Italiana S.p.A..   |
| <b>PFI</b>                             | The participating financial instruments assigned to Astaldi's unsecured creditors in line with the Composition with creditors procedure as per article 2447-ter.1.e of the Italian Civil Code.  |
| <b>Plan</b>                            | Astaldi's composition with creditors procedure plan prepared based on, inter alia, the Webuild offer, whose definitive version was filed on 19 June 2019.   |
| <b>Potential creditors</b>             | Unsecured creditors whose claims have not been wholly or partly included in the Plan's liabilities after the checks performed by the judicial commissioners as per article 171 of the Bankruptcy Law but have been included in full in the provisions for risks as part of the Plan's liabilities as adjusted by the judicial commissioners;  |
| <b>Pro forma financial information</b> | The pro forma financial information of Webuild Group at 31 December 2020, comprising the pro forma statement of financial position as at 31 December 2020, the pro forma statement of profit or loss for the year then ended and notes thereto (see Chapter 4 hereof).  |
| <b>Information document</b>            | This document.  |
| <b>Information document date</b>       | The date of publication of this Information document.   |
| <b>RPT committee</b>                   | Webuild's committee for related party transactions set up pursuant to the RPT procedure. At the Information document date, its members are the independent directors Giuseppe Marazzita (Chairperson), Giuseppina Capaldo and Ferdinando Parente.   |
| <b>RPT information document</b>        | Webuild's information document on the Demerger prepared pursuant to article 5 of the RPT regulation and article 7 of the RPT procedure, available for consultation (n/t in Italian) on Webuild's website <a href="http://www.webuildgroup.com">www.webuildgroup.com</a> in the "Governance - Other documents - 2021" section.   |
| <b>RPT procedure</b>                   | The procedure governing related party transactions pursuant to article 2391-bis of the Italian Civil Code and the RPT regulation, approved by Webuild's board of directors on 30 November 2010 and most recently amended on 29 July 2020. It is available for consultation on Webuild's website <a href="http://www.webuildgroup.com">www.webuildgroup.com</a> in the "Governance - Documents" section. |

|   |   |
|---|---|
| <b>RPT regulation</b>                         | The regulation governing related party transactions endorsed by CONSOB with resolution no. 17221 of 12 May 2010, as subsequently amended and supplemented.  |
| <b>Separate unit</b>                          | The separate unit as per article 2447-bis and following articles of the Italian Civil Code, envisaged by Astaldi's plan and composition with creditors proposal to receive assets and liabilities to be sold, set up in accordance with Astaldi's board of directors' resolution of 24 May 2020.  |
| <b>Transaction or Demerger</b>                | The partial proportionate demerger of Astaldi to Webuild covered by this Information document.  |
| <b>Unsecured creditors</b>                    | Astaldi's unsecured creditors at the reference date set out in the composition with creditors procedure, i.e., 28 September 2018.   |
| <b>Webuild capital increase</b>               | The capital increase, excluding rights of first refusal as per article 2441.5/6 of the Italian Civil Code, of €225,000,000 reserved for Webuild, approved by Astaldi's shareholders in their extraordinary meeting of 31 July 2020, and performed on 5 and 6 November 2020.   |
| <b>Webuild Group or the Group</b>             | The group of companies headed by Webuild S.p.A. pursuant to article 93 of the Consolidated Finance Act.   |
| <b>Webuild offer</b>                          | The offer presented by Webuild (formerly Salini Impregilo S.p.A.), which it revisited again and confirmed on 2 August 2019, for a potential investment in Astaldi used to support the composition with creditors on a going concern basis proposal presented by Astaldi for authorisation, which it obtained, to commence the composition with creditors procedure. |
| <b>Webuild or the Recipient or the Issuer</b> | Webuild S.p.A., a company managed and coordinated by Salini Costruttori S.p.A., with registered office in Via dei Missaglia 97, Milan.  |
| <b>Webuild's 2020 Annual Report</b>           | Webuild Group's annual report as at and for the year ended 31 December 2020, available for consultation on Webuild's website <a href="http://www.webuildgroup.com">www.webuildgroup.com</a> in the "Investor Relations - Financial reports - 2020" section.   |

## FOREWORD

Webuild has prepared this Information document in accordance with article 70.6 of the Issuer regulation and Annex 3B (template 2) thereto for the purposes of the Demerger approved by Webuild's and Astaldi's boards of directors on 19 and 20 March 2021, respectively.

The Transaction is part of Progetto Italia, the large scale industrial project, whose objectives were announced in 2019. It aims at consolidating Webuild through the acquisition and subsequent integration of businesses, business units or 100% or controlling investments in other Italian companies active in the construction sector (or by acquiring specific contracts owned or held by those targets). Its objective is to create a group of a size, technical expertise, professional know-how and capital, financial and economic solidity to compete with the large international players on the global stage.

Specifically, the Transaction represents the culmination of the integration of Astaldi's business into that of Webuild, which commenced when Webuild became involved in Astaldi's composition with creditors on a going concern basis procedure as per article 161 and following articles of the Bankruptcy Law begun by Astaldi on 28 September 2018.

The plan (the definitive version of which was filed on 19 June 2019) was based, inter alia, on the Webuild offer (which was then called Salini Impregilo S.p.A.) of 13 February 2019 and most recently integrated and confirmed in August 2019.

The Plan provided for:

- (a) the separation of:
  - (i) Astaldi's construction, infrastructure, plant engineering, study, design, transport, maintenance, facility management activities and management of complex systems to be continued (i.e., the Core assets scope); from
  - (ii) Astaldi's activities related to the operation of infrastructure and other assets under concession transferred to the newly-set up Separate unit for their sale;
- (b) satisfaction of the creditors:
  - (i) in cash for the pre-preferential and preferential creditors, including by using the proceeds from the Webuild capital increase, i.e. the capital increase of €225,000,000.00 reserved for Webuild;
  - (ii) with respect to the Unsecured creditors, by assigning them: (1) new ordinary Astaldi shares to settle their claims in the ratio of 12.493 new shares to €100.00 of unsecured claims; and (2) PFI issued by Astaldi as per article 2447-ter.1.e) of the Italian Civil Code, which give them the right to receive the net proceeds from the sale of the Separate unit in the ratio of one PFI to €1.00 of unsecured claim.

The Rome Court authorised the Composition with creditors procedure on 17 July 2020 and Astaldi's shareholders approved the resolutions necessary for its performance in their meeting of 31 July 2020.

On 5 and 6 November 2020, Webuild, inter alia, fully subscribed and paid up the Webuild capital increase and the shares and PFI were issued and assigned to the Creditors with filed claims.

Reference should also be made to the following documents for details of the Webuild offer's content and the transactions carried out by Astaldi after the approval of and in accordance with the Composition with creditors procedure (which included the Webuild capital increase):

- the two companies' press releases, which are available for consultation on their websites [www.webuildgroup.com](http://www.webuildgroup.com), "Media - Press releases and press notes" section and [www.astaldi.com](http://www.astaldi.com), in the "Media - Press releases" section<sup>(1)</sup>, respectively;
- Astaldi's prospectus published on 29 October 2020 pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, available (n/t in Italian) on its website [www.astaldi.com](http://www.astaldi.com), in the "Investor Relations (n/t section Documents)- Prospectus" section;
- the information document of 20 November 2020 on the subscription of Webuild capital increase and the consequent acquisition of the controlling investment in Astaldi, prepared by Webuild pursuant to article 71.1 of the Issuer regulation and available for consultation on its website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Other documents - 2020" section.

The shareholders and investors should also make reference to the Demerger proposal and the Directors' report as well as the other documents required by articles 2501-septies and 2506-ter.5 of the Italian Civil Code available for consultation on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Shareholders' meeting - The ordinary and extraordinary shareholders' meeting - April 30, 2021" section, for further information on the Demerger's terms and conditions.

## 1 WARNINGS

This section provides an overview of the Transaction's main risks and uncertainties, which could significantly affect the Issuer's operations.

The content of this section should be read in conjunction with the other information contained in this Information document.

Other risks and uncertainties, not currently foreseeable or currently deemed improbable, could similarly affect the Issuer's operations, its financial position and performance and prospects.

### 1.1 Risks or uncertainties inherent in the Transaction

#### 1.1.1 Astaldi's integration process

In November 2020, Webuild fully subscribed and paid up the Webuild capital increase of €225,000,000 approved by Astaldi, thereby becoming its controlling shareholder as per the provisions of article 93 of the Consolidated Finance Act. Astaldi also entered Webuild Group's consolidation scope.

Astaldi's integration into the Group has already commenced. Given its nature, this transaction will continue to present the typical risks of a business combination, which involves complicated and time-consuming procedures including in terms of the deployment

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<sup>1</sup> See, in particular, the press releases and press notes published on: (i) Webuild: 3 October 2018, 14 February 2019, 16 July 2019, 2 August 2019, 9 April 2020, 17 July 2020, 30 July 2020, 6 November 2020, 15 March 2021 and 21 March 2021; and (ii) Astaldi: 14 February 2019, 8 April 2019, 16 July 2019, 2 August 2019, 5 August 2019, 9 April 2020, 25 May 2020, 12 June 2020, 17 July 2020, 6 November 2020, 15 March 2021 and 21 March 2021.

of resources and, especially, the necessary coordination between the management and employees of the two companies involved. It also entails the integration of the two groups' IT systems, structures and services. Therefore, the actual blending of the two groups may take longer than currently envisaged and may require alternative approaches to those planned. In addition, Astaldi's complete integration into Webuild Group may generate unexpected issues, costs and liabilities, preventing the Issuer's management from being able to focus on the Group's ordinary operations and/or other investment opportunities.

Moreover, for the same reasons, there is also the risk that the Issuer may not manage to achieve the profit margins forecast before the transaction's performance that led to the acquisition of a controlling investment in Astaldi and that it may recognise, for example, losses on assets, the inexistence of assets or liabilities not identified during the due diligence performed before Webuild presented its offer on 14 February 2019. Like each of the previous acquisitions carried out by Webuild Group, the Issuer undertook the integration of Astaldi after examining and assessing the latter and the investment scope. Such assessments are, by their very nature, uncertain and are, inter alia, subject to assumptions and judgements about profitability, growth, interest rates and company valuations, based in turn on a limited set of information (obtained through the due diligence) that could turn out to be incorrect or incomplete. The acquiree's actual situation and future performance may differ from the management assumptions and judgements and the variation may be significant.

In addition, after completing the due diligence, the Issuer may not have been able to identify all the critical aspects related to Astaldi and the future risks that the integration of the latter may trigger or it may have accepted unfavourable conditions or relationships outweighing the benefits expected from the Transaction.

### ***1.1.2 Completion of the Composition with creditors procedure after the Demerger***

After Astaldi's creditors approved the Composition with creditors proposal on 9 April 2020, the Rome Court authorised the Composition with creditors procedure with its ruling no. 2900/2020 filed on 17 July 2020 and published on the same date (R.G. 26945/2020). As no objections were made by the creditors, the ruling became *res judicata* at its publication date.

After the Demerger, Astaldi's net assets will solely comprise the Separate unit's assets and legal relationships. The Separate unit will continue to operate and the profits earned by it will be exclusively distributed to the holders of the PFI, whose rights will not be modified as established by the Composition with creditors procedure's terms and conditions.

Notwithstanding the above, after the Demerger and the integration of the Core assets scope into Webuild, certain obligations to be borne by Astaldi under the Composition with creditors procedure will be transferred to the Issuer, which will be required, inter alia, to issue new ordinary shares to any Additional creditors that may present claims.

Webuild's failure to meet its obligations vis-à-vis the creditors could trigger termination of the procedure pursuant to and in accordance with article 186 of the Bankruptcy Law should one or more creditors deem that their claims have not been satisfied. Failure shall not be immaterial to be relevant. Petitions to have the procedure terminated should be made within one year of the latest compliance deadline provided for by the Composition with creditors procedure.

In addition, pursuant to article 138 of the Bankruptcy Law (referred to by article 186 of the same law in the case of composition with creditors procedures), an authorised composition with creditors procedure can be cancelled by the court, if petitioned by a creditor, after having heard the debtor, if the liabilities are found to have been intentionally overstated or a significant part of the assets misappropriated or concealed. The ruling cancelling the

procedure is provisionally enforceable. The petition for cancellation shall be made within six months from discovery of the fraud and, moreover, within two years of the expiry of the latest compliance deadline provided for by the composition with creditors procedure.

On 14 and 15 September 2020, Astaldi was informed of two extraordinary appeals presented separately by a single bondholder and a group of bondholders to the Supreme Court pursuant to article 111 of the Italian Constitution, challenging the authorisation ruling of 17 July 2020. Subsequently, on 13 and 14 October 2020, Astaldi was notified of another two extraordinary appeals to the Supreme Court, respectively filed by groups of bondholders that substantially replicate all objections contained in the appeal of 15 September 2020. The four appeals were joined *ex officio*. Astaldi lodged its counter-appeals and completed its appearance before the court.

At the Information document date, the Supreme Court has not yet set a date for the hearing or session to hear the appeals.

These appeals do not affect the performance of the Composition with creditors procedure and the risk of losing the cases is remote.

Moreover, one of the conditions precedent of the Demerger's effectiveness is the issue of a ruling confirming the completion of the Composition with creditors procedure by the Rome Court, which is expected for July 2021.

### ***1.1.3 Webuild's obligations vis-à-vis the Demerged company***

On 23 and 24 March 2021, Webuild and Astaldi signed the Demerger agreement, governing certain relationships related to or linked to the Demerger and, specifically: (i) the rights and obligations vis-à-vis the Separate unit established by the Composition with creditors procedure; (ii) management of disputes arising from third party claims and the pending litigation; (iii) certain obligations taken on by Webuild to facilitate Astaldi; (iv) the timeline and method for setting up the Foundation; and (v) any other obligations taken on voluntarily by Webuild with the Separate unit to resolve any issues that could otherwise have a negative impact on the valuation of the assets and relationships included in the Separate unit.

Excluding certain provisions to be applied before the Effective date, whose obligations became binding for the parties when the agreement was signed, the Demerger agreement's effectiveness is subject to the signing of the demerger deed pursuant to articles 2504 and 2506-ter.5 of the Italian Civil Code, in accordance with the provisions and subject to the conditions laid down in the Demerger proposal no later than 31 December 2021.

Under the Demerger agreement, Webuild will receive, *inter alia* and subject to the debt discharging provided for in the Composition with creditors procedure as per article 184 of the Bankruptcy Law (a) liabilities to preferential or pre-preferential creditors with claims dating back to before the date of application of the Composition with creditors procedure (as detailed in the Demerger proposal), without prejudice to Webuild's right to recoup the amounts from the Separate unit, at the terms and conditions set out in the Separate unit's establishment resolution and the PFI regulation as part of the distributions provided for by such latter regulation or through offsetting against any liabilities to the Separate unit (or its companies); (b) any costs incurred due to Astaldi's obligations not covered by the agreement arising from its liability for unlawful activities performed before the Effective date, together with the related right to recoup the amount disbursed from the Separate unit at the terms and conditions set out in the Separate unit's establishment resolution and the PFI regulation; (c) any costs incurred due to Astaldi's liability under specific guarantees given in the interest of the Separate unit after its establishment, without prejudice to the right to recoup from the Separate unit any amounts paid and the cost incurred if the guarantees are enforced.

Until the assets are all sold and the Separate unit wound up, followed by the winding up of the Demerged company, Webuild will pay €1,000,000.00 for the first four years starting from 2022 (included) and €500,000.00 for a maximum of another five years, to be provided either separately or together with a forgivable credit line for the activities that Astaldi will carry out starting from the Effective date in both companies' interests and to complete the actions envisaged in the Plan and Composition with creditors proposal to the benefit of the holders of the PFI and unsecured creditors with claims filed subsequently (as defined in the PFI regulation).

In addition, again in accordance with the Demerger agreement's terms, Webuild has voluntarily taken on additional obligations and commitments vis-à-vis the Separate unit (none of which are provided for in the Plan or Composition with creditors proposal or the Separate unit's establishment resolution and, therefore, not originally due by Astaldi), which are designed to enable the Separate unit's proxy to resolve any potential issues.

Reference should be made to the Demerger proposal (*paragraph D.1*) and directors' report (*paragraph C.1*), both available for consultation on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Shareholders' meeting - The ordinary and extraordinary shareholders' meeting - April 30, 2021".

#### **1.1.4 Joint liability of the Demerger's parties pursuant to the Italian Civil Code**

Without prejudice to the provisions of paragraphs 1.1.2 and 1.1.3, pursuant to article 2506-quater.3 of the Italian Civil Code, each of the Demerger's parties shall be jointly and severally liable, within the limits of the effective value of the net assets respectively assigned thereto or retained, for any liabilities of the Demerged company that have not been satisfied by the company which has taken on or retained such liabilities.

#### **1.1.5 Calculation of the Exchange ratio**

At the Effective date, each of Astaldi's eligible shareholders will receive ordinary Webuild shares based on the Exchange ratio of 203 (*two hundred and three*) ordinary Webuild shares to 1,000 (*one thousand*) ordinary Astaldi shares.

The two companies' boards of directors established the Exchange ratio based on financial analysis and valuation methods that are commonly used in similar transactions and with the assistance of leading advisors, namely Partners S.p.A. (Mr. Angelo Provasoli) for Webuild and EY Advisory S.p.A. for Astaldi. Since the Transaction qualifies as a related party transaction, the two companies also applied their respective procedures for material transactions. Accordingly, they requested the green light from their related party committees before approving the Demerger proposal and the transactions envisaged therein. For the purposes of expressing their reasoned opinions, Webuild's RPT committee was assisted by an independent expert, Lazard S.r.l., whereas Astaldi's related party committee was assisted by Equita SIM S.p.A..

Partners S.p.A.'s appraisal report to Webuild's board of directors and Lazard S.r.l.'s fairness opinion requested by the Issuer's RPT committee are attached as Annexes 1 and 2, respectively.

There are no cash settlement mechanisms.

Although the essential and procedural safeguards adopted by the two companies are in line with best practice, the process of determining the Exchange ratio was based, as is customary, on certain assumptions and limitations which, if not met, could have led or could lead to different valuation results from those underpinning the Exchange ratio.

### **1.1.6 Demerger performance and creditors' right to oppose**

The Demerger proposal will be subject to the approval of Astaldi's and Webuild's shareholders during the extraordinary meetings called for 29 and 30 April 2021, respectively.

Pursuant to articles 2503 and 2506-ter of the Italian Civil Code, the Demerger cannot take place until 60 days after the last document provided for by article 2502-bis of the Italian Civil Code has been duly filed, unless the creditors of the Demerger's parties have given their consent prior to the registration provided for by article 2501-ter.3 of the Italian Civil Code, the creditors that have not given their consent have been paid or the sums have been deposited with a bank. If none of these exceptions applies, the above creditors may oppose the Demerger within the aforementioned 60-day period.

In the event of opposition, there may be delays in the performance of the transactions necessary to complete the Transaction. However, even if creditors oppose the Demerger, the competent court may order that the Demerger take place notwithstanding the opposition, if it considers that the danger of prejudice to the creditors is unfounded or that the debtor has given adequate guarantees.

Without prejudice to the above and subject to the conditions and requirements of law, the Demerger's effectiveness shall be subject to the fulfilment of the following conditions precedent:

- (a) the Rome Court's issue of the ruling confirming the Composition with creditors procedure has been completed in accordance with the authorisation ruling on the composition with creditors proposal of 17 July 2020;
- (b) Webuild's and Astaldi's lending banks have issued the necessary authorisations pursuant to the related loan agreements;
- (c) the Foundation has subscribed Astaldi's capital increase of €1,000,000.00 reserved for it.

### **1.1.7 Risks related to Astaldi**

After the performance of the Webuild capital increase and Astaldi's inclusion in Group's consolidation scope, as the two companies' businesses are practically identical, as are the activities they carry out, all the risks related to Astaldi are also relevant to Webuild Group.

On 29 October 2020, Astaldi published its prospectus for listing its shares on the stock exchange pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017. *Parte Prima - Parte A* of this prospectus (pages 17 to 49 inclusive), available (n/t in Italian) on Astaldi's website [www.astaldi.com](http://www.astaldi.com) in the "Investor Relations (n/t Documents) - Prospectus" section<sup>2</sup> and CONSOB's website [www.consob.it](http://www.consob.it) in the "Consob and its activities - Prospectuses and Take Over Bid Documents - Domestic prospectuses" section, provides a description of Astaldi's risk factors, i.e., the risks related to its financial position, operations and business sector, environmental factors, the legal and regulatory framework and corporate governance factors of Astaldi and its Group<sup>3</sup>.

Reference should also be made to Webuild's 2020 Annual Report, "Astaldi", from page 53 to page 62 included, available for consultation on Webuild's website

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<sup>2</sup> The prospectus is available (n/t in Italian) at the following link:  
[https://www.astaldi.com/sites/astaldi16corp/files/01-gop-42607971\\_1\\_-\\_prospetto\\_informativo\\_astaldi\\_publicato\\_con\\_n.o.pdf](https://www.astaldi.com/sites/astaldi16corp/files/01-gop-42607971_1_-_prospetto_informativo_astaldi_publicato_con_n.o.pdf)

<sup>3</sup> The prospectus is available (n/t in Italian) at the following link:  
<http://www.consob.it/ProspettiPortlet/DownloadProspetto?EmitID=196033>

[www.webuildgroup.com](http://www.webuildgroup.com), in the “*Investor Relations - Financial reports - 2020*” section.

### **1.1.8 Preparation of pro forma financial information**

Chapter 4 of this Information document presents Webuild Group’s pro forma financial information at 31 December 2020, comprising a pro forma statement of financial position as at 31 December 2020, a pro forma statement of profit or loss for the year then ended and notes thereto.

The pro forma financial information is provided solely for illustrative purposes to retroactively present the effects of the Demerger on Webuild’s historical consolidated figures at 31 December 2020 as if it had taken place on 31 December 2020 for the purposes of the statement of financial position and on 1 January 2020 for the purposes of the statement of profit or loss.

The pro forma financial information has been prepared on the basis of the assumptions described in the notes thereto and KPMG examined it in accordance with CONSOB’s recommendations set out in communication DEM/1061609 of 9 August 2001 applicable to the examination of pro forma information in order to express an opinion on (i) the reasonableness of the assumptions adopted in the preparation of the pro forma financial information, (ii) the correctness of the methodology used to prepare it and (iii) the correctness of the accounting policies applied.

Its report on the examination of the pro forma financial information at 31 December 2020 is attached hereto as Annex 3.

Without prejudice to that set out in Chapter 4, the following aspects should be considered to correctly interpret the information included in the pro forma figures:

- as the information is based on assumptions, had the Transaction actually occurred on the pro forma financial information’s reporting date, the outcome may not necessarily have been that presented;
- the pro forma figures are not forward-looking as they have been prepared solely to present the effects of the Transaction that can be isolated and objectively measured, without considering other potential factors due to changes in the management policies and decisions taken as a result of the Transaction;
- certain assumptions used to prepare the pro forma financial information have been based on information available at the Information document date. This may give rise to different figures compared to those presented in the pro forma financial information and the variation may be significant.

Moreover, considering the difference between the purpose of pro forma financial information and historical financial statements as well as the different way of calculating the effects of transactions, the pro forma statement of financial position and the pro forma statement of profit or loss should be read and interpreted separately, without searching for accounting links between their figures.

Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, it does not represent Webuild Group’s actual financial position or financial performance.

### **1.1.9 Demerger between related parties**

Webuild controls Astaldi pursuant to article 93 of the Consolidated Finance Act and manages and coordinates it in accordance with article 2497 and following articles of the Italian Civil Code.

Although the Transaction is carried out by Webuild with a subsidiary, given its materiality (including as part of Progetto Italia), since its inception, Webuild has decided not to avail of the exemption provided for by article 14.2 of the RPT regulation and article 11.f) of the RPT procedure. Therefore, it voluntarily adopted and applied the safeguards and requirements provided for material related party transactions, including the preparation of the RPT information document, which is available for consultation on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Other documents - 2021" section.

That being said, no situations of conflict of interest have been identified with regard to the terms and conditions of the Transaction given that, as also highlighted by Webuild's RPT committee in its opinion, the Transaction, on the one hand, is the last step of the integration process commenced in 2019 and, on the other hand, is designed to bring operating and financial benefits to Webuild Group. These benefits will be achieved through, inter alia, the integrated management of joint worksites, the implementation of a single commercial strategy, the optimisation of central structures as well as integrated management of purchases, assets and working capital.

The board of directors and the RPT committee found the Transaction's terms and conditions to be fair and consistent with Webuild's interests. In particular, the Exchange ratio's fairness, from a financial point of view, which was identified by the two companies' boards of directors with the support of leading financial advisors, namely Partners S.p.A. (Mr. Angelo Provasoli) for Webuild and EY Advisory S.p.A. for Astaldi, has been confirmed, among others, by:

- Lazard, the independent expert appointed by Webuild's RPT committee, which expressed its fairness opinion in its report of 19 March 2021, attached hereto as [Annex 2](#); and
- Equita SIM S.p.A., the independent expert appointed by Astaldi's committee for related party transactions.

As the expert appointed by the Milan Court in accordance with articles 2501-sexies and 2506-ter.1 of the Italian Civil Code on 11 February 2021, PKF Italia S.p.A. also expressed its fairness opinion on the Exchange ratio. A copy of its report, attached hereto via hyperlink as [Annex 10](#), is also available for consultation on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Shareholders' meeting - The ordinary and extraordinary shareholders' meeting - April 30, 2021" section.

As indicated in the Demerger proposal, Webuild's and Astaldi's directors will in no way benefit from the performance of the Transaction.

## **1.2 Revisiting Webuild's risk profiles and uncertainties**

### **1.2.1 Risks related to COVID-19 (the coronavirus)**

Since March 2020, the operations of the Issuer and its Group have been, and continue to be, subject to the restrictive measures brought in by the Italian government, in line with other European and non-European governments, to deal with the Covid-19 pandemic. These measures include the temporary shuttering of industrial facilities and work sites as well as the significant restrictions to the movement of people and means of transport. Similarly, the

operations of the Issuer and its Group are exposed to risks related to the possible adoption or re-introduction of additional restrictive measures due to the second wave of the pandemic and this could slow down or hold back, including significantly, the performance of its projects by the Group and/or its partners as well as the allocation of new contracts.

Webuild Group's 2020 financial performance was impacted by the above-mentioned restrictions caused by the spread of the Covid-19 pandemic, which led to a reduction in production initially in Italy and Europe and, in the following months, also in Latin America and the Middle East. In several cases, activities were subject to several weeks of downtime used to adapt sites to the new measures required by government or local authorities, resulting in an overall reduction in production and profitability.

Should the public health emergency continue or worsen, new extraordinary measures may be necessary, increasing the current restrictions in Italy and/or abroad. This could have a currently-unforeseeable impact on the Group's financial position, financial performance and future prospects.

Information about the pandemic's impact on the Group and the Issuer's counter measures is available in Webuild's 2020 Annual Report, available on its website [www.webuildgroup.com](http://www.webuildgroup.com), and specifically to the "Investor Relations - Financial results & Presentations- Financial reports" section (from page 33 to page 37 included)<sup>4</sup>.

### **1.2.2 Other risk profiles and uncertainties**

Further to that set out in section 1.2.1, at the Information document date, Webuild does not believe there are additional risk profiles and uncertainties to those described in its prospectus prepared pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 and published on 7 November 2019, available (*n/t in Italian*) for consultation on its website ([www.webuildgroup.com](http://www.webuildgroup.com)) in the "Investor Relations (*n/t Governance, Other documents*) - Share Capital Increase" section<sup>5</sup>.

See also the "Risk management system" (from page 245 to page 250 included) and "Main risk factors and uncertainties" (from page 251 to page 278 included) sections of Webuild's 2020 Annual Report, available on its website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Investor Relations - Financial results & Presentations- Financial reports" section<sup>6</sup>.

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<sup>4</sup> The 2020 Annual Report is available at the following link: [https://corporatebe.webuildgroup.com/sites/default/files/2021-04/eng\\_2020%20Annual%20report\\_0804.v1.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-04/eng_2020%20Annual%20report_0804.v1.pdf)]

<sup>5</sup> Specifically, see pages from 8 to 44 included of Webuild's prospectus, available (*n/t in Italian*) at the following link: [https://media.webuildgroup.com/sites/default/files/2019-11/Documento%20di%20Registrazione\\_0.pdf](https://media.webuildgroup.com/sites/default/files/2019-11/Documento%20di%20Registrazione_0.pdf).

<sup>6</sup> The 2020 Annual Report is available at the following link: [https://corporatebe.webuildgroup.com/sites/default/files/2021-04/eng\\_2020%20Annual%20report\\_0804.v1.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-04/eng_2020%20Annual%20report_0804.v1.pdf)

## 2 INFORMATION ON THE TRANSACTION

### 2.1 *Brief description of the procedures and terms of the Transaction*

#### 2.1.1 *Main corporate information of the Demerger's parties*

##### 2.1.1.1 Recipient

Webuild is a company limited by shares, with registered office in Via dei Missaglia 97, Milan, Monza Brianza Lodi company registration no. 00830660155, VAT no. 02895590962, R.E.A. no. MI-525502 and LEI code 549300UKR-289DF4UXQ47.

At the Information document date, its subscribed and paid-up share capital amounts to € and comprises 893,788,182 shares without a nominal amount, including 892,172,691 ordinary shares (with voting rights) and 1,615,491 savings shares (with voting rights in the relevant shareholders' meetings).

Webuild holds 1,330,845 treasury shares.

It is listed on the MTA, therefore it has to comply with transparency and disclosure obligations on an ongoing and regular basis as provided for by the laws and regulations for listed companies, such as, for example, Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and the related instructions for its implementation at European and national level.

Information about Webuild, including regulatory information required by article 113-ter of the Consolidated Finance Act, is available on its website [www.webuildgroup.com](http://www.webuildgroup.com), mainly in the “*Governance*” and “*Investor Relations*” sections.

##### 2.1.1.2 Demerged company

Astaldi is an Italian company limited by shares, with its registered office in Via Giulio Vincenzo Bona 65, Rome, Rome company registration no. 00398970582, VAT no. 00880281001, REA no. RM-152353 and LEI code 81560001F41A81948348.

At the Information document date, its subscribed and paid-up share capital amounts to €340,431,460.27 and comprises 1,480,136,785 ordinary shares without a nominal amount. It does not hold treasury shares.

Like Webuild, Astaldi is listed on the MTA, therefore it has to comply with transparency and disclosure obligations on an ongoing and regular basis as provided for by the laws and regulations for listed companies, such as, for example, Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and the related instructions for its implementation at European and national level.

Information about Astaldi, including regulatory information required by article 113-ter of the Consolidated Finance Act, is available on its website [www.astaldi.com](http://www.astaldi.com), mainly in the “*Governance*” and “*Investor Relations*” (n/t “*Documents*”) sections.

### **2.1.2 Procedures, terms and conditions of the Transaction**

The Transaction described in this Information document involves the partial proportionate demerger of Astaldi to Webuild.

The Demerger proposal, approved by Astaldi's and Webuild's boards of directors on 19 and 20 March 2021, respectively, will be presented to their shareholders for approval during the meetings called for 29 and 30 April 2021, respectively.

As a result of the Demerger, the Recipient will receive only part of the Demerged company's net assets (i.e., the Core assets scope). The Demerged company will retain just the assets and legal relationships of the Separate unit, as the net proceeds from its sale are and will continue to be assigned to the PFI's holders, in accordance with the Composition with creditors procedure.

The two companies' boards of directors calculated the Demerger's Exchange ratio as 203 (two hundred and three) ordinary Webuild shares to 1,000 (one thousand) ordinary Astaldi shares.

Subject to the conditions and requirements of law, the Demerger's effectiveness shall be subject to the fulfilment of the following conditions precedent:

- (a) the Rome Court's issue of the ruling confirming the Composition with creditors procedure has been completed in accordance with the authorisation ruling on the composition with creditors proposal of 17 July 2020;
- (b) Webuild's and Astaldi's lending banks have issued the necessary authorisations pursuant to the related loan agreements;
- (c) the Foundation has subscribed Astaldi's capital increase of €1,000,000.00 reserved for it.

For additional information, reference should be made to the Directors' report prepared by Webuild in accordance with articles 2501-quinquies and 2506-ter.1 of the Italian Civil Code and article 70.2 of the Issuer regulation, which is available for consultation at the following link:

[https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione\\_final\\_ITA.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione_final_ITA.pdf)

In particular, see the following sections, which are incorporated by reference herein:

| <b>Section</b> | <b>Subject matter</b>   | <b>Page</b> |
|----------------|---|-------------|
| Premessa       | <i>Premessa</i>   | 4 - 20      |
| Sezione A      | <i>Illustrazione dell'operazione e relative motivazioni</i>   | 21 - 29     |
| Sezione H      | <i>Data a decorrere dalla quale le operazioni della società scissa sono imputate al bilancio della società beneficiaria</i> | 43          |
| Sezione I      | <i>Riflessi tributari dell'operazione</i>   | 44 - 45     |

### 2.1.3 Shares covered by the Exchange ratio and warrants

As part of the Demerger, against the transfer of the Core assets scope and in order to ensure that the current shareholders and holders of warrants issued by Astaldi become holders of shares and warrants issued by Webuild and, in general, the enactment of the Composition with creditors procedure, Webuild will issue:

- 107,771,755 new ordinary shares reserved for Astaldi's shareholders other than itself (potentially increased by another 5,916,843 new ordinary shares for any Creditors with filed claims that have not been satisfied);
- 8,826,087 new ordinary shares, if necessary, (whose issue will be approved as part of the performance of the Demerger) for the Additional creditors, using: (i) the ratio established by the Composition with creditors procedure for the exchange of claims with shares (i.e., 12.493 Astaldi shares to €100.00 of claims); and (ii) the Exchange ratio;
- 80,738,448 "Webuild S.p.A. 2021-2030" warrants, to be assigned to Webuild's shareholders in proportion to their investment in Webuild at the Effective date to replace Astaldi's anti-dilutive warrants that, based on the Composition with creditors procedure, are currently earmarked for Webuild and to ensure that their investment percentage in Astaldi is not diluted should the Unsecured creditors subscribe the Astaldi shares reserved therefor. Like Astaldi's anti-dilutive warrants, the newly-issued warrants have the purpose of ensuring that their recipients' investment in Webuild does not change as a result of a possible issue of new Webuild shares for the purposes of the capital increase reserved for the Additional creditors;
- 15,223,311 "Webuild S.p.A. 2021-2023" warrants to replace the Astaldi lending bank warrants and to be assigned to its lending banks that made new resources available to it during the Composition with creditors procedure, giving them the option to subscribe Astaldi shares. Likewise, the new warrants issued by Webuild will entitle their holders to subscribe the number of ordinary Webuild shares resulting from the application of the Exchange ratio to the number of Astaldi shares that would have been issued had the lending bank warrants been exercised.

The ordinary Webuild shares that will be assigned to Astaldi's shareholders (other than Webuild) will be listed on the MTA like all other outstanding ordinary Webuild shares, after having received the necessary authorisations. On the other hand, the warrants issued as part of the Demerger will not be listed.

For additional information, reference should be made to the Directors' report prepared by Webuild in accordance with articles 2501-quinquies and 2506-ter.1 of the Italian Civil Code and article 70.2 of the Issuer regulation, which is available for consultation at the following link:

[https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione\\_final\\_ITA.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione_final_ITA.pdf)

In particular, see the following section, which is incorporated by reference herein:

| Section     | Subject matter  | Page    |
|-------------|---|---------|
| Sezione C.3 | <i>Criteria di attribuzione degli strumenti finanziari della Società Beneficiaria</i> | 37 - 38 |

### **2.1.4 Webuild's shareholder base after the Demerger**

The following table shows the expected shareholder base of Webuild after the Demerger based on the information available at the Information document date and without considering the potential effect of the exercise of the warrants to be issued to replace the lending bank warrants by their holders:

| <b>Shareholder</b>        | <b>Investment %</b> |
|---------------------------|---------------------|
| Salini Costruttori S.p.A. | 40.38%              |
| CDP Equity S.p.A.         | 16.77%              |
| Unicredit S.p.A.          | 5.40%               |
| Intesa Sanpaolo S.p.A.    | 5.24%               |
| Float                     | 32.21%              |

After the Demerger:

- Webuild's controlling structure will remain unchanged. It will continue to be controlled by Salini Costruttori S.p.A. pursuant to article 93 of the Consolidated Finance Act, which will continue to manage and coordinate it pursuant to article 2497 and following articles of the Italian Civil Code.
- the Foundation will be Astaldi's sole shareholder, while its PFI will continue to be held by the same parties that held them prior to the Demerger;
- there will be no other financial instruments issued by Astaldi and the Demerged company's ordinary shares will be delisted.

### **2.1.5 The Demerger's effects on the existing shareholders' agreements**

Based on the communications made under article 122 of the Consolidated Finance Act, at the date of preparation of this report:

- with reference to Astaldi, the existing shareholders' agreements are those relating to Webuild's commitments signed on 19 March 2021 <sup>7</sup>;
- with reference to Webuild, the existing shareholders' agreements are those included in the investment agreement (as subsequently amended) signed by Salini Costruttori S.p.A., CDP Equity S.p.A., Pietro Salini and Webuild on 2 August 2019 <sup>8</sup>.

The Demerger is not expected to affect the above-mentioned shareholders' agreements.

## **2.2 The Demerged company's assets and liabilities that will be transferred to the Recipient**

### **2.2.1 Core assets scope**

As a result of the demerger, Webuild will receive all the equity investments, operating assets, legal relationships (including, inter alia, those with employees) and the liabilities of Astaldi (after it has discharged its debts as per the Composition with creditors procedure) related

<sup>7</sup> The essential information as per article 130 of the Issuer regulation is available for consultation [in Italian?] on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Other documents - 2021" section.

<sup>8</sup> The essential information as per article 130 of the Issuer regulation is available for consultation [in Italian?] on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Other documents - 2019" section.

solely to the Core assets scope, which includes all Astaldi's claims and obligations vis-à-vis the Separate unit pursuant to the related establishment resolution.

For additional information, reference should be made to the Directors' report prepared by Webuild in accordance with articles 2501-quinquies and 2506-ter.1 of the Italian Civil Code and article 70.2 of the Issuer regulation, which is available for consultation (n/t in Italian) at the following link:

[https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione\\_final\\_ITA.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione_final_ITA.pdf).

In particular, see the following section, which is incorporated by reference herein:

| Section   | Subject matter   | Page |
|-----------|--|------|
| Sezione B | <i>Elementi patrimoniali da trasferire alla società beneficiaria</i> | 30   |

### **2.2.2 Calculation of the Exchange ratio**

As mentioned earlier, the two companies' boards of directors calculated the Demerger's Exchange ratio as 203 (two hundred and three) ordinary Webuild shares to 1,000 (one thousand) ordinary Astaldi shares.

In establishing the Exchange ratio, the two companies's boards of directors were supported by leading advisors, namely Partners S.p.A. (Mr. Angelo Provasoli) for Webuild and EY Advisory S.p.A. for Astaldi.

Since the Transaction qualifies as a related party transaction, the Demerger's parties have applied their respective procedures for material transactions. Accordingly, they requested the green light from their related party committees before approving the Demerger proposal.

For the purposes of expressing their reasoned opinions, Webuild's RPT committee was assisted by an independent expert, Lazard S.r.l., whereas Astaldi's committee for related party transactions was assisted by Equita SIM S.p.A.<sup>9</sup>.

The criteria used by Webuild's board of directors for the calculation of the Exchange ratio and the valuation methods, assumptions and limitations adopted by the advisor Partners S.p.A. are detailed in the directors' report prepared in accordance with articles 2501-quinquies and 2506-ter.1 of the Italian Civil Code and article 70.2 of the Issuer regulation, which is available for consultation (n/t in Italian) at the following link:

[https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione\\_final\\_ITA.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione_final_ITA.pdf).

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<sup>9</sup> See the report on the first item, paragraph a) of the extraordinary section's agenda, prepared by Astaldi's directors pursuant to articles 2501-quinquies and 2506-ter.1 of the Italian Civil Code and article 70.2, of the Issuer regulation, which is available for consultation on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Shareholders' meeting - The ordinary and extraordinary shareholders' meeting - April 30, 2021" section.

In particular, see the following section, which is incorporated by reference herein:

| Section     | Subject matter   | Page    |
|-------------|--|---------|
| Sezione C.2 | <i>Modalità di determinazione del Rapporto di Assegnazione</i> | 31 - 37 |

Partners S.p.A.'s appraisal report to Webuild's board of directors of 14 March 2021 is attached hereto as Annex 1.

A description of the assessments of Webuild's RPT committee and the valuation methods adopted by its advisor, Lazard S.r.l., is included in the RPT information document prepared by Webuild pursuant to article 5 of the RPT regulation and article 7 of the RPT procedure, which is available for consultation (*n/t in Italian*) on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Other documents - 2021" section, or at the following link:

[https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Documento%20Informativo%20OPC\\_final%20per%20pubblicazione.pdf](https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Documento%20Informativo%20OPC_final%20per%20pubblicazione.pdf).

In particular, see the following sections, which are incorporated by reference herein:

| Section         | Subject matter  | Page    |
|-----------------|---|---------|
| Paragrafo 2.4.1 | <i>Esperto Indipendente designato dal Comitato OPC</i>                                | 16 - 17 |
| Paragrafo 2.4.2 | <i>Modalità di determinazione del Rapporto di Cambio e Fairness Opinion di Lazard</i> | 17 - 21 |

Lazard S.r.l.'s fairness opinion requested by Webuild's RPT committee is attached as Annex 2.

As the expert appointed by the Milan Court, on 26 March 2021, PKF Italia S.p.A. expressed its opinion on the reasonableness, non-arbitrariness and correct application of the valuation methods used for the calculation of the Exchange ratio in accordance with articles 2501-sexies and 2506-ter.3 of the Italian Civil Code. A copy of its report is available for consultation on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Shareholders' meeting - The ordinary and extraordinary shareholders' meeting - April 30, 2021" section.

### **2.3 Reasons for and aims of the Transaction**

#### **2.3.1 Reasons for the Transaction with specific reference to the Issuer's management objectives**

As discussed in the Foreword, as part of Progetto Italia, the Transaction represents the culmination of the integration of Astaldi's business into that of Webuild, which commenced when Webuild became involved in Astaldi's composition with creditors on a going concern basis procedure as per article 161 and following articles of the Bankruptcy Law begun by Astaldi on 28 September 2018, which continued up to Webuild's subscription of Astaldi's capital increase of €225,000,000 that was approved by Astaldi's shareholders during their extraordinary meeting of 31 July 2020 and was carried out on 5 and 6 November 2020, as a result of which Webuild obtained control over Astaldi pursuant to article 93 of the Consolidated Finance Act.

For a description of the reasons for and aims of the Transaction, reference should be made

to the Directors' report prepared by Webuild in accordance with articles 2501-quinquies and 2506-ter.1 of the Italian Civil Code and article 70.2 of the Issuer regulation, which is available for consultation (*n/t in Italian*) at the following link:

[https://corporatebe.wbuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione\\_final\\_ITA.pdf](https://corporatebe.wbuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione_final_ITA.pdf)

In particular, see the following section, which is incorporated by reference herein:

| Section     | Subject matter                                | Page |
|-------------|---|------|
| Sezione A.2 | <i>Motivazioni e finalità dell'operazione</i> | 22   |

With reference to the assessments of the RPT committee about the reasons for the Transactions, reference should also be made to the RPT information document prepared by Webuild pursuant to article 5 of the RPT regulation and article 7 of the RPT procedure, which is available for consultation (*n/t in Italian*) on Webuild's website [www.wbuildgroup.com](http://www.wbuildgroup.com), in the "Governance - Other documents - 2021" section and at the following link:

[https://corporatebe.wbuildgroup.com/sites/default/files/2021-03/Documento%20Informativo%20OPC\\_final%20per%20pubblicazione.pdf](https://corporatebe.wbuildgroup.com/sites/default/files/2021-03/Documento%20Informativo%20OPC_final%20per%20pubblicazione.pdf)

In particular, see the following section, which is incorporated by reference herein:

| Section       | Subject matter  | Page    |
|---------------|---|---------|
| Paragrafo 2.3 | <i>Indicazione delle motivazioni economiche e della convenienza dell'Operazione per la Società Beneficiaria e per il Gruppo Webuild</i> | 15 - 16 |

### **2.3.2 Plans made by the Issuer**

The Transaction is part of Webuild Group's strategy to consolidate its leadership position in the large infrastructure sector and, by its very nature, is aimed at the industrial reorganisation of part of Webuild Group, through the integration of Astaldi's Core assets scope into Webuild.

After the Demerger, Astaldi will retain just the Separate unit and, hence, its future activity will be focused on providing the operating support necessary to duly manage and wind up the Separate unit to the benefit of the holders of the PFI, as provided for in the Composition with creditors procedure.

Including considering the above, the Issuer has not taken any decisions to restructure and/or reorganise the Demerged company.

### **2.4 Documents available to the public**

This Information document and its annexes are available for consultation on the Issuer's website [www.wbuildgroup.com](http://www.wbuildgroup.com), in the "Governance - Other documents - 2021" section.

The Demerger's documentation required by articles 2501-septies and 2506-ter of the Italian Civil Code and article 70.1/2 of the Issuer regulation, including the Directors' report, is available for consultation on Webuild's website [www.wbuildgroup.com](http://www.wbuildgroup.com), in the "Governance - Shareholders' meeting - The ordinary and extraordinary shareholders' meeting - April 30, 2021" section.

The RPT information document is available for consultation on Webuild's website [www.webuildgroup.com](http://www.webuildgroup.com), in the "Governance - Other documents - 2021" section.

All the above documents are also available to the public at Webuild's offices in Via dei Missaglia 97, Milan and in the authorised storage facility IINFO [www.1info.it](http://www.1info.it).

### 3 SIGNIFICANT EFFECTS OF THE TRANSACTION

#### ***3.1 Significant effects of the Transaction on the key factors that influence and characterise the Issuer's operations and the type of business conducted by the Issuer***

The Issuer does not believe the Transaction will have any significant effects on the key factors that influence and characterise its operations given that Astaldi's Core assets scope, which will be transferred to Webuild, is active in the same sector.

Moreover, at the Information document date, Astaldi is controlled ex-lege by Webuild which, therefore, consolidates it.

#### ***3.2 Implications of the Transaction on the strategic guidelines for the commercial and financial relations and the centralised provision of services among the companies of Webuild Group***

Given that, at the Information document date, Astaldi is already part of Webuild Group, the Issuer does not believe the strategic guidelines for the commercial and financial relations and the centralised provision of services among the companies of its Group will be affected by the Transaction.

### 4 PRO FORMA FINANCIAL INFORMATION OF THE ISSUER

#### ***4.1 Pro forma statements of financial position and profit or loss***

##### ***4.1.1 Foreword***

This Chapter presents Webuild Group's pro forma financial information at 31 December 2020, comprising a pro forma statement of financial position as at 31 December 2020, a pro forma statement of profit or loss for the year then ended and notes thereto.

The pro forma financial information is provided solely for illustrative purposes to retroactively present the effects of the Demerger on Webuild's historical consolidated figures at 31 December 2020 as if it had taken place on 31 December 2020 for the purposes of the statement of financial position and on 1 January 2020 for the purposes of the statement of profit or loss.

The pro forma financial information has been prepared on the basis of the assumptions described in the notes thereto and KPMG examined it in accordance with CONSOB's recommendations set out in communication DEM/1061609 of 9 August 2001 applicable to the examination of pro forma information in order to express an opinion on (i) the reasonableness of the assumptions adopted in the preparation of the pro forma financial information, (ii) the correctness of the methodology used to prepare it and (iii) the correctness of the accounting policies applied.

As already mentioned in the Foreword to this Information document, on 5 November 2020, Webuild fully subscribed and paid up the €225 million capital increase approved by Astaldi,

whereby gaining control over the latter. Astaldi therefore entered Webuild Group's consolidation scope.

The Demerger proposal, approved by Astaldi's and Webuild's boards of directors on 19 and 20 March 2021, respectively, will be presented to their shareholders for approval during the meetings called for 29 and 30 April 2021, respectively. Specifically, the proposal envisages that, upon completion of the Transaction, Astaldi's shareholders (other than Webuild) will receive a number of ordinary Webuild shares proportionate to their current investment in the Demerged company based on the Exchange ratio, whose fairness has been confirmed in accordance with the law.

On 23 and 24 March 2021, Webuild and Astaldi signed the Demerger agreement, governing certain relationships related to or linked to the Demerger, as well as other obligations Webuild took on with the Separate unit.

Subject to the conditions and requirements of law, the Demerger's effectiveness shall be subject to the fulfilment of a number of conditions precedent.

Reference should be made to Chapter 2 hereof for further information.

The Transaction's accounting effects shown in the pro forma statement of financial position of Webuild Group as at 31 December 2020 solely relate to the different allocation of equity and profit for the year attributable to non-controlling interests.

The pro forma statement of profit or loss of Webuild Group for the year ended 31 December 2020 shows the accounting effects of the Transaction by including Astaldi Group's results from 1 January 2020, adjusted for the debt discharging of Astaldi and its subsidiaries (that occurred after the approval of their relevant composition with creditors procedures), the financial performance of the Separate unit and other non-recurring items. It also includes the effect of the consolidation of certain joint ventures with Astaldi from 1 January 2020 (rather than from the date of acquisition of control over Astaldi) and the amortisation of intangible assets recognised as a result of the purchase price allocation procedure carried out by Webuild's directors in accordance with IFRS 3 (Business combinations), given that the acquisition of the controlling investment is part of the main steps of Progetto Italia and is closely related to the Demerger.

Moreover, for the purposes of the preparation of the pro forma financial information:

- (i) the conditions precedent for the Transaction's effectiveness have been assumed to have been met;
- (ii) other obligations taken on by Webuild as part of the Demerger agreement in addition to those already reflected in Webuild Group's and Astaldi Group's historical financial information have not been considered, because they could not be quantified at the Information document date and were deemed to be irrelevant for the purposes of the pro forma financial information.

Taxes on the individual pro-forma adjustments have been computed using the applicable tax rate. As the issue is very complex, although the Issuer deems that the pro forma financial information includes the best estimate of those taxes, the actual taxes may differ from those estimated in the pro forma financial information and the variation may be significant.

KPMG's report on the examination of the pro forma financial information at 31 December 2020 is attached hereto as [Annex 3](#).

#### **4.1.2 Basic assumptions used to prepare the pro forma financial information**

The pro forma financial information has been prepared in accordance with the pro forma reporting standards recommended by CONSOB in communication DEM/1052803 of 5 July 2001.

The pro forma financial information at 31 December 2020 derives from the following historical financial information:

- (a) Webuild Group, the statement of financial position as at 31 December 2020 and the statement of profit or loss for the year then ended derived from the consolidated financial statements at 31 December 2020, prepared in accordance with the IFRS, included in Webuild's 2020 Annual Report, which was approved by its board of directors on 19 March 2021 and audited by KPMG, which issued its unqualified audit report on 6 April 2021;
- (b) Astaldi Group, the statement of financial position as at 31 December 2020 and the statement of profit or loss for the year then ended derived from the consolidated financial statements at 31 December 2020, prepared in accordance with the IFRS, included in Astaldi's 2020 Annual Report, which was approved by its board of directors on 17 March 2021 and audited by PricewaterhouseCoopers S.p.A., which issued its unqualified audit report on 7 April 2021.

Astaldi Group's statement of financial position as at 31 December 2020 and statement of profit or loss for the year then ended include the effects of the capital strengthening and refinancing transactions for the performance of the Plan, which was approved by the Rome Court on 17 July 2020, as described in the Foreword to this Information document.

The accounting policies adopted for the preparation of the pro forma financial information at 31 December 2020 are consistent with those used for the preparation of the 2020 consolidated financial statements included in Webuild's 2020 Annual Report, which are in accordance with the IFRS.

Based on CONSOB's communication DEM/1052803 of 5 July 2001, the pro forma financial information has been prepared to show retroactively, applying the same accounting policies as those used for the historical data of Webuild Group and compliant with applicable legislation, the effects of the Transaction on the Group's statement of financial position as at 31 December 2020 as if the Transaction had taken place on 31 December 2020 and on the Group's statement of profit or loss for the year ended 31 December 2020 as if the Transaction had taken place on 1 January 2020.

The following aspects should be considered to correctly interpret the pro forma financial information:

- as the information is based on assumptions, had the Transaction actually occurred on the pro forma financial information's reporting date, the outcome may not necessarily have been that presented;
- the pro forma figures are not forward-looking as they have been prepared solely to present the effects of the Transaction that can be isolated and objectively measured, without considering other potential factors due to changes in the management policies and decisions taken as a result of the Transaction;
- certain assumptions used to prepare the pro forma financial information have been based on information available at the Information document date. This may give rise to different figures compared to those presented in the pro forma financial information and the variation may be significant.

Moreover, considering the difference between the purpose of pro forma financial information and historical financial statements as well as the different way of calculating the effects of transactions, the pro forma statement of financial position and the pro forma statement of profit or loss should be read and interpreted separately, without searching for accounting links between their figures.

Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, it does not represent Webuild Group's actual financial position or financial performance.

The pro forma financial information is presented in a multi-column schedule in order to show the items affected by the pro forma adjustments which are detailed in section 4.1.3. It includes:

- in column I, Webuild's financial information derived from its consolidated financial statements at 31 December 2020, included in its 2020 Annual Report. The profit or loss figures include Astaldi Group's results from 5 November 2020, the date on which Webuild gained control;
- in column II, the pro forma adjustments relating to Astaldi Group's figures from 1 January to 4 November 2020, which have been reclassified for consistency with Webuild's presentation model. These adjustments solely affect the pro forma statement of profit or loss;
- in column III, the pro forma adjustments made to account for the effects of the transactions carried out by Astaldi in line with the Plan, which are not expected to be of a recurring nature. In accordance with IFRS 3 (Business combinations), these effects have been recognised as part of the purchase price allocation carried out for Webuild consolidation purposes. These adjustments solely affect the pro forma statement of profit or loss;
- in column IV, the pro forma adjustments arising from the different accounting treatment of certain joint ventures between Webuild and Astaldi (from equity accounting to consolidation) and the resulting elimination of intragroup transactions. These adjustments solely affect the pro forma statement of profit or loss;
- in column V, the pro forma adjustments relating to the amortisation of the intangible assets recognised as a result of the purchase price allocation procedure carried out by in accordance with IFRS 3 (Business combinations). These adjustments solely affect the pro forma statement of profit or loss;
- in column VI, the pro forma adjustments to the equity and profit for the year attributable to the owner of the parent and non-controlling interests arising from the Transaction;
- in column VII, Webuild's consolidated figures at 31 December 2020, i.e., the algebraic sum of columns from I to VI.

The figures presented in the schedules and the notes are rounded to the presentation currency unit. Figures shown as totals in some tables and elsewhere may not be exact arithmetic aggregations of the figures that precede them.

All information contained in this Chapter is presented in thousands of Euro, unless otherwise indicated.

The following sections show the main effects of the Transaction on Webuild's statement of financial position as at 31 December 2020 and statement of profit or loss for the year then ended, as well as the related pro forma accounting treatment.

### 4.1.3 Pro forma financial information at 31 December 2020

The pro forma statement of financial position as at 31 December 2020, the pro forma statement of profit or loss for the year then ended and the related notes are set out below.

#### 4.1.3.1 Pro forma statement of financial position as at 31 December 2020

|  | I                 | II  | III  | IV   | V                                  | VI                                       | VII   |
|--|-------------------|---|--|--|------------------------------------|--|---|
| ASSETS   | Webuild Group     | Astaldi Group<br>1 January to<br>4 November<br>2020 | Elimination<br>of non-<br>recurring<br>items | Changes in<br>consolidation<br>and elimination<br>of intragroup<br>transaction | Other pro-<br>forma<br>adjustments | Astaldi non-<br>controlling<br>interests | Webuild Group<br>pro forma<br>figures at<br>31 December<br>2020 |
| (€'000)  |                   |   |  |  |                                    |  |   |
| <b>Non-current assets</b>                        |                   |   |  |  |                                    |  |   |
| Property, plant and equipment                    | 477,497           |   |  |  |                                    |  | 477,497   |
| Right-of-use assets                              | 164,632           |   |  |  |                                    |  | 164,632   |
| Investment property                              | 120               |   |  |  |                                    |  | 120   |
| Intangible assets                                | 586,367           |   |  |  |                                    |  | 586,367   |
| Goodwill   | 70,020            |   |  |  |                                    |  | 70,020  |
| Equity investments                               | 640,134           |   |  |  |                                    |  | 640,134   |
| Derivatives and non-current financial assets     | 322,617           |   |  |  |                                    |  | 322,617   |
| Deferred tax assets                              | 368,364           |   |  |  |                                    |  | 368,364   |
| <b>Total non-current assets</b>                  | <b>2,629,751</b>  | -   | -  | -  | -                                  | -  | <b>2,629,751</b>  |
| <b>Current assets</b>                            |                   |   |  |  |                                    |  |   |
| Inventories                                      | 198,325           |   |  |  |                                    |  | 198,325   |
| Contract assets                                  | 2,754,203         |   |  |  |                                    |  | 2,754,203   |
| Trade receivables                                | 1,889,929         |   |  |  |                                    |  | 1,889,929   |
| Derivatives and other current financial assets   | 340,596           |   |  |  |                                    |  | 340,596   |
| Current tax assets                               | 114,297           |   |  |  |                                    |  | 114,297   |
| Other current tax assets                         | 229,448           |   |  |  |                                    |  | 229,448   |
| Other current assets                             | 1,006,796         |   |  |  |                                    |  | 1,006,796   |
| Cash and cash equivalents                        | 2,455,125         |   |  |  |                                    |  | 2,455,125   |
| <b>Total current assets</b>                      | <b>8,988,719</b>  | -   | -  | -  | -                                  | -  | <b>8,988,719</b>  |
| Non-current assets held for sale                 | 10,049            |   |  |  |                                    |  | 10,049  |
| <b>Total assets</b>                              | <b>11,628,519</b> | -   | -  | -  | -                                  | -  | <b>11,628,519</b>   |
| <b>EQUITY AND LIABILITIES</b>                    |                   |   |  |  |                                    |  |   |
| (€'000)  |                   |   |  |  |                                    |  |   |
| <b>Equity</b>                                    |                   |   |  |  |                                    |  |   |
| Equity attributable to the owners of the parent  | 1,428,989         |   |  |  |                                    | 422,936                                  | 1,851,925   |
| Equity attributable to non-controlling interests | 655,893           |   |  |  |                                    | (422,936)                                | 232,957   |
| <b>Total equity</b>                              | <b>2,084,882</b>  | -   | -  | -  | -                                  | -  | <b>2,084,882</b>  |
| <b>Non-current liabilities</b>                   |                   |   |  |  |                                    |  |   |
| Bank and other loans and borrowings              | 767,494           |   |  |  |                                    |  | 767,494   |
| Bonds  | 1,288,620         |   |  |  |                                    |  | 1,288,620   |
| Lease liabilities                                | 98,881            |   |  |  |                                    |  | 98,881  |

|   | I                 | II  | III  | IV   | V                                  | VI                                       | VII   |
|---|-------------------|---|--|--|------------------------------------|--|---|
| ASSETS<br>(€'000)   | Webuild Group     | Astaldi Group<br>1 January to<br>4 November<br>2020 | Elimination<br>of non-<br>recurring<br>items | Changes in<br>consolidation<br>and elimination<br>of intragroup<br>transaction | Other pro-<br>forma<br>adjustments | Astaldi non-<br>controlling<br>interests | Webuild Group<br>pro forma<br>figures at<br>31 December<br>2020 |
| Non-current derivatives   | -                 |   |  |  |                                    |  | -   |
| Post-employment<br>benefits and employee<br>benefits                            | 63,349            |   |  |  |                                    |  | 63,349  |
| Deferred tax liabilities  | 137,186           |   |  |  |                                    |  | 137,186   |
| Other non-current<br>liabilities  | -                 |   |  |  |                                    |  | -   |
| Provisions for risks  | 196,351           |   |  |  |                                    |  | 196,351   |
| <b>Total non-current<br/>liabilities</b>  | <b>2,551,881</b>  | -   | -  | -  | -                                  | -  | <b>2,551,881</b>  |
| <b>Current liabilities</b>  |                   |   |  |  |                                    |  |   |
| Current account facilities<br>and current portion of<br>loans and borrowings    | 1,077,309         |   |  |  |                                    |  | 1,077,309   |
| Current portion of<br>bonds   | 246,910           |   |  |  |                                    |  | 246,910   |
| Current portion of lease<br>liabilities   | 79,557            |   |  |  |                                    |  | 79,557  |
| Derivatives and other<br>current financial<br>liabilities                       | -                 |   |  |  |                                    |  | -   |
| Contract liabilities  | 2,132,476         |   |  |  |                                    |  | 2,132,476   |
| Trade payables  | 2,706,576         |   |  |  |                                    |  | 2,706,576   |
| Current tax liabilities   | 127,295           |   |  |  |                                    |  | 127,295   |
| Other current tax<br>liabilities  | 75,978            |   |  |  |                                    |  | 75,978  |
| Provisions for risks  | -                 |   |  |  |                                    |  | -   |
| Other current liabilities   | 530,544           |   |  |  |                                    |  | 530,544   |
| <b>Total current liabilities</b>  | <b>6,976,645</b>  | -   | -  | -  | -                                  | -  | <b>6,976,645</b>  |
| Liabilities directly<br>associated with non-<br>current assets<br>held for sale | 15,111            |   |  |  |                                    |  | 15,111  |
| <b>Total equity and<br/>liabilities</b>   | <b>11,628,519</b> | -   | -  | -  | -                                  | -  | <b>11,628,519</b>   |

#### 4.1.3.2 Pro forma statement of profit or loss for the year ended 31 December 2020

|   | I                | II  | III  | IV   | V                                  | VI                                       | VII  |
|---|------------------|---|--|--|------------------------------------|--|--|
| (€'000)                                   | Webuild Group    | Astaldi Group<br>1 January to<br>4 November<br>2020 | Elimination<br>of non-<br>recurring<br>items | Changes in<br>consolidation<br>and elimination<br>of intragroup<br>transaction | Other pro-<br>forma<br>adjustments | Astaldi non-<br>controlling<br>interests | Webuild Group<br>2020 pro forma<br>figures |
| <b>Revenue</b>                            |                  |   |  |  |                                    |  |  |
| Revenue from contracts<br>with customers  | 4,247,167        | 1,093,145   |  | (29,255)   |                                    |  | 5,311,057                                  |
| Other income                              | 226,478          | 58,349  | 876  | (1,628)  |                                    |  | 284,075                                    |
| Gain from bargain<br>purchase             | 548,177          |   |  |  |                                    |  | 548,177                                    |
| <b>Total revenue and other<br/>income</b> | <b>5,021,822</b> | <b>1,151,494</b>                                    | <b>876</b>                                   | <b>(30,883)</b>  | -                                  | -  | <b>6,143,309</b>                           |
| <b>Operating expenses</b>                 |                  |   |  |  |                                    |  |  |
| Purchases                                 | (575,127)        | (161,717)   |  | (19,831)   |                                    |  | (756,675)                                  |
| Subcontracts                              | (1,498,284)      | (367,975)   |  | (26,051)   |                                    |  | (1,892,310)                                |
| Services                                  | (1,181,931)      | (361,654)   | 23,985                                       | 87,774   |                                    |  | (1,431,826)                                |
| Personnel expenses                        | (845,062)        | (212,929)   | 9,702  | (15,285)   |                                    |  | (1,063,574)                                |
| Other operating expenses                  | (161,418)        | (64,827)  | 17,046                                       | (4,724)  |                                    |  | (213,923)                                  |

|  | I                  | II  | III  | IV   | V                                  | VI                                       | VII  |
|--|--------------------|---|--|--|------------------------------------|--|--|
| (€'000)  | Webuild Group      | Astaldi Group<br>1 January to<br>4 November<br>2020 | Elimination<br>of non-<br>recurring<br>items | Changes in<br>consolidation<br>and elimination<br>of intragroup<br>transaction | Other pro-<br>forma<br>adjustments | Astaldi non-<br>controlling<br>interests | Webuild Group<br>2020 pro forma<br>figures |
| Impairment losses  | (173,583)          | (22,807)  | 14,643                                       | 8,733  |                                    |  | (173,014)                                  |
| Amortisation, depreciation<br>and provisions                               | (185,019)          | (48,949)  | 8,196  | (7,659)  | (24,062)                           |  | (257,493)                                  |
| <b>Total operating<br/>expenses</b>  | <b>(4,620,424)</b> | <b>(1,240,858)</b>                                  | <b>73,572</b>                                | <b>22,957</b>  | <b>(24,062)</b>                    | -  | <b>(5,788,815)</b>                         |
| <b>Operating profit (loss)</b>   | <b>401,398</b>     | <b>(89,364)</b>                                     | <b>74,448</b>                                | <b>(7,926)</b>   | <b>(24,062)</b>                    | -  | <b>354,494</b>                             |
| Surplus from debt<br>discharging   |                    | 2,172,144   | (2,172,144)                                  | -  |                                    |  | -  |
| Financing income<br>(costs) and gains<br>(losses) on equity<br>investments |                    |   |  |  |                                    |  |  |
| Financial income   | 80,990             | 62,781  | (1,775)                                      | (1,202)  |                                    |  | 140,794                                    |
| Financial expense  | (155,606)          | (42,643)  |  | 3,060  |                                    |  | (195,189)                                  |
| Net exchange losses  | (43,907)           | (37,807)  |  | -  |                                    |  | (81,714)                                   |
| <b>Net financing costs</b>   | <b>(118,523)</b>   | <b>(17,669)</b>                                     | <b>(1,775)</b>                               | <b>1,858</b>   | -                                  | -  | <b>(136,109)</b>                           |
| Net losses on equity<br>investments  | (108,816)          | (70,036)  | 68,106                                       | -  | (1,257)                            |  | (112,003)                                  |
| <b>Net financing costs and<br/>net losses on equity<br/>investments</b>    | <b>(227,339)</b>   | <b>(87,705)</b>                                     | <b>66,331</b>                                | <b>1,858</b>   | <b>(1,257)</b>                     | -  | <b>(248,112)</b>                           |
| <b>Profit before tax</b>   | <b>174,059</b>     | <b>1,995,075</b>                                    | <b>(2,031,365)</b>                           | <b>(6,068)</b>   | <b>(25,320)</b>                    | -  | <b>106,381</b>                             |
| Income tax   | (27,041)           | (179,673)   | 174,780                                      | 787  | 5,358                              |  | (25,789)                                   |
| <b>Profit from continuing<br/>operations</b>                               | <b>147,018</b>     | <b>1,815,402</b>                                    | <b>(1,856,585)</b>                           | <b>(5,281)</b>   | <b>(19,962)</b>                    | -  | <b>80,592</b>                              |
| Loss from discontinued<br>operations                                       | (5,088)            | (25,109)  | 30,197                                       | 0  |                                    |  | -  |
| <b>Profit for the year</b>   | <b>141,930</b>     | <b>1,790,293</b>                                    | <b>(1,826,388)</b>                           | <b>(5,281)</b>   | <b>(19,962)</b>                    | -  | <b>80,592</b>                              |
| <b>Profit for the year<br/>attributable to</b>                             |                    |   |  |  |                                    |  |  |
| Owners of the parent   | 146,990            | 1,791,871   | (1,826,388)                                  | (5,281)  | (19,962)                           | (2,235)                                  | 84,996                                     |
| Non-controlling interests  | (5,060)            | (1,578)   | -  | -  | -                                  | 2,235                                    | (4,403)                                    |

#### 4.1.3.3 Notes to the pro forma figures at 31 December 2020

This section discusses the pro forma adjustments made to prepare the pro forma financial information at 31 December 2020.

##### *Column I – Webuild Group*

This column includes Webuild Group's financial information derived from its consolidated financial statements at 31 December 2020 included in the 2020 Annual Report to which reference should be made for more information. The statement of profit or loss includes Astaldi Group's figures as from its first consolidation date.

##### *Column II – Astaldi Group 1 January to 4 November 2020*

In the statement of profit or loss, this column shows Astaldi's figures from 1 January to 4 November 2020 reclassified to comply with Webuild's presentation model. They have been derived from Astaldi Group's consolidated financial statements and are net of its figures from 5 November to 31 December 2020 as these are included in Webuild's consolidated financial statements.

The table below shows Astaldi Group's figures for the year ended 31 December 2020 derived from its consolidated financial statements at 31 December 2020 (column a), the reclassifications made to comply with Webuild's presentation model (column b), Astaldi Group's figures from 5 November to 31 December 2020, i.e., those included in Webuild's

statement of profit or loss (column c) and Astaldi Group's figures from 1 January to 4 November 2020 derived by difference from the figures included in the previous columns (column d).

|  | a                                   | b                          | c  | d   |
|--|-------------------------------------|----------------------------|--|---|
|  | Astaldi Group published (12 months) | Webuild presentation model | Elimination of the two months' figures consolidated by Webuild | Astaldi Group from 1 January to 4 November 2020 |
| (€'000)  |                                     |                            |  |   |
| <b>Revenue</b>   |                                     |                            |  |   |
| Revenue from contracts with customers                                    | 1,380,830                           | 7,236                      | (294,921)  | 1,093,145                                       |
| Other income   | 71,481                              | (3,893)                    | (9,239)  | 58,349  |
| Gain from bargain purchase   | -                                   | -                          | -  | -   |
| <b>Total revenue and other income</b>                                    | <b>1,452,311</b>                    | <b>3,343</b>               | <b>(304,160)</b>   | <b>1,151,494</b>                                |
| <b>Operating expenses</b>  |                                     |                            |  |   |
| Purchases  | (194,433)                           | -                          | 32,716   | (161,717)                                       |
| Subcontracts   | -                                   | (447,196)                  | 79,221   | (367,975)                                       |
| Services   | (948,615)                           | 449,810                    | 137,151  | (361,654)                                       |
| Personnel expenses   | (248,109)                           | (614)                      | 35,794   | (212,929)                                       |
| Other operating expenses   | (42,000)                            | (33,026)                   | 10,199   | (64,827)  |
| Impairment losses  | -                                   | (22,325)                   | (482)  | (22,807)  |
| Amortisation, depreciation and provisions                                | -                                   | (53,654)                   | 4,705  | (48,949)  |
| Change in costs capitalised to fulfil a contract                         | 1,887                               | (1,887)                    | -  | -   |
| Share of losses from joint ventures and associates                       | (68,371)                            | 68,371                     | -  | -   |
| Amortisation, depreciation and impairment losses                         | (70,961)                            | 70,961                     | -  | -   |
| Provisions   | (6,196)                             | 6,196                      | -  | -   |
| <b>Total operating expenses</b>  | <b>(1,576,798)</b>                  | <b>36,938</b>              | <b>299,304</b>   | <b>(1,240,858)</b>                              |
| <b>Operating loss</b>  | <b>(124,487)</b>                    | <b>40,281</b>              | <b>(4,856)</b>   | <b>(89,364)</b>                                 |
| <b>Surplus from debt discharging</b>                                     | <b>2,172,144</b>                    | -                          | -  | <b>2,172,144</b>                                |
| <b>Financing income (costs) and gains (losses) on equity investments</b> |                                     |                            |  |   |
| Financial income   | 138,361                             | (73,680)                   | (1,900)  | 62,781  |
| Financial expense  | (175,155)                           | 128,785                    | 3,727  | (42,643)  |
| Net exchange losses  | -                                   | (25,434)                   | (12,373)   | (37,807)  |
| <b>Net financing costs</b>   | <b>(36,794)</b>                     | <b>29,671</b>              | <b>(10,546)</b>  | <b>(17,669)</b>                                 |
| Net losses on equity investments   | -                                   | (69,952)                   | (84)   | (70,036)  |
| <b>Net financing costs and net losses on equity investments</b>          | <b>(36,794)</b>                     | <b>(40,281)</b>            | <b>(10,630)</b>  | <b>(87,705)</b>                                 |
| <b>Profit before tax</b>   | <b>2,010,863</b>                    | <b>-</b>                   | <b>(15,486)</b>  | <b>1,995,075</b>                                |
| Income tax   | (179,443)                           | -                          | (230)  | (179,673)                                       |
| <b>Profit from continuing operations</b>                                 | <b>1,831,420</b>                    | <b>-</b>                   | <b>(15,716)</b>  | <b>1,815,402</b>                                |
| Loss from discontinued operations  | (30,197)                            | -                          | 5,088  | (25,109)  |
| <b>Profit for the year</b>   | <b>1,801,223</b>                    | <b>-</b>                   | <b>(10,628)</b>  | <b>1,790,293</b>                                |
| <b>Profit for the year attributable to</b>                               |                                     |                            |  |   |
| Owners of the parent   | 1,801,722                           | -                          | (9,549)  | 1,791,871                                       |
| Non-controlling interests  | (499)                               | -                          | (1,079)  | (1,578)   |

### Column a

This column includes Astaldi Group's historical figures derived from its consolidated financial statements at 31 December 2020 included in the 2020 Annual Report, to which reference is made for more information.

### Column b

This column shows the reclassifications made to Astaldi Group's historical figures to comply with Webuild's presentation model. The main reclassifications made to Astaldi Group's statement of profit or loss for the year ended 31 December 2020 are set out below:

- subcontracting costs of €447.2 million have been reclassified from service costs to subcontracts;
- commissions on sureties of €33.0 million have been reclassified from financial expense to services;
- net losses on equity investments of €68.4 million have been reclassified from operating costs to gains (losses) on equity investments;
- Astaldi's items "Amortisation, depreciation and impairment losses" and "Provisions" have been reclassified to "Impairment losses" (€22.3 million) and "Amortisation, depreciation and provisions" (€53.9 million);
- exchange gains and losses of €70.3 million and €95.7 million, respectively, have been reclassified from "Financial income" and "Financial expense" to "Net exchange losses".

### Column c

This column shows the elimination of Astaldi Group's figures from 5 November to 31 December 2020 from its historical figures as these figures are already included in Webuild Group's statement of profit or loss for the year ended 31 December 2020.

### Column d

This column includes Astaldi Group's figures from 1 January to 4 November 2020, calculated as the difference between its 2020 historical figures (column a), reclassified on the basis of Webuild's presentation model (column b), and its figures from 5 November to 31 December 2020, which are already included in Webuild Group's statement of profit or loss for the year ended 31 December 2020 (column c).

### *Column III – Elimination of non-recurring items*

This column shows the adjustments made for the non-recurring items included in Astaldi Group's statement of profit or loss for the year ended 31 December 2020. Specifically, for the purposes of this pro forma financial information, the effects of the surplus arising from Astaldi's and its subsidiaries' debt discharging that occurred after the approval of their relevant composition with creditors procedures, the financial performance of the Separate unit and other non recurring items have been eliminated.

The surplus from debt discharging has been calculated as follows in Astaldi Group's 2020 statement of profit or loss as summarised below:

|   |              |
|---|--------------|
|   | €m           |
| Unsecured liabilities transferred to the Separate unit (a)                            | 3,425        |
| Fair value of exchange shares (b)   | (348)        |
| Net assets transferred to the Separate unit (c)                                       | (703)        |
| <b>Astaldi S.p.A. - surplus from unsecured debt discharging (a) + (b) + (c) = (A)</b> | <b>2,374</b> |
| Surplus from subordinated debt discharging (B)  | 14           |
| Other group companies' debt discharging (C)   | 112          |
| Credit losses on unsecured debt (D)   | (114)        |
| Elimination of the discharging effect on group companies' corporate guarantees (E)    | (140)        |
| <b>Total Astaldi Group (A) + (B) + (C) + (D) + (E)</b>                                | <b>2,246</b> |
| <b>of which: continuing operations</b>  | <b>2,172</b> |
| <b>of which: discontinued operations</b>  | <b>74</b>    |

The surplus has been calculated as follows:

- (A) the difference between (a) the unsecured liabilities transferred to the Separate unit, (b) the fair value of the exchange shares (c) the net assets transferred to the Separate unit;
- (B) surplus from subordinated debt discharging;
- (C) surplus from other group companies' debt discharging after the approval of their composition with creditors procedures;
- (D) credit losses on unsecured debt relating Astaldi's creditor group companies;
- (E) surplus from the settlement of liabilities for collateral of Astaldi's subsidiaries (co-guaranteed by Astaldi).

Additional adjustments to Astaldi Group's 2020 statement of profit or loss relate to:

- the Separate unit's operations, the results of which were included in Astaldi Group's 2020 statement of profit or loss up until the Composition with creditors procedure was approved (17 July 2020).
- other non-recurring items relating to the implementation of the objectives of the 2018-2023 business plan, filed together with the application for the composition with creditors procedure with the Rome Court on 14 February 2019 and confirmed in the new 2021-2023 business plan approved by Astaldi's board of directors on 14 March 2021, as detailed later on.

The adjustments made are summarised below:

| Astaldi Group's non-recurring items                              | Surplus from debt discharging | Separate unit's operations and other non-recurring items | Total            |
|--|-------------------------------|--|------------------|
| Other income   |                               | (876)  | (876)            |
| <b>Total revenue and other income</b>                            |                               | <b>(876)</b>   | <b>(876)</b>     |
| Services   |                               | (23,985)   | (23,985)         |
| Personnel expenses   |                               | (9,702)  | (9,702)          |
| Other operating expenses   |                               | (17,046)   | (17,046)         |
| Amortisation, depreciation and provisions                        |                               | (8,196)  | (8,196)          |
| Impairment losses  |                               | (14,643)   | (14,643)         |
| <b>Operating loss</b>  |                               | <b>(74,448)</b>  | <b>(74,448)</b>  |
| <b>Surplus from debt discharging</b>                             | <b>2,172,144</b>              | <b>-</b>   | <b>2,172,144</b> |
| Financial income   |                               | 1,775  | 1,775            |
| Net losses on equity investments                                 |                               | (68,106)   | (68,106)         |
| <b>Net financing income and net losses on equity investments</b> |                               | <b>(66,331)</b>  | <b>(66,331)</b>  |
| <b>Profit before tax</b>   | <b>2,172,144</b>              | <b>(140,779)</b>   | <b>2,031,365</b> |
| Income tax   | (174,780)                     | -  | (174,780)        |
| <b>Profit from continuing operations</b>                         | <b>1,997,364</b>              | <b>(140,779)</b>   | <b>1,856,585</b> |
| Loss from discontinued operations                                | 74,100                        | (104,297)  | (30,197)         |
| <b>Profit for the year</b>                                       | <b>2,071,464</b>              | <b>(245,076)</b>   | <b>1,826,388</b> |

The €174.8 million tax on the surplus from debt discharging has been determined using the applicable tax regime, whereby the surplus resulting from the elimination of unsecured liabilities was considered taxable (for IRES purposes only) up to the amount of Astaldi's carryforward tax losses and the difference in interest expense not deducted in previous years. Astaldi considered a similar deduction of the above items (tax losses and non-deducted interest) and released the related deferred tax assets it had recognised in previous years.

The main adjustments relating to the Separate unit's operations and other non-recurring items relate to:

- services of €24.0 million, including non-recurring fees of €12.8 million paid to the advisors assisting Astaldi with the Composition with creditors procedure;
- personnel expenses of €9.7 million;
- other operating expenses of €17.0 million, mainly related to the out-of-court agreements with the partner Ictas for projects in Russia and Turkey as part of Astaldi's disengagement from the EPC contract to build the Third Bosphorus Bridge, whose claims and obligations have been transferred to the Separate unit;
- amortisation, depreciation and provisions of €8.2 million;
- impairment losses of €14.6 million, mainly attributable to the outcome of impairment tests on certain receivables related to the EPC contract to build the Third Bosphorus Bridge in Turkey;
- net losses on equity investments of €68.1 million, principally related to the equity-accounted investments of the concessions segment in Turkey that have been transferred to the Separate unit;

- loss from discontinued operations of €104.3 million, mostly arising from the analysis of the order backlog carried out by Astaldi's directors in accordance with the objectives of the 2018-2023 business plan, filed together with the application for the composition with creditors procedure with the Rome Court on 14 February 2019 and confirmed in the new 2021-2023 business plan approved by Astaldi's board of directors on 14 March 2021. This process aimed at progressively curtailing the intrinsic risk in individual projects by cutting back Astaldi Group's footprint in high risk countries. Consequently, the Group planned to discontinue its activities in these countries (mainly Central America, Russia and some areas of the Middle East), as they no longer meet its revised commercial and industrial planning strategies.

*Column IV – Changes in consolidation and elimination of intragroup transaction*

This column shows the effects of the consolidation of certain consortia and joint ventures in which Webuild and Astaldi act as joint venturers, over which Webuild gained control after the acquisition of the investment in Astaldi. Specifically, this column shows the effect of the change in accounting treatment of these investments from equity accounting to consolidation, as well as their consolidation from 1 January 2020 rather than the date of acquisition of the investment in Astaldi.

At the Information document date, Webuild changed its accounting treatment of its investments in the following significant entities:

- Metro Blu S.c.r.l.;
- Consorzio Iricav Due;
- Consorzio Hirpinia AV;
- Naples Cancelli Alta Velocità S.c.r.l.;
- Sirjo S.c.p.A.
- S. Agata FS S.c.r.l..

The above entities apply a cost recharging system whereby the costs they incur are invoiced to the joint venturers in line with their investment percentages. The project's revenue and operating expenses may be measured by reference to each joint venturer's share of profit or loss which is based on their investment percentages. As a result, the effects shown in the column are mainly related to the elimination of the intragroup transactions between the joint venturers (Webuild and Astaldi) and the joint ventures.

*Column V – Other pro forma adjustments*

This column includes the main adjustments resulting from the purchase price allocation procedure carried out by Webuild's directors in accordance with IFRS 3 (Business combinations) after the acquisition of the investment in Astaldi on 5 November 2020. Accordingly, Webuild measured the fair value of the net assets acquired, which mostly consist of Astaldi's order backlog and the cash flows from contract assets and liabilities.

The PPA procedure led to the recognition of a gain from bargain purchase at the acquisition date.

The PPA procedure is summarised below:

|  | <i>€m</i>    |
|--|--------------|
| Consideration transferred to acquire the investment    | (225.0)      |
| Value of the Astaldi shares indirectly held by Webuild | (2.0)        |
| Non-controlling interests                              | (425.7)      |
| Net assets acquired at 5 November 2020                 | 967.0        |
| <b>Purchase price allocation</b>                       | <b>314.3</b> |
| Order backlog (intangible assets)                      | 383.2        |
| Order backlog (equity investments)                     | 28.7         |
| Slow-moving items (claims)                             | (180)        |
| Contractual advances                                   | 80           |
| <i>Contingent liabilities</i>                          | (11.2)       |
| Tax  | (66.8)       |
| <b>Gain from bargain purchase</b>                      | <b>548.2</b> |

In order to simulate the effect of the PPA over the entire year ended 31 December 2020, Webuild calculated the amortisation of the order backlog from 1 January to 31 December 2020 by reference to the amortisation of an asset based on the progress of the construction contracts (EPC) and based on the term of the concession contracts (O&M). The resulting pro forma adjustment is an increase of €24.1 million in amortisation and additional losses on equity investments of €1.3 million.

The tax benefit of €5.4 million is generated by the reversal of the deferred tax liability recognised in connection with the PPA procedure based on the local tax rates applicable to the projects involved.

#### *Column VI – Astaldi non-controlling interests*

This column shows the effect of the Transaction on non-controlling interests. Specifically, the Demerger proposal envisages that, upon completion of the Transaction, Astaldi's shareholders (other than Webuild) will receive a number of ordinary Webuild shares proportionate to their current investment in the Demerged company based on the Exchange ratio, whose fairness has been confirmed in accordance with the law. Therefore, the equity and loss for the year attributable to non-controlling interests in Astaldi group companies shown in the consolidated financial statements of Webuild Group at 31 December 2020 have been reclassified, respectively to equity (€422,936 thousand) and profit (€2,235 thousand) attributable to the owners of the parent.

The reclassification is summarised below:

|  |                |
|--|----------------|
| Equity attributable to non-controlling interests relating to Astaldi Group               | 418,200        |
| Equity attributable to non-controlling interests relating to joint ventures with Astaldi | 4,736          |
| <b>Total equity attributable to non-controlling interests</b>                            | <b>422,936</b> |
| <hr/>  |                |
| Loss attributable to non-controlling interests relating to Astaldi Group                 | (578)          |
| Loss attributable to non-controlling interests relating to joint ventures with Astaldi   | (1,656)        |
| <b>Loss attributable to non-controlling interests relating to Astaldi Group</b>          | <b>(2,235)</b> |

#### *Column VII – Webuild Group - pro forma figures at 31 December 2020*

This column shows the pro forma figures at 31 December 2020 as a result of the pro forma adjustments described above.

#### **4.2 Webuild's pro forma indicators per share**

The Webuild Group's 2020 historical and pro forma figures per share are set out below:

|   | <b>Webuild Group's<br/>2020 historical<br/>figures</b> | <b>Webuild Group's<br/>2020 pro forma<br/>figures</b> |
|---|--|---|
| Average outstanding ordinary shares (number)*                   | 892,457,646.0  | 1,000,229,401.0                                       |
| Profit for the year (€m)**                                      | 141.9  | 80.6  |
| Earnings per share attributable to the owners of the parent (€) | 0.16   | 0.08  |
| Cash flows (€m)***  | 500.5  | 511.1   |
| Cash flow per share (€)***                                      | 0.56   | 0.51  |

\* includes the number of new ordinary shares reserved for Astaldi's shareholders (other than Webuild) calculated on the basis of the Exchange ratio

\*\* includes the gain from the bargain purchase of Astaldi

\*\*\* for the purposes of this Information document, the cash flows are calculated as the sum of operating profit (loss), amortisation, depreciation, provisions and impairment losses

#### **4.3 Independent auditors' report on the pro forma financial information**

On 15 April 2021, KPMG issued its examination report on the pro forma financial information at 31 December 2020.

A copy of this report is attached hereto as [Annex 3](#).

## 5 DESCRIPTION OF THE DEMERGED COMPANY - REFERENCE

Reference should be made to section 2.1.1.2 for a description of Astaldi.

## 6 PRO FORMA FINANCIAL INFORMATION OF THE RECIPIENT - REFERENCE

Since Webuild is the Recipient of this Demerger, reference should be made to Chapter 4.

## 7 PROSPECTS OF THE DEMERGED COMPANY AND ITS GROUP

### 7.1 *General information on Astaldi's business performance*

On 17 March 2021, Astaldi's board of directors announced the approval of Astaldi's 2020 Annual Report, which is available for consultation (*n/t in Italian*) on its website [www.astaldi.com](http://www.astaldi.com), in the “*Governance - Shareholders/Bondholders meetings- Assemblea degli azionisti - 30 aprile 2021*” section to which reference is made.

### 7.2 *Prospects of the Demerged company*

After the Demerger, Astaldi's net assets will solely comprise the Separate unit's assets and legal relationships. The Separate unit will continue to operate and the profits earned by it will be exclusively distributed to the holders of the PFI, whose rights will not be modified as established by the Composition with creditors procedure's terms and conditions.

Indeed, the Separate unit's future activity will solely involve managing and duly selling its assets to the benefit of the holders of the PFI. Due to its very nature and its financial and legal irrelevance to Astaldi's current shareholders, which are only involved in the performance of the Core assets scope, upon completion of the Transaction, none of Astaldi's current shareholders will retain an investment in the Demerged company.

Moreover, after the Demerger, the Demerged company will adopt new by-laws using the model for unlisted companies limited by shares. These by-laws will reflect the capital transactions resulting from the Demerger and the subscription of the reserved capital increase by the Foundation. Its business object will not change as it will continue to own the Separate unit, which includes activities compatible with its pre-Demerger business object. Astaldi will not be wound up until the Separate unit's winding up procedure has been completed.

## 8 PROSPECTS OF THE ISSUER AND ITS GROUP

### 8.1 *General information on the Issuer's business performance*

On 22 March 2021, Webuild's board of directors announced the approval of Webuild's 2020 Annual Report, which is available for consultation on its website [www.webuildgroup.com](http://www.webuildgroup.com), in the “*Investor Relations - Financial results & Presentations - Financial reports - 2020*” section to which reference is made.

### 8.2 *Reasonable forecast of the 2021 performance*

The Issuer believes that it is reasonable to assume that its 2021 performance will be in line with that already communicated to the market.

Reference should be made to Webuild's 2020 Annual Report, available on its website [www.webuildgroup.com](http://www.webuildgroup.com), in the “*Investor Relations - Financial results & Presentations - Financial*

reports - 2020" section.

At the Information document date, the Issuer believes that no significant changes have occurred that would alter the information presented in its 2020 Annual Report.

\* \* \*

## ANNEXES

A copy of the following documents is attached hereto:

- Annex 1** Partners S.p.A.'s appraisal report on the Exchange ratio dated 14 March 2021 (n/t Omissis in this document)
- Annex 2** Lazard S.r.l.'s fairness opinion on the Exchange ratio dated 19 March 2021
- Annex 3** KPMG's report on the pro forma financial information
- Annex 4** Statement of Webuild's manager in charge of financial reporting pursuant to article 154-bis.2 of Legislative decree no. 58/1998

The following documents are also included herein via hyperlink:

| REF.           | SUBJECT MATTER   | LINK  |
|----------------|--|---|
| <b>Annex 5</b> | Webuild's Directors' report  | <a href="https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione_fina_ITA.pdf">https://corporatebe.webuildgroup.com/sites/default/files/2021-03/p.to%201%20ASS.%20STRAORD.%20Relazione%20CdA%20Scissione_fina_ITA.pdf</a>                                     |
| <b>Annex 6</b> | Astaldi's directors' report prepared in accordance with articles 2501-quinquies and 2506-ter.1 of the Italian Civil Code     | <a href="https://www.astaldi.com/sites/astaldi16corp/files/relazione_illustrativa_scissione_con_allegato_1.pdf">https://www.astaldi.com/sites/astaldi16corp/files/relazione_illustrativa_scissione_con_allegato_1.pdf</a>   |
| <b>Annex 7</b> | Demerger proposal  | <a href="https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Progetto%20di%20scissione%20Astaldi%20PER%20DEPOSITO_firmata%20%28con%20allegati%29.pdf">https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Progetto%20di%20scissione%20Astaldi%20PER%20DEPOSITO_firmata%20%28con%20allegati%29.pdf</a> |
| <b>Annex 8</b> | Webuild's statement of financial position prepared pursuant to articles 2501-quater and 2506-ter.3 of the Italian Civil Code | <a href="https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Webuild%20S.p.A.%20Stato%20Patrimoniale%20separato%20al%2031.12.2020.pdf">https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Webuild%20S.p.A.%20Stato%20Patrimoniale%20separato%20al%2031.12.2020.pdf</a>                               |

- Annex 9** Astaldi's statement of financial position prepared pursuant to articles 2501-4 and 2506-ter.3 of the Italian Civil Code [https://www.astaldi.com/sites/astaldi16corp/files/situazione\\_patrimoniale\\_astaldi\\_s.p.a.\\_per\\_deposito\\_ex\\_2501\\_septies\\_rev\\_30\\_03\\_21.pdf](https://www.astaldi.com/sites/astaldi16corp/files/situazione_patrimoniale_astaldi_s.p.a._per_deposito_ex_2501_septies_rev_30_03_21.pdf)
- Annex 10** PKF Italia S.p.A.'s report prepared pursuant to articles 2501-sexies and 2506-ter.3 of the Italian Civil Code <https://corporatebe.webuildgroup.com/sites/default/files/2021-03/Relazione%20esperto%20nominato%20dal%20Tribunale%20%28PKF%29.pdf>

Milan, 15 April 2021

Webuild S.p.A.  
Chief Executive Officer Pietro Salini  
(signed on the original)

## **Annex 1**

Partners S.p.A.'s appraisal report on the Exchange ratio dated 14 March 2021

*Courtesy translations*

**Estimation report**  
**of the exchange ratio in the demerger of Astaldi S.p.A.**  
**in favour of Webuild S.p.A.**

**Milan, March 14th 2021**

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**1. THE FEATURES OF THE DEMERGER.**

**1.1 Background and assignment.**

This report is part of the analyses conducted by the Boards of Directors of Webuild S.p.A. ("Webuild") and Astaldi S.p.A. ("Astaldi" and, jointly with Webuild, also the "Company"), both listed on the Italian Stock Exchange managed by Borsa Italiana S.p.A., in order to perform the integration of Astaldi's continuing operations into Webuild, through the legal institution of demerger ("Transaction").

In particular, as discussed in more detail below, the Transaction provides for the partial proportional demerger of Astaldi, with the assignment to Webuild of Astaldi's assets, liabilities and legal relations post composition with creditors not included in the Assets Allocated ("Patrimonio Destinato", see below).

The integration of the said entities takes place after the capital increase subscribed by Webuild on November 6th 2020, which brought the latter to hold 66.3%<sup>1</sup> of Astaldi, and is part of a broader industrial project, undertaken by Webuild, starting from 2019, called "Progetto Italia". The aim of this project is to create a national construction pole capable of bringing together some of the largest companies in the sector to create a major international player.

The main past events useful to frame the Transaction considered in this report are the following.

- a) On September 28th 2018, Astaldi requested admission to the arrangement procedure pursuant to Article 161, paragraph 6, L.F. and Article 186-bis, L.F.
- b) On February 13rd 2019, Webuild submitted an offer concerning a potential investment transaction in Astaldi ("Offer"), laying the groundwork for the most significant transaction of the Progetto Italia.
- c) On August 5th 2019, the Court of Rome issued the decree of admission of Astaldi to the procedure of arrangement with creditors on a going concern basis ("Concordato Preventivo"), deeming the plan and the arrangement proposal submitted by Astaldi, in accordance with the Offer received by Webuild, feasible under the proposed terms<sup>2</sup>. In order to initiate the Progetto Italia, on November 12th 2019 Webuild executed a capital increase of € 600 million.

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<sup>1</sup> Interest calculated at November 6th 2020, without considering the dilutive effect of the Lenders' Warrants and treasury shares held by Astaldi. Following the exercise of 4,222,094 warrants by BPM, this stake fell to 66.1%.

<sup>2</sup> On April 29th 2020, the deadline for creditors to vote on the arrangement proposal closed. The arrangement proposal received 69.4% affirmative vote of the claims entitled to vote, thus exceeding the majority required for approval.

## *Courtesy translations*

- d) On May 24th 2020, Astaldi's Board of Directors, in line with the provisions of the composition plan, set up an earmarked asset ("Patrimonio Destinato") into which Astaldi's activities, mainly related to the management under concession of infrastructures and other assets, are to be transferred.
- e) On July 17th 2020, the decree of approval of the homologation decree for the Concordato Preventivo was issued and published, which sanctioned Astaldi's return to an in bonis status.
- f) On July 31st 2020, Astaldi's Extraordinary Shareholders' Meeting resolved, among other things:
  - a) a paid-in capital increase, in one or more instalments, with the exclusion of option rights, pursuant to Article 2441, paragraphs 5 and 6, of the Italian Civil Code, for a total amount of € 225 million, through the issue of 978,260,870 ordinary shares, with no nominal value, at a unit price of € 0.23, to be reserved in subscription to Webuild and to be paid in cash ("Webuild Capital Increase" or "AuCap");
  - b) a paid-in increase in share capital, in divisible form, with the exclusion of option rights, pursuant to Article 2441, paragraphs 5 and 6, of the Italian Civil Code, for a total maximum amount of up to € 98.654 million, through the issue of a maximum of 428,929,765 shares, with no nominal value, to be reserved for subscription to Astaldi's unsecured creditors, following the conversion of their receivables from Astaldi at a ratio of 12.493 new shares for every € 100 of unsecured credit ("Capital increase by conversion" and together with the AuCap "Capital increases");
  - c) the issue and free assignment of 79,213,774 warrants to certain Astaldi lending banks ("Lenders' Warrants"), giving the right to subscribe shares at a ratio of 1 share for every 1 Lenders' Warrant at a unit price of € 0.23, to be exercised within three years from the date of registration of the resolution in the Companies Register;
  - d) the issuance and reserved allocation to Webuild of a maximum of n. 80,738,448 Antidilutive Warrants, which give Webuild, under certain conditions specified in the composition plan, the right to the assignment of a maximum of 80,738,448 Astaldi ordinary shares, with no nominal value ("bonus shares"), at a ratio of 1 newly issued Astaldi ordinary share for every 1 Antidilutive

## *Courtesy translations*

### Warrant exercised<sup>3</sup>.

- g) On October 28th 2020, CONSOB approved the publication of the prospectus relating to the Astaldi Capital Increases.
- h) On November 6th 2020, the Capital Increases were executed. In particular, (i) Webuild subscribed 978,260,870 shares of the AuCap for a total amount of € 225 million in cash and (ii) Astaldi's unsecured creditors subscribed 399,782,755 shares of the Capital Increase by Conversion for a total amount of € 91.950 million.
- i) Moreover, on the latter date, Astaldi (i) issued 3,199,975,846 participating financial instruments entitling unsecured creditors to receive, on an exclusive basis, the net liquidation proceeds of the Patrimonio Destinato (the "SFP").
  - j) Following the request by Banco BPM S.p.A., on November 26th 2020, to exercise 4,222,094 Lenders Warrants, 4,222,094 Astaldi shares were issued and assigned to Banco BPM S.p.A.
  - k) As of today, therefore, Astaldi's share capital amounts to € 340,431,460.27 divided into 1,480,136,785 shares<sup>4</sup>.

From a formal point of view, the ongoing corporate integration project provides for:

- (i) the partial proportional demerger of Astaldi, with the assignment to Webuild of Astaldi's assets, liabilities and legal relationships post composition insolvency not included in the Patrimonio Destinato ("Continuing Assets");
- (ii) Webuild's capital increase to service the demerger;
- (iii) the allocation of newly issued ordinary shares of Webuild in replacement of Astaldi shares, on the basis of the exchange ratio, to Astaldi shareholders other than Webuild;

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<sup>3</sup> These Anti-dilutive Warrants may be exercised by Webuild subject to the execution of the divisible capital increase approved by the Astaldi Shareholders' Meeting on July 31st 2020 to service the conversion into Astaldi ordinary shares of the claims of (i) the so-called "unscheduled" creditors (i.e. not included among the payables and provisions for risks included in the composition liabilities) and (ii) Astaldi creditors whose claims have been included among the provisions for risks in the composition liabilities (i.e. not included among the payables and provisions for risks included in the composition liabilities). (i) of "unscheduled" creditors (i.e. not included among the payables and provisions for risks included in the composition liabilities) and (ii) of Astaldi creditors whose receivables have been included among the provisions for risks in the composition liabilities (exclusively for the portion not satisfied by the capital increase referred to in point f).b.). The function of the Antidilutive Warrants is therefore to ensure, within certain limits, to Webuild the maintenance of its stake in Astaldi following to the subscription of Astaldi's shares by the said creditors.

<sup>4</sup> This number of shares is the sum of: (i) number of shares held by Astaldi shareholders before the Capital Increases, equal to 97,871,066, (ii) number of shares subscribed by Webuild, equal to 978,260,870, (iii) number of shares subscribed by Astaldi's unsecured creditors, equal to 399,782,755, (iii) number of shares subscribed by Banco BPM, equal to 4,222,094.

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- (iv) the issuance by Webuild of its own warrants to pre-demerger Webuild shareholders to replace the Anti-Dilutive Warrants;
- (v) the issue by Webuild of its own warrants to replace the Financing Warrants not yet exercised at the demerger date.

The main purposes of the Transaction are (i) to definitively separate Astaldi's Patrimonio Destinato and Continuing Assets (ii) to reorganise Webuild's activities in a more efficient manner, especially in view of the regulatory constraints on participation in tenders and public contracts.

As known, according to civil law, the Boards of Directors of the companies participating in the demerger have the task of proposing to their respective Shareholders' Meetings the exchange ratio relating to the Transaction and expressing the number of shares of the beneficiary (in this case Webuild) to be provided to service the demerger for each share of the demerged company (in this case Astaldi)<sup>5</sup>. The exchange ratio proposed by the directors shall also be subject to the fairness opinion of an expert appointed by the Court, pursuant to Article 2501 sexies of the Italian Civil Code<sup>6</sup>. Finally, the Shareholders' Meetings of the companies involved will be responsible for resolving on the exchange ratio proposed by the directors and verified by the experts.

In this context, the Board of Directors of Webuild appointed Partners S.p.A. ("Partners"), in the person of Prof. Angelo Provasoli, to draw up the report estimating the exchange ratio of Webuild ordinary shares<sup>7</sup> to Astaldi ordinary shares, as part of the Transaction described above. In particular, the purpose of this report is to provide the Board of Directors of Webuild with data and economic references useful for determining the exchange ratio, a decision that remains under the exclusive competence and responsibility of the said Board of Directors.

\* \* \*

This report is structured as follows:

- in the remainder of this paragraph, considerations are made with regard to the peculiar aspects of valuations in the context of demergers (cf. § 1.2), the reference date of the estimate and the information framework adopted (see § 1.3);
- § 2 outlines the valuation framework chosen and describes, from a methodological

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<sup>5</sup> See Article 2506 bis of the Civil Code.

<sup>6</sup> Referred to in Article 2506 ter, paragraph 3 of the Civil Code

<sup>7</sup> It should be noted that Webuild's share capital consists of ordinary shares and saving shares ("azioni di risparmio") listed on the Milan Stock Exchange. However, financial instruments belonging to the latter category are not affected by the assignment transaction

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point of view, the criteria adopted to estimate the economic values of the Companies' capital (equity value) in preparation for the definition of the exchange ratio deemed appropriate in the context of the demerger transaction in question;

- in § 3, the results of the application of the identified criteria are presented, also illustrating, in summary, the key features of the consolidated economic-financial plans of Webuild and Astaldi used in the evaluation;
- in § 4, it is defined the range within which the allotment ratio between the ordinary shares of the Companies which are the subject of resolutions of their Boards of Directors can reasonably be set. The allotment ratio is calculated by comparing the unit values of the ordinary shares of the companies involved in the demerger. This paragraph also indicates the limitations, assumptions and main difficulties of the estimate.

### **1.2 The peculiarities of demerger valuations.**

In a partial and proportional demerger transaction (such as the one at issue here), the demerged company transfers part of its assets to a beneficiary company (partial demerger) and the shareholders of the demerged company are allotted shares in the beneficiary company in proportion to their shareholding in the demerged company (proportional demerger). Upon completion of the transaction, the shares of the demerged company are cancelled and the shareholders of the demerged company, other than the beneficiary entity, are allotted shares in the latter company (existing or newly issued) in proportion to the approved exchange ratio.

As mentioned above, in this case, the Transaction qualifies as a (i) partial demerger, in that only part of Astaldi's assets are the subject of the demerger (i.e. only the Continuing Operations assets, as the Patrimonio Destinato remains with Astaldi) and (ii) proportional demerger, in that all Astaldi shareholders will be allocated ordinary shares in Webuild in proportion to the stake in Astaldi held prior to the Transaction.

In summary, therefore, as a result of the demerger and the consequent exchange ratio, the shareholders of Astaldi's parent company (Webuild) will also have a direct interest in the demerged assets and liabilities of the former subsidiary (Astaldi).

That said, it should be noted that the demerger transaction involves a complex and articulated estimation process. Demerger estimates first require the determination of the equity values of the companies directly involved in the transaction and conclude with the determination of the exchange ratio between the shares of those companies. The estimation

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of the absolute values of the capital of the individual companies is an intermediate step in the valuation process, the ultimate purpose of which, as far as indicated, is to calculate the ratio between the values of the companies themselves. Therefore, according to the relevant doctrine and practice, split-up valuations must be oriented towards obtaining absolute capital values of the participating companies which are meaningfully comparable when calculating the exchange ratio. Consequently, valuations in the context of demerger transactions must be conducted according to a general logic of homogeneity and uniformity of approach throughout the valuation process.

In technical terms, the principle of homogeneity referred to above typically translates into (i) the adoption of a homogeneous and comparable information base; (ii) the choice of valuation criteria that are as uniform as possible for the various companies, where they operate in the same sector; (iii) the adoption of basic application choices that are consistent for the companies involved in the demerger, while taking into account the peculiarities that characterise the specific realities.

In summary, therefore, the ultimate purpose of the valuations in question is not so much to estimate the absolute levels of the values of the economic capitals of the companies involved in the demerger, but rather to obtain significantly comparable values for the purposes of determining the exchange ratio.

Consequently, business valuations performed for the purposes underlying this report may not be used for any other purpose.

### **1.3 The reference date of the estimate and the information analysed.**

The valuation analyses conducted are based on the data from the consolidated pre-closing balance sheets of Webuild and Astaldi at December 31st 2020, and in particular (i) the consolidated pre-closing balance sheet of the entire Webuild at December 31st 2020, and (ii) the consolidated pre-closing balance sheet of the Astaldi's Continuing Operations at December 31st 2020.

Relevant corporate information and events known up to the date of this report, to which the estimated values refer, have been incorporated into the analyses. Market data are considered until March 4th 2021.

\* \* \*

For the purpose of the assignment, the following main elements of information were

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examined<sup>8</sup>:

- current articles of association of Webuild and Astaldi;
- Webuild and Astaldi's 2020 half-yearly reports;
- Webuild's and Astaldi's 2020 pre-closing consolidated balance sheets;
- for Webuild and Astaldi, 2021-2023 business plans prepared by management and approved by the BoDs on November 26th 2020 (Webuild) and March 14th 2021 (Astaldi) respectively. For each company, the business plan includes the Income Statement, Balance Sheet and Cash Flow Statement, complete with details and explanatory notes, for each year of the forecast period;
- document entitled "2020\_10\_09\_Competitors' dossier\_v4", containing an analysis of Webuild's main competitors;
- Astaldi's composition plan with annexes;
- documents prepared by Astaldi regarding the number and subscribers of SFP;
- document containing details of the number of shares in Astaldi;
- documentation containing details and analysis of the main *assumptions* underlying the Business Plans (backlog, new order, claim, etc.);
- representation letter from Webuild and Astaldi;
- recent equity reports by financial analysts on Webuild, Astaldi and comparable listed companies;
- recent financial statements of listed companies comparable to Webuild and Astaldi;
- data, information and insights useful for the application of the adopted valuation criteria, provided by the Companies through specific Q&A forms in the data room set up for this purpose;
- market data and other economic information useful for estimation from public sources (International Monetary Fund, New York University - Stern School of Business, KPMG "*Corporate and indirect tax survey 2020*") and from specialised databases (Factset).

Partners also met on several occasions, including through specific meetings, with the management of the two companies and with the other consultants involved in the Transaction in order to better understand and discuss the information provided.

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<sup>8</sup> It should be noted that corporate documentation was made available by the Companies through the setting up of a special *data room*.

**2. THE EVALUATION CRITERIA ADOPTED.**

**2.1. The selection of evaluation criteria.**

In the present case, the choice of the estimation criteria used in the valuation model adopted was guided by the indications of corporate doctrine and professional practice on the subject, also taking into account the evidence taken (i) from the analysis of the recent equity reports prepared by financial analysts who follow Webuild, Astaldi and the other comparable listed companies operating in the construction sector, (ii) from the fairness opinions of the financial analysts elaborated for relevant recent merger or demerger operations carried out by comparable listed companies operating in the construction sector.

In particular, the valuation architecture used herein for the purpose of estimating the exchange ratio between the ordinary shares of the Companies involved in the demerger consists of a main method and two methods with the role of controlling the results of the main method.

The unlevered financial method (unlevered discounted cash flow model or "DCF"), which estimates the value of the economic capital of the company on the basis of the expected cash flows generated by the company, has been taken as the main valuation reference. This because this method is recognised by doctrine and practice as being highly significant for the purposes of estimating the value of the invested capital of industrial companies operating on large multi-year contracts. In fact, this method, more than any other, permits the unitary and systematic appreciation of the specific characteristics of the companies being valued (including, first and foremost, the portfolio of works) because of their ability, as complementary conditions, to generate new wealth (in terms of cash flows). The methodological profiles of this criterion are illustrated in § 2.2.1.

For control purposes the following criteria have been used:

- (i) the criterion of market multiples deduced from the stock market prices of comparable companies, which values the company's capital on the basis of multiples implicit in the stock market prices of the shares of companies operating in the same sector as the company being valued. The decision to give this criterion a controlling role depends, inter alia, on the limited comparability of the business models of the companies being valued with those of the identified peers. This criterion is described in detail in § 2.3.1;
- (ii) the criterion of stock market prices, which estimates the value of the two companies on the basis of the price of their shares on the stock market over significant periods of time. As already mentioned, in fact, both Companies are listed companies and it

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is therefore possible to dispose of the prices in question. In the present case, it was deemed appropriate to attribute to the criterion in question a mere role of control in light of the limited significance of the prices expressed by the Stock Exchange for Astaldi (for the reasons explained in more detail in § 2.3.2). This criterion is described in detail in the same § 2.3.2.

The choice of using several valuation methods at the same time is preferred by practice and is appreciable in methodological terms. The use of more than one criterion makes it possible to consider, in different and complementary ways, the attractiveness of the companies being valued and to provide cross-checks of the results obtained, with advantages for the "robustness" of the valuation conclusions.

At the same time, the use of a plurality of criteria also favours a better delimitation of the most reasonable range of values attributable to individual companies and with them the exchange ratios.

\* \* \*

It should be noted that the economic value of Webuild is also a function of its equity structure, which includes, among other things, the controlling interest in Astaldi's ordinary share capital. In this framework, during the valuation:

1. first of all, the economic value of Astaldi's capital (equity value) is estimated using each of the selected methods;
2. then the economic value of Webuild's equity is calculated, as the sum of (a) the economic value of Webuild's stake in Astaldi, equal to the *pro-rata* value of the investee estimated *sub 1*<sup>9</sup>, and (b) the economic value of Webuild's business, net of debt, other than the stake in Astaldi, estimated with the same criterion used to calculate Astaldi's capital.

With regard to the estimation guidelines, it has to be noted that:

- in light of the specific nature of demerger valuations, as mentioned in Section 1.2, the estimation work was inspired by the general principle of homogeneity of the valuation criteria used and the information sources adopted. In particular, according to this principle, the estimation of the exchange ratios was carried out using, for each of the companies involved in the demerger, in respect of the specificities of each, (i) a homogeneous information base (business plans, financial information, etc.), (ii) uniform valuation methodologies and (iii) application parameters, for each criterion,

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<sup>9</sup> That is, without applying control or takeover premiums, see below.

- mutually consistent;
- the valuation of the business units belonging to Webuild and Astaldi was conducted on a stand-alone basis, i.e. regardless of the valuation and attribution of the potential synergies expected from the integration of the two companies. The synergies from integration that arise from the joint contribution of each of the companies involved in the aggregation and the related benefits are in fact difficult to attribute to one or other of the merged entities;
  - since the demerger is an organisational and not an acquisitive transaction, the exchange ratios do not consider control or acquisition premiums;
  - in applying the financial criterion, the assessment takes into account the different size and risk profile of the two companies involved in the demerger.

## **2.2 The main evaluation criterion.**

### **2.2.1 The unlevered financial criterion.**

According to this method, the value of a company is a function of the expected future cash flows that it is able to generate autonomously. The criterion in question, therefore, estimates the economic value of the Companies on the basis of the discounting, at a rate representing the weighted average cost of capital (in short "wacc"), of the respective expected unlevered free cash flows.

In particular, in line with the asset side valuation perspective of the unlevered financial criterion, the estimate of the economic value of equity is obtained by algebraically adding the net financial position (NFP) to the enterprise value (EV) of the company considered<sup>10</sup>. The enterprise value (EV) of an enterprise resulting from the application of the unlevered financial method is the sum of the following elements:

- the present value of the "free" operating cash flows ("CF" in formula (1) below), which are expected to be generated over a limited period of "n" years. These cash flows, therefore, do not include components of a financial nature (i.e. they are unlevered cash flows);
- the present value of the terminal value ("TV" in formula (1) below), i.e. the value

---

<sup>10</sup> It should also be noted that:

- where the business also consists of investments in companies that are not consolidated on a line-by-line basis or proportionally (equity investments), the enterprise value must be increased by the value of those investments, as the related cash flows are not included in the consolidated free cash flows;
- in the case of minority interests in companies in which the company being valued is a subsidiary (and which are consolidated on a line-by-line basis), the value of their interests must be subtracted for the purposes of estimating the equity value (attributable to the parent company).

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assumed by the business at the end of the analytical forecasting horizon. This value is a function of the flows that the business is able to generate in "perpetuity", subsequent to the end of the analytical forecast period. The terminal value is estimated by capitalising over an infinite time horizon the expected cash flow for the period following the last analytical forecast period ("CF<sub>n+1</sub>").

In the present case, as more fully described in § 3.2.1., the enterprise value was calculated by separately discounting:

- the cash flows related to ordinary operations, not including (i) for both companies, the expected receipts for the so-called claims and (ii) for Webuild only, the cash flows related to a specific job order of exceptional size (railway project in Texas, "Texas HSR"<sup>11</sup>);
- for both Companies, the cash flows related to the collection of the so-called "cash".
- for Webuild, the cash flows deriving from the aforementioned Texas HSR order. It should be noted that this order will generate cash flows mainly after 2023.

The calculation algorithm that translates the valuation criterion under analysis into application terms is as follows:

$$EV = \sum_{t=1}^n (CF_t \cdot v^t) + TV_n \cdot v^n + W_{claims} + W_{Texas} \quad (1)$$

where:

- **EV** is the enterprise value of the business being valued;
- **n** is the number of years of which the analytical forecast period of "free" cash flows is composed;
- **CF<sub>t</sub>** is the "free" cash flow of the company subject to valuation expected in period t; in this case, as highlighted above, the cash flows in question are expressed without considering (i) for both Companies, the expected receipts for the so-called claims recorded in the financial statements and (ii) for Webuild only, the cash flows relating to the Texas HSR contract;
- **TV<sub>n</sub>** is the terminal value of the business at time n (i.e., at the end of the analytical forecast period), calculated in mathematical terms using the formula  $TV_n =$

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<sup>11</sup> On this point, it should be noted that the full-life revenues from this contract are expected to be around € 13 billion in the Webuild Business Plan, representing 30% of the backlog at the end of 2022 (the year in which this contract will be operationally launched and will therefore be part of the backlog).

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$CF_{n+1}/(wacc - g)$ ;

- **vn** is the discount coefficient, equal to  $1/(1+wacc)^n$ ;
- **wacc** is the weighted average cost of equity and net financial debt;
- **g** is the annual growth rate of the "free" cash flows expected in perpetuity of the business;
- **W claims**, for both companies, is the present value of the collections of the so-called claims, discounted at a rate (wacc claims) that incorporates a specific premium to appreciate the uncertainty connected to these collections;
- **W Texas**, for Webuild only, is the present value of the cash flows related to the Texas HSR contract, discounted at a rate (wacc Texas) that incorporates a specific premium to appreciate the uncertainty connected, inter alia, to the completion of the contract, which has not yet occurred.

This being the case, the equity value or "W" is obtained by applying the following algorithm:

$$W = EV + / - NFP - \text{min} - TFR + EI + BF \quad (2)$$

where:

- **W** is the equity value of the estimated business;
- **EV** is enterprise value;
- **NFP** is the net financial position, equal to the value of financial debts net of cash and readily liquid financial assets<sup>12</sup>;
- **min** is the value of minorities, i.e. the interest of minority shareholders in the capital of companies in which the company being valued (and which are consolidated on a line-by-line basis) has an interest;
- **TFR** is the value of provisions for severance pay and employee benefits;
- **EI** is the value of equity investments in companies that are not consolidated on a full or proportionate basis;
- **BF**, for Astaldi alone, is the present value of the tax benefits deriving from the deductible costs relating to the Lenders Warrants, discounted to wacc.

\* \* \*

The discount rate (wacc), in line with the prevailing valuation practice, is calculated

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<sup>12</sup> This aggregate should be subtracted from the EV to obtain the equity value if the liabilities are greater in amount than the assets (or added together in the opposite case).

## *Courtesy translations*

assuming an "average representative" financial structure of the sector. In particular, the valuation formula adopted to estimate the wacc is as follows:

$$wacc = Ke \cdot \frac{E}{D + E} + Kd \cdot (1 - t) \cdot \frac{D}{D + E} \quad (3)$$

where:

- **Ke** and **Kd** are, respectively, the cost of equity and debt capital before tax;
- **E/(D+E)** and **D/(D+E)** are respectively the "average representative weights" of the sector, referring to equity (E) and debt (D) on the total sources of financing (D+E);
- **t** is the rate expressing the tax saving related to the tax deductibility of financial charges.

The cost of equity (Ke), the input needed to calculate the WACC according to formula (3), is an expression of the specific non-diversifiable risk associated with the business to be valued. It is quantified according to the Capital Asset Pricing Model ("CAPM") approach, based on the following algorithm:

$$Ke = r_f + \beta \cdot ERP + CRP + SSP + ER \quad (4)$$

where:

- **rf** is the return on risk-free investments (risk-free rate);
- **β** is the coefficient expressing the systematic (non-diversifiable) risk of the estimated business;
- **ERP** is the risk premium typical of equity investments;
- **CRP** is the country risk premium in which the company operates;
- **SSP** is the risk premium paid to small companies (Small Size Premium);
- **ER** is the specific premium (execution risk) applied in the valuation of some items considered separately to the whole company in order to appreciate the uncertainty (i) connected to the implementation of some development initiatives (e.g. Texas HSR contract) and (ii) of the collection of some items (claims) incorporated in the economic-financial projections.

The operational interpretation of the criterion is set out in § 3.2.1.

### **2.3 The control evaluation criteria.**

#### **2.3.1. The criterion of stock market multiples of comparable companies.**

According to this criterion, the value of a company is estimated on the basis of multipliers calculated by taking as reference the stock market prices of shares of companies comparable to those being valued recorded in significant periods.

In the present case, the methodology was applied in the following steps:

- i) identification of a sample of comparable listed companies;
- ii) calculation of the ratios (multiples) between the implied values (enterprise value or equity value) in the stock market capitalisations and the income and/or equity figures considered significant;
- iii) in addition, in order to appreciate the different profitability (in terms of EBIT margin) of the Companies compared to that of the comparable, the so-called "regressed" multiples were also calculated. In terms of application, as will be described in § 3.3.1, through the method of "first degree statistical regression", the relationship (of first degree, expressed by a straight line) was sought between the multiple EV/Sales (turnover) and the expected Ebit margins of the comparables of the reference sample, also appreciating the statistical significance of such regressions (measured by the indicator " $R^2$ "). On the straight lines thus obtained, the specific Ebit margins of the companies considered were projected and the corresponding EV/Sales multiples were calculated;
- iv) applying the sample multiples to the corresponding quantities (in this case, turnover and EBIT) of the entity to be valued.

Doctrine and practice distinguish between "asset side" or "unlevered" multiples (EV/Ebitda, EV/Ebit, etc.) and "equity side" or "levered" multiples (Price/Earnings, Price/Book Value, etc.). The former directly estimate the enterprise value (EV) of the company as a whole and arrive at the calculation of the equity value by algebraically adding the Net Financial Position ("NFP"), minorities and equity investments to the EV<sup>13</sup><sup>13</sup>. The equity side multiples, on the other hand, arrive directly at the quantification of the equity value.

In particular, in the present case, the multiples adopted are as follows:

- (a) EV/Sales regressed with Ebit margin;
- (b) EV/Ebit.

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<sup>13</sup> See also footnote 9

## *Courtesy translations*

In the application of the multiples criterion, it has been decided to use multipliers that, in a differentiated manner according to the underlying algorithm, appreciate the company's operating margin expressed by the Ebit. The choice is due to the fact that, for the reference sector, this parameter of operating performance better expresses the overall profitability of the business and is less influenced, compared to other metrics (e.g. EBITDA), by the different business models adopted by the operators in the sector (construction of works mainly under subcontracting with general contractor logic vs. direct investments in fixed assets). In the case in question, it was observed that the two companies adopt partly different management models, in that (i) Webuild carries out the works mainly by making direct investments in capital goods and workforce; (ii) Astaldi, on the other hand, makes greater use of subcontracted services, with consequent higher monetary costs and lower investments and depreciation of fixed assets.

The operational interpretation of the criterion is set out in § 3.3.1.

### **2.3.2 The criterion of stock market quotations.**

Given that both companies are listed on the Italian Stock Exchange, the stock market price method was used as a control method. With this method, the value of both companies is estimated on the basis of the value per share of each directly observed on the financial market, with regard to different time intervals. It should be noted that the prerequisite for the meaningful application of this method is that, for both companies, the stock market values found on the market are formed in a sufficiently efficient market and are not affected by extraordinary dynamics or events.

In the context of the valuations expressed applying this method, the exchange ratio is identified by comparing the average prices recorded by the shares of the two companies in the time intervals taken as reference.

The operational interpretation of the criterion is set out in § 3.3.2.

## **3. THE APPLICATION OF THE EVALUATION CRITERIA.**

### **3.1 The business plans of Webuild and Astaldi.**

The valuation criteria outlined in § 2 were applied based on the data resulting from the Business Plans ("BP") of the two companies for the period 2021-2023, approved by the Boards of Directors on November 26th 2020 (Webuild) and March 14th 2021 (Astaldi) respectively.

Partners had the opportunity to meet with the management of the companies in order to

## *Courtesy translations*

better understand the assumptions and assessments underlying the plans.

The plans considered in estimating the exchange ratios are the consolidated plans of each of the two groups confronted in the demerger.

It should be noted that, on the basis of the above, the two plans represent the economic-financial evolution considered reasonable by the management of the two groups in a stand-alone perspective. The plans, therefore, do not incorporate the synergies that the demerger may generate.

With regard to the content of the plans, the following should be noted.

For the 2021-2023 plan period, the compounded average growth rate (CAGR)<sup>14</sup> of Webuild's revenues is 12.4% while Astaldi's is 6,8%. The trend in projected revenues takes into account both the size of the orders already contracted at the estimate date (the backlog) and the value of new orders (new order intake) not yet specified or identified at that date. New order intake for Webuild is expected to be € 6.3 billion in 2021, € 5.8 billion in 2022 (excluding the Texas HSR order, which has a value of € 13.0 billion) and € 9.0 billion in 2023, with revenues from new orders of € 380 million in 2022 and € 2.2 billion in 2023 (excluding € 500 million relating to the Texas HSR order). For Astaldi, on the other hand, new order intake is expected to be € 1.2 billion in 2021, € 1.4 billion in 2022 and € 1.4 billion in 2023, with new order revenues of € 12 million in 2021, € 250 million in 2022 and € 614 million in 2023.

The operating profitability (expressed in terms of Ebitda margin and Ebit margin) of Webuild and Astaldi are different in terms of Ebitda, also due to the different business models adopted by the companies (referred to in § 2.3.1) and in terms of Ebit. In particular:

- Webuild's Ebitda margin to trend (2023) is 9.6% (adjusted for the effect of economic income related to joint ventures and the Texas HSR contract), Astaldi's is 6.8% (reclassifying, for consistency with Webuild, the expenses related to guarantees in the Ebitda<sup>15</sup>);
- the Ebit margin in 2023 is 6.0% for Webuild (adjusted for the effect of the economic income related to joint ventures and the Texas HSR contract) and 4.5% for Astaldi (reclassifying, for homogeneity with Webuild, the expenses related to guarantees in

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<sup>14</sup> The compounded average growth rate (CAGR) is equal to the geometric mean of the annual growth rates observed in a given time period.

<sup>15</sup> In this regard, it should be noted that the guarantor charges included in Astaldi's plan also include a component representing the guarantor charges related to the Loan Warrants. Since this component is non-monetary in nature, it has not been considered, for valuation purposes, in Astaldi's EBITDA and EBIT, which are therefore used gross of this component only for these purposes.

## Courtesy translations

the Ebit<sup>16</sup>).

Moreover, the different business models adopted by the companies resulted in different percentages of capex on revenues, equal to 4.8% for Webuild (again net of the Texas HSR contract) and 2.3% for Astaldi.

With regard to the trend in net working capital ("NWC"), it should be noted that (i) Astaldi's BOP envisages a gradual increase in the NWC, net of the effect of the collection of claims and changes in the balance sheet items related to the Lenders' Warrants<sup>17</sup>; (ii) Webuild's BOP envisages a gradual increase in the NWC, net of the effect of the collection of claims and the NWC related to the Texas HSR order.

### 3.2 The application of the main valuation criterion.

#### 3.2.1 The application of the unlevered financial criterion.

The economic values of Webuild and Astaldi and the consequent estimate of the exchange ratio, based on the *unlevered* financial criterion, are shown in Table 1.

**Table n. 1 - Webuild and Astaldi's economic values and exchange ratio estimated on the basis of the unlevered financial criterion.**

| €/mln                     | Webuild       | Astaldi |
|---------------------------|---------------|---------|
| Equity value (W)          | 4.227         | 1.412   |
| <b>Exchange ratio (x)</b> | <b>0.195x</b> |         |

With reference to the application aspects, the following should be specified:

- the present value of the unlevered cash flows of the analytical forecast period is estimated by discounting back, at the weighted average cost of capital (quantified in the terms set out in the next point), the annual free cash flows expected in the period 2021-2023 for the business units subject to valuation, determined on the basis of the business plans for Webuild and Astaldi approved by their respective Boards (described in essential terms in § 3.1). With regard to the plans of the two companies, it should be noted that, following the in-depth analysis carried out with the management of Webuild and Astaldi, the values relating to some management areas outside of recurring operations were considered separately and independently, appreciating the related risk profile.

<sup>16</sup> See previous note.

<sup>17</sup> These items, as well as the income items related to the Lenders' Warrants, have no monetary impact.

## *Courtesy translations*

In particular:

- i. from the total expected flows envisaged in the plans by the management of the two companies, the flows linked to the collection of the claims were separated. This item, for both companies, was valued autonomously through the discounting to present value of the expected collections of the stock of claims, also after the plan horizon;
  - ii. in addition, with regard to Webuild only, the expected cash flows related to the Texas HSR contract were separated from the plan flows<sup>18</sup>. As mentioned above, the Texas HSR contract was valued independently by discounting the flows of the Texas HSR contract at the wacc Texas;
- the weighted average cost of capital (wacc), used to discount cash flows for the analytical forecast period, is estimated at 7.9% for Webuild and 9.4% for Astaldi. These rates have been calculated on the basis of formula (3) reported in § 2.2.1:
    - i. assuming an "average representative" financial structure for the sector;
    - ii. appreciating, through a differentiated measure of country risk premium, the different risk profiles of the countries in which the two companies operate;
    - iii. appreciating, through a differentiated measure of small size premium, the different size and risk profile of the two companies;
  - the wacc applied to estimate the value of the claims of both companies (wacc claims) and of the Texas HSR contract for Webuild (wacc Texas) appreciate, among other things, the risk profiles (so-called "execution risk") related (i) for the claims, to the collection (uncertain in quantum) and (ii) for the Texas HSR contract, also to the actual contractual closing of the project;
  - the terminal value (TV) is calculated by capitalising - at a rate equal to the weighted average cost of capital (wacc) reduced by the expected long-term growth rate (g; see below) - the unlevered cash flow expected for the period after the last year of the plan (2023).
  - the growth rate g was assumed to be 1.4%, consistent with expected inflation rates in the Eurozone<sup>19</sup>;
  - equity investments refer to minority shareholdings (therefore, not consolidated) held by Webuild and Astaldi. These items, the value of which is not included in the

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<sup>18</sup> In addition, flows relating to non-consolidated participations have been separated from the discounted cash flows and valued separately as *equity investments* (see below).

<sup>19</sup> Expected inflation figures are taken from the *World Economic Outlook of the International Monetary Fund* (IMF), October 2020.

## *Courtesy translations*

- estimate of the enterprise value, have been estimated on the basis of the carrying amount at December 31st 2020;
- the net financial position (NFP), used to estimate the equity value of the two companies, is calculated on the basis of the accounting data shown in the pre-accounting consolidated balance sheets of Webuild and Astaldi at December 31st 2020. It should be noted that Astaldi's NFP is characterised by assets (cash and readily liquid financial assets) that are higher in amount than liabilities (financial payables). For this reason, it is added to the enterprise value in order to estimate Astaldi's equity value. In the case of Webuild, on the other hand, the NFP is negative (i.e. financial debts are higher than the above-mentioned assets): it is therefore subtracted from the enterprise value in order to estimate the equity value;
  - minorities (minority interests) express the portion of the value of Webuild and Astaldi pertaining to minority shareholders in investee companies and fully consolidated in the group financial statements of the companies. These minority interests, valued in this case on the basis of the accounting data shown in the pre-accounting consolidated balance sheets of Webuild and Astaldi at December 31st 2020, were subtracted from the estimate of the enterprise value of Webuild and Astaldi;
  - the employee severance indemnity, calculated on the basis of the accounting data shown in the consolidated pre-closing balance sheets of Webuild and Astaldi at December 31st 2020, was subtracted from the estimated enterprise value of Webuild and Astaldi;
  - for Astaldi alone, the present value of the tax benefits deriving from the deductible costs related to the Lenders Warrants, estimated on the basis of the tax rate assumed in the plan and discounted at the estimated wacc for Astaldi, was added to the estimated enterprise value;
  - the economic value of the interest held by Webuild in Astaldi's ordinary share capital is equal to the pro-rata value of the equity value of the investee<sup>20</sup>, estimated by applying the unlevered financial criterion.

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<sup>20</sup> For the reasons described in § 2.1, no control or acquisition premium was considered when estimating the value of Webuild's stake in Astaldi.

### 3.3 The application of control evaluation criteria.

#### 3.3.1 The application of the criterion of stock market multiples of comparable companies.

The equity values of Webuild and Astaldi and the consequent estimated exchange ratios, based on the criterion of stock market multiples of comparable companies, are shown in the following tables.

**Table n. 2 - EV / Ebit multiple: the exchange ratio.**

| €/mln                     | EV/Ebit       |               |               |
|---------------------------|---------------|---------------|---------------|
|                           | 2021          | 2022          | 2023          |
| Astaldi                   | 1,147         | 1,165         | 1,229         |
| Webuild                   | 2,954         | 2,770         | 3,287         |
| <b>Exchange ratio (x)</b> | <b>0.227x</b> | <b>0.245x</b> | <b>0.218x</b> |

**Table n. 3 - EV / Sales multiple regressed on Ebit margin: the exchange ratio.**

| €/mln                     | EV/Sales regressed on Ebit margin |               |               |
|---------------------------|-----------------------------------|---------------|---------------|
|                           | 2021                              | 2022          | 2023          |
| Astaldi                   | 1,049                             | 1,095         | 1,130         |
| Webuild                   | 2,663                             | 2,590         | 3,582         |
| <b>Exchange ratio (x)</b> | <b>0.230x</b>                     | <b>0.247x</b> | <b>0.184x</b> |

With regard to the application aspects of this criterion, the following should be noted:

- the sample of comparable companies of Webuild and Astaldi was constructed on the basis of (i) information taken from the Factset financial database, (ii) evidence from analyst reports following Webuild, Astaldi and other listed companies in the construction sector and (iii) indications provided by the management of Webuild and Astaldi. Among the companies thus identified, the following were further selected which mainly carry out construction activities, which represents the core business of Webuild and Astaldi<sup>21</sup>;
- the sample consists of 19 companies<sup>22</sup>, operating at international level, none of which, however, is listed in Italy;
- with reference to the information elements used to calculate the multiples (EV, Sales and Ebit), it should be noted that, for each company in the sample:
  - EV is calculated on the basis of market capitalisation (calculated on the basis of average share prices, weighted by trading volumes, in the month preceding

<sup>21</sup> Many companies in the sector also operate in other business areas, including, for example, concessions and real estate.

<sup>22</sup> In particular, the sample consists of the following companies: 1) Actividades de Costruccion, 2) Balfour Beatty, 3) BAM, 4) Bouygues, 5) Budimex, 6) Colas, 7) Ferrovia, 8) Mota Engil, 9) Morgan Sindall, 10) NCC, 11) OHL, 12) Peab, 13) PORR, 14) Skanska, 15) Strabag, 16) Veidekke, 17) YIT, Hochtief, 19) Win. Furthermore, it should be noted, with reference to the quantities deduced from the sample analysis, that *outliers* have been identified and appropriately excluded.

## *Courtesy translations*

- 4.3.2021) and balance sheet aggregates (e.g. NFP, minorities, etc.) taken from the most recent available financial statements;
- the Sales and Ebit figures used are those expected by financial analysts for the years 2021, 2022 and 2023, taken from the consensus source Factset;
- with regard to the specific data of Webuild and Astaldi used in the application of the method in question, it should be noted that:
- the 2021, 2022 and 2023 plan *sales* and EBIT figures were assumed, adjusted, in the case of Webuild, for those relating to the Texas HSR order;
  - the balance sheet figures (equity investments, NFP, etc.) are calculated on the basis of the accounting data shown in the most recent consolidated pre-accounting balance sheets of Webuild and Astaldi;
- with regard to the application details of the regression method, it should be noted that:
- using the "first-degree statistical regression" method, the relationship between the 2021-2022-2023 EV/Sales multiples and the expected EBIT margins of the sample's peers was sought with reference to the same financial years. The "R2" indicator (which appreciates the significance of the relationship obtained) is 66% in 2021, 70% in 2022 and 78% in 2023;
  - the corresponding expected Ebit margin figures (2021, 2022 and 2023) of the companies were projected onto the regression lines obtained;
  - the EV/Sales multiples implicit in the regression lines have been applied i) for Astaldi to the expected turnover in each year of the plan and (ii) for Webuild to the expected turnover in each year net of revenues attributable to the Texas HSR order;
- as a result of discussions with management, for Webuild, for the purposes of estimating the equity value, the Texas HSR job order has been separately considered (and added on top of the enterprise value estimate), valued in line with the matters described in § 3.2.1;
- for Astaldi alone, the present value of the tax benefits deriving from the deductible costs related to the Lenders Warrants, estimated on the basis of the tax rate assumed in the plan and discounted at the estimated wacc for Astaldi, was added to the estimated enterprise value;
- the economic value of the interest held by Webuild in Astaldi's ordinary share capital is equal to the pro-rata value of the equity value of the investee, estimated by applying

the stock market multiples criterion.

### **3.3.2 The application of the stock market quotations criterion.**

The estimation of the exchange ratio based on the method of stock exchange quotations first of all entailed the need to carry out analyses to measure the significance of these quotations for both companies.

As mentioned in § 2.3.2, a necessary condition for the use of the criterion of stock exchange quotations is that the prices taken as reference have been formed in a sufficiently efficient market and are not conditioned by extraordinary dynamics or events.

In order to analyse the significance of the stock market prices, the Company's price performance over the last 12 months was examined. This examination showed that Astaldi's stock market prices were not very significant in the period prior to the date of execution of the Capital Increase (November 6th 2020), mainly due to the reduced liquidity and high volatility of the stock<sup>23</sup>. In light of this evidence, it was deemed appropriate to limit the analysis of the exchange ratio implicit in the stock market prices of Webuild and Astaldi to the period following the execution of the Astaldi Capital Increase.

Moreover, in the case in question, the significance of the exchange ratios implicit in the stock market prices, even as a control method, is to be considered limited for the following reasons: (i) the high volatility of the stock market prices of both companies over the time horizon considered; (ii) the asymmetry of information in the market with regard to Astaldi's financial position post debt settlement and Capital Increase; (iii) the dissemination of *rumours*, in recent *broker reports*, on the Transaction and the possible exchange ratio, a circumstance that may have favoured behaviour that is not in line with the market's expectations (iv) the reduced size of the time horizon considered (about 4 months).

In terms of application, reference has been made to simple, volume-weighted price averages for the various time intervals shown in the table below.

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<sup>23</sup> By way of example, an analysis of the bid-ask spread recorded by the Astaldi stock in the period under review shows that it has historically had a monthly average value that is well above the third quartile of the corresponding value recorded by the stocks of companies belonging to the FTSE Italia Mid Cap index, with a contraction in the period following the Capital Increase, during which this value gradually realigned itself to the third quartile.

**Table n. 4 - Exchange ratio based on stock market prices.**

| €                         | Spot          |               | Average       |               |                   |
|---------------------------|---------------|---------------|---------------|---------------|-------------------|
|                           | 2021          | 1m            | 2m            | 3m            | November 6th 2020 |
| Astaldi                   | 0.372         | 0.428         | 0.360         | 0.348         | 0.345             |
| Webuild                   | 1.567         | 1.587         | 1.410         | 1.352         | 1.319             |
| <b>Exchange ratio (x)</b> | <b>0.237x</b> | <b>0.270x</b> | <b>0.256x</b> | <b>0.257x</b> | <b>0.262x</b>     |

| €                         | Spot          |               | Weighted average |               |                   |
|---------------------------|---------------|---------------|------------------|---------------|-------------------|
|                           | 2021          | 1m            | 2m               | 3m            | November 6th 2020 |
| Astaldi                   | 0.372         | 0.415         | 0.397            | 0.388         | 0.379             |
| Webuild                   | 1.567         | 1.578         | 1.478            | 1.432         | 1.374             |
| <b>Exchange ratio (x)</b> | <b>0.237x</b> | <b>0.263x</b> | <b>0.269x</b>    | <b>0.271x</b> | <b>0.276x</b>     |

That said, the exchange ratio that would result on the basis of the stock market price method was identified as a range between 0.237x and 0.276x Webuild shares for each Astaldi share.

#### 4. **EVALUATION SUMMARIES AND EXCHANGE RATIO.**

##### 4.1 **Capital and number of shares of Webuild and Astaldi.**

At the date of this report, Webuild's share capital is divided into 892,172,691 ordinary shares and 1,615,491 savings shares, with no par value.

At the same date, Astaldi's share capital was divided into 1,480,136,785<sup>24</sup> ordinary shares, with no par value.

The financial instruments of both companies are listed on the Mercato Telematico Azionario managed by Borsa Italiana S.p.A.

Given that Astaldi's financial warrants (which permit subscription of shares in the ratio of 1 share for every 1 financial warrant at a unit price of € 0.23), amounting to 74,991,680, are in-the-money at the date of this report, their exercise was simulated in order to estimate the exchange ratio<sup>25</sup>. The total number of Astaldi shares considered for the purposes of the exchange is 1,555,128,465 (fully diluted).

In addition, it should be noted that Webuild holds 1,330,845 treasury shares in its portfolio. With regard to Astaldi, 20,444,317 shares are held by investee companies. Specifically, as part of the composition procedure, these companies received Astaldi shares in exchange for receivables due from the company. These shares are divided between Astaldi shares held by: i) subsidiaries, ii) associates, iii) joint operations, iv) joint ventures and v) other. For valuation purposes only, Astaldi shares (16,982,598) held by i) subsidiaries

<sup>24</sup> This number of shares also includes the shares of Banco BPM that have already exercised their Financial Warrants.

<sup>25</sup> In this sense, Astaldi's NFP was adjusted for the equivalent of the capital increase that the lending banks would have to pay to exercise these *warrants*.

## *Courtesy translations*

(16,107,399) were treated as treasury shares, ii) joint operations, for their respective share (864,079), and iii) others (11,120)<sup>26</sup>. It should also be noted that these shares, although not figuratively included in the number of shares considered for valuation purposes, will be subject to exchange on a par with the other Astaldi shares.

It should be noted that the demerger will be carried out through the assignment of Webuild ordinary shares in exchange for Astaldi ordinary shares. The Webuild savings shares are therefore not subject to exchange.

In this context, the economic unit values of the ordinary shares of Webuild and Astaldi, which are relevant for the calculation of the exchange ratio, are determined as follows by separately comparing the economic capital values (*equity value*) of Webuild and Astaldi, estimated by adopting the criteria described in §. 2 in the terms set out in §. 3, to the shareholder bases of each company.

In particular, for the calculation of the economic unit value of the ordinary shares of Webuild it is necessary to consider the presence in the share capital of the company also of savings shares. In this respect, according to the most consolidated practice and the most authoritative doctrine on the matter, the economic unitary value of the ordinary share is obtained by dividing the total economic value of the Company's capital (equity value) by the number of the so-called "equivalent ordinary shares". The total number of equivalent ordinary shares is the result of the sum of (i) the number of the Company's ordinary shares and (ii) the number of savings shares appropriately re-expressed. The re-expression of the number of savings shares is performed on the basis of the ratio between the average stock market prices of the two types of shares calculated over a significant period of time<sup>27</sup>.

On the basis of the above, for the purposes of determining the exchange ratio, the total number of Webuild "equivalent ordinary shares" considered for valuation purposes is therefore 897,856,602, while the number of Astaldi ordinary shares considered for valuation purposes is 1,538,145,867. In line with the doctrine, the two values are considered net of treasury shares (or shares considered, for valuation purposes only, as such).

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<sup>26</sup> It should be noted that the value per share would not be affected if these shares were i) valued at the numerator (using an iterative procedure) on the basis of the valuation criterion used from time to time and ii) considered at the denominator in the total number of shares.

<sup>27</sup> In the present case, the time horizon assumed for these purposes is 3 calendar months before 31.12.2020.

**Table n. 5 - Number of shares considered for evaluation purposes.**

|  | Number of shares   |                      |
|--|--------------------|----------------------|
|  | Webuild            | Astaldi              |
| Share Capital                            | 892,172,691        | 1,480,136,785        |
| Savings shares                           | 1,615,491          | -                    |
| Conversion ratio                         | 4.3x               | -                    |
| Equivalent ordinary shares               | 7,014,756          | -                    |
| Conversion shares for Lenders' Warrants  | -                  | 74,991,680           |
| Own shares or equivalent                 | (1,330,845)        | (16,982,598)         |
| <b>Total number of shares considered</b> | <b>897,856,602</b> | <b>1,538,145,867</b> |

#### **4.2 Sensitivity analyses.**

The results obtained through the application of the main criterion (unlevered financial) have been subjected to sensitivity analysis in order to derive further elements of evaluation regarding the relative stability of the economic values and the consequent exchange ratios as the measure of the main variables subject to estimation changes.

In particular, the aim was to test the variations of the economic values and of the exchange ratios when specific market and contextual evaluation parameters change, within reasonable intervals and adopting consistent hypotheses. The variables subjected to sensitivity analysis, in homogeneous terms for both Companies, are the following:

- the weighted average cost of capital (wacc), assumed within a range of +/- 1.0% compared to the reference measure;
- the expected long-term growth rate of cash flows (g), varied by +/- 1.0%;
- the incidence of capex in the TV, which varied by +/- 25% in relative terms compared to the baseline measure.

As a result of the above analysis, it is noted that the variability of the exchange ratio, resulting from the application of the *unlevered* financial criterion as the selected valuation inputs change, is in the range of 0.172x-0.223x Webuild ordinary shares for each Astaldi share.

#### **4.3 Limitations, assumptions and main difficulties in evaluation.**

This estimate must be appreciated in light of the limitations and assumptions underlying the work performed and the valuation difficulties faced in this case. With regard to the limitations and assumptions it should be noted that:

- this report has been prepared for the Board of Directors of Webuild for the purpose of providing support for the resolutions that it must take with regard to the

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Transaction, in particular, the determination of the exchange ratio to be submitted to the Shareholders' Meeting of Webuild, so the contents and conclusions may not be used for purposes and in a context other than those indicated. Any decision as to how to use the indications and references contained in this report shall be left to the independent judgement of the Board of Directors and any decision regarding the Transaction and the determination of the exchange ratio shall remain the exclusive competence and responsibility of the Board of Directors;

- the conclusions reached in this report are based on all the assessments contained therein, so that no part of it can be used in isolation from the report as a whole;
- the purpose of this report is to provide the Board of Directors of Webuild with indications and references on the relative values of the Companies involved in the Transaction. The valuation approach followed therefore takes into account the aim of determining homogeneous relative values between the Companies involved in the Transaction, which form the basis for establishing the exchange ratio. The absolute values and the partial results contained in this report are therefore significant only for the purpose of determining relative values;
- full reliance was placed on the truthfulness, accuracy and completeness of the information provided by the management of the two companies,
- as well as data from the databases used. It is assumed that this information has been prepared in good faith, as well as on a basis that reflects the beliefs and expectations of the Companies' management and in accordance with applicable laws and regulations. In addition, *management* has represented to Partners that, with respect to the information provided, there are no new facts, events or circumstances as of the date of this report that would significantly alter the information presented. No feedback has therefore been provided by Partners with regard to these aspects. No representation, express or implied, nor any warranty as to the accuracy, completeness or truthfulness of the information received and therefore used is therefore made. Nothing contained in this report is or shall be construed as a promise or indication as to the future performance of the Company;
- considering the timing of the Transaction, for the purposes of applying the estimation criteria, the main reference was made to the preliminary income statement and balance sheet data at 31.12.2020 of Webuild and Astaldi, i.e. to situations that have not yet been approved by their respective Boards or audited, without conducting independent checks on them. It has therefore been assumed that, compared to the draft financial statements as of 31 December 2020 of the companies approved by their respective Boards of Directors and used as balance sheets for the demerger,

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- these statements do not contain any differences that would significantly affect the estimates contained in this report;
- the valuations conducted are based on the economic and financial projections of Webuild and Astaldi, prepared by their respective management. These projections are by nature characterised by elements of uncertainty and chance. It has been assumed that these projections represent the most accurate and plausible estimate of the expected evolution of the business units involved in the demerger. No analysis has been carried out on the validity and rationality of the strategic plan underlying the economic evolution of the demerged company.
  - financial position of the two companies. It should be noted that, due to the uncertainty connected to the occurrence of any future event, as regards both the actual occurrence of the event and the extent and timing of its occurrence, the differences between the actual values and the estimated values could be significant, even if the events foreseen in the assumptions underlying the forecast data were to occur;
  - the use of data (such as beta coefficients and stock market multiples) taken from market observations is based on the assumption that they are applicable to the companies being evaluated, as they refer to comparable realities. However, it must be stressed that, in light of the specificity that characterises each business reality considered, such comparability is in any case partial;
  - by its very nature, valuation analysis is not a mere application of criteria and formulae, but is the result of a complex process of analysis and estimation in which subjective elements are also reflected;
  - the analyses carried out did not concern the identification of any potential liabilities that were not reported in the documents made available in the data room. No analysis was carried out on the ability to continue as a going concern of the two companies evaluated;
  - in transactions involving two listed entities, estimates of the economic value of the companies involved cannot disregard considerations of direct stock market prices. The criterion of direct stock exchange quotations, although referring to "verifiable and objective" indicators (i.e. stock exchange quotations), is characterised by certain limitations connected both to the underlying assumption that the quotations are "verifiable and objective"<sup>28</sup>, although referring to "verifiable and objective" indicators (i.e. stock exchange quotations), is characterised by certain limitations

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<sup>28</sup> See Bianchi L.A., "La congruità del rapporto di cambio nella fusione", *Il Sole 24 Ore*, 2002, p. 266.

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connected both to the underlying assumption that the quotations expressed by the market with regard to the securities of the two companies are similarly reliable, and to the presence of areas of ineliminable discretion when making application choices. In the Transaction in question, considering the significant elements of uncertainty, the criterion of direct stock exchange quotations was considered as the control criterion.

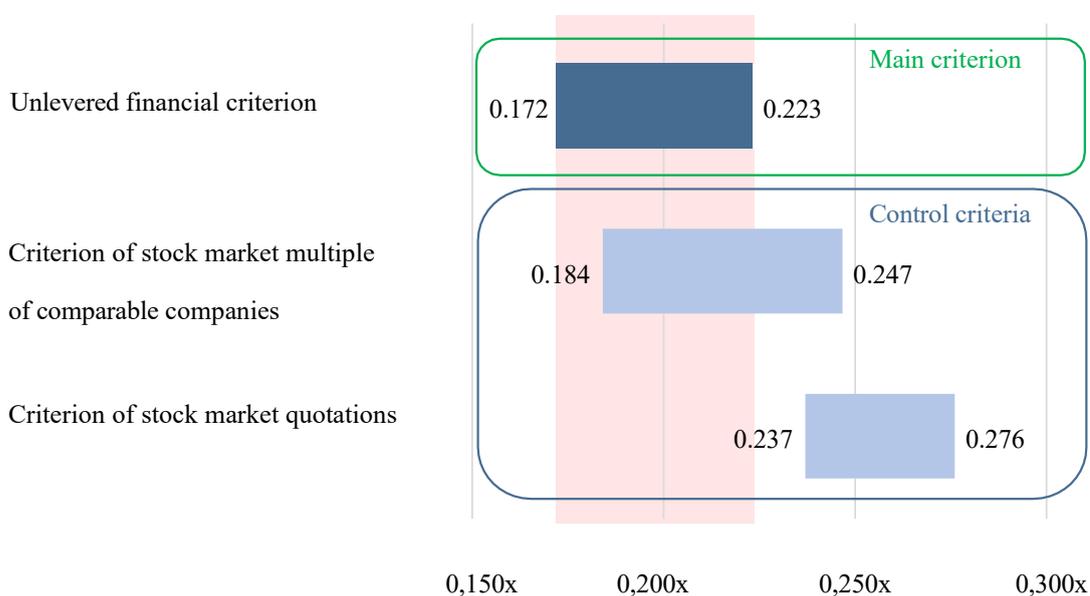
In addition, the following evaluation difficulties were encountered in this case:

- with reference to the contracts currently existing and contracted (the so-called "backlog"), the plans assume, according to what is represented by management, flows (of revenues and costs) and stocks (assets and liabilities) consistent with what is established in the agreements with the customers. However, it is not possible to exclude that future events may significantly modify the quantitative and/or temporal profiles of the flows and stocks deriving from these orders;
- a significant portion of the revenues and operating margins expected in the plan period (2021-2023) is associated with orders that are expected to be acquired (so-called "new order intake"). Considering the nature of the infrastructure construction business (limited number of contracts with a significant unit value), new orders represent a significant element of uncertainty;
- the businesses of Webuild and Astaldi are developed in an international perspective and are therefore exposed to significant geopolitical risks and risks related to changes in currency exchange rates. The writer, when applying the unlevered financial criterion (see § 3.2.1), appreciated in the estimates of the discount rate the higher country risk referred to these contexts;
- Webuild's estimates present elements of complexity with regard to the division of the total value of the company between ordinary and savings shares. In particular, given that this subdivision was carried out, according to practice, on the basis of the calculation of "equivalent ordinary shares", the complexities being related to the choice of time period for the calculation of the ratios between the market prices of savings and ordinary shares;
- with regard to Webuild, the plan provides for the operational start of the Texas HSR order in 2022. At the date of this report, the activities aimed at completing the contractual completion of the order are at an advanced stage of implementation but have not yet been completed. Therefore, this management area represents an additional element of uncertainty in the estimates of the exchange ratio.

#### 4.4 Conclusions on the exchange ratio.

The analyses carried out have led to the definition of significant ranges of exchange ratios with the aid of (i) the main estimation criterion described in its applications in § 3.2.1 and (ii) the control criteria described in §§ 3.3.1 and 3.3.2. Furthermore, § 4.2 describes the results of the sensitivity analysis on the estimate of the exchange ratio based on the main criterion. The summary of the ranges of the relevant exchange ratios is shown in Figure n.1, assuming, with regard to the Stock Exchange multiples and Stock Exchange prices, the minimum and maximum values and, with regard to the main method, the outcome of the sensitivity analysis in its extremes of 0.172x and 0.223x (see § 4.2).

**Figure n. 1 - Summary of exchange ratios.**



The data shown in the figure above allow us to conclude that:

- the main estimation criterion (unlevered financial) identifies a significant range of exchange ratios between a minimum of 0.172x and a maximum of 0.223x, with a central reference of 0.195x;
- the control criteria, albeit in this case with the limitations highlighted above, confirm, on the whole, the results obtained through the adoption of the main criterion, reporting moreover exchange ratios that are also close to the upper margin of the range designated by the main criterion.

\* \* \*

In conclusion, at the end of the estimation process carried out, in accordance with the assignment received (see § 1.1), on the basis of the information analysed (see § 1.3), of the valuation methods adopted, and having recalled the limitations, the assumptions and the difficulties indicated in § 4.3, also taking into account the sensitivity analyses carried out

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(the results of which are summarised in § 4.2), the undersigned believes that the range between 0.172x and 0.223x Webuild ordinary shares for one Astaldi ordinary share identifies the most significant and equally congruent exchange ratios.

Milan, March 14th 2021

## **Annex 2**

Lazard S.r.l.'s fairness opinion on the Exchange ratio dated 19 March 2021

# LAZARD

Webuild S.p.A.  
Via dei Missaglia, 97  
20142 Milan  
Italy  
Attn: The Related Party Transactions Committee  
(*Comitato per le Operazioni con Parti Correlate*)

19 March 2021

Dear Members of the Committee:

We understand that, as of the date hereof, Webuild S.p.A. ("Webuild" or the "Company") is the majority shareholder of Astaldi S.p.A. ("Astaldi" and together with Webuild, the "Companies"). Astaldi's corporate capital consists of no. 1,480,136,785 ordinary shares with no par value (individually, an "Astaldi Share" and collectively, the "Astaldi Shares"). Webuild holds no. 978,260,870 Astaldi Shares representing 66.1% of the share capital of Astaldi.

We further understand that Webuild and Astaldi intend to effect a partial de-merger of Astaldi in favour of Webuild pursuant to a de-merger plan that is in the process of being approved by their respective Boards of Directors, and a draft of which dated March 2, 2021 was provided to us (the "De-Merger Plan").

The De-Merger Plan specifies that the partial de-merger of Astaldi in favour of Webuild will be carried out as follows: (i) except for certain assets and liabilities that have been separated into the so-called "*Patrimonio Destinato*", all of the other assets and liabilities of Astaldi will be transferred and assigned to Webuild, (ii) Webuild will issue new shares in its corporate capital to all the current shareholders of Astaldi (except for Webuild) and certain unsecured creditors of Astaldi in accordance with the Exchange Ratio (as defined below), and (iii) Webuild will issue new warrants to the holders of the Lender Warrants (as such term is defined in the De-Merger Plan) of Astaldi to permit the holders of such new warrants to receive, upon the exercise of such new warrants, the number of shares of Webuild corresponding to the number of Astaldi Shares that would have been issued upon exercise of the Lender Warrants after applying the Exchange Ratio (the "Transaction" or "De-Merger"). In addition, on 15 March 2021, Webuild issued a press release announcing that, *inter alia*, the Boards of Directors of Webuild and Astaldi had agreed upon a proposed exchange ratio for purposes of the De-Merger of 203 new shares of Webuild for every 1,000 Astaldi Shares to be issued to the holders of the Astaldi Shares other than Webuild (the "Exchange Ratio").

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

Pursuant to articles 5 and 8 of Consob Regulation n. 17221 of 12 March 2010, as subsequently amended (the "Related Party Regulation"), the Related Party Transactions Committee of Webuild (the "Committee") has requested the opinion of Lazard S.r.l. ("Lazard") as of the date hereof as to the fairness, from a financial point of view, to Webuild of the Exchange Ratio in the context of the De-Merger.

In connection with this opinion, we have:

- (i) reviewed the financial terms and conditions of the De-Merger Plan and a draft directors' report relating thereto prepared by the Board of Directors of Webuild;
- (ii) reviewed certain publicly available historical business and financial information relating to the Companies;
- (iii) reviewed various financial forecasts and other data provided to us by Webuild and Astaldi relating to the respective businesses of the Companies;
- (iv) held discussions with members of the senior managements of the Companies with respect to the respective businesses and prospects of the Companies on a standalone basis;
- (v) reviewed public information with respect to certain other companies in lines of business we believe to be generally relevant in evaluating the businesses of the Companies;
- (vi) reviewed the historical stock prices and trading volumes of the shares of the Companies; and
- (vii) conducted such other financial studies, analyses and investigations as we deemed appropriate.

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

We have assumed that the valuation of assets and liabilities and the profit and cash flow forecasts, including future capital expenditure projections made by the respective managements of the Companies are fair and reasonable. We have not independently investigated, valued or appraised any of the assets (including the so-called slow-moving stock backlog or "claims") or liabilities (contingent or otherwise) of the Companies or the solvency or fair value of the Companies, and we have not been furnished with any such valuation or appraisal. With respect to the financial forecasts and projections of the Companies utilized in our analyses, we have assumed, with Webuild's consent, that they have been reasonably prepared based on the best currently available estimates and judgments of the respective managements of the Companies as to the future results of operations and financial condition and performance of the Companies, and we have assumed, with Webuild's consent, that such financial forecasts and projections will be realized in the amounts and at the times contemplated thereby. We assume no responsibility or liability for

and express no view as to any such forecasts, projections or the assumptions on which they are based.

In preparing our opinion, we have assumed that the Transaction will be consummated on the terms and subject to the conditions described in the De-Merger Plan without any waiver or modification of any of its material terms or conditions. We have also assumed that all governmental, regulatory or other approvals and consents required in connection with the consummation of the Transaction will be obtained without any reduction in the benefits of the Transaction to Webuild or any adverse effect on the Companies or the Transaction. Consequently, we hereby underline that the conclusions contained in the present opinion could vary depending on numerous conditions, including the actual terms and conditions of the final De-Merger Plan and related documentation prepared and approved by the respective Boards of Directors and Shareholders' Meetings of Astaldi and Webuild.

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

We further note that the Exchange Ratio will be subject to an independent report on fairness to be issued by the expert nominated by the Court of Milan, within the meaning of articles 2506-*ter*, paragraph 3 and article 2501-*sexies* of the Italian civil code. The methodologies and criteria utilized by us may differ, in whole or in part, from the methodologies and criteria used by the independent expert nominated within the meaning of the aforementioned articles of the Italian civil code and therefore the results may differ.

We are acting as financial advisor to the Committee in connection with the Transaction and will receive a fee for our services, payable upon delivery of this opinion. Lazard or other companies of the Lazard Group have in the past provided financial advisory services to Webuild and Astaldi for which they have received customary fees and may in the future provide financial advisory services to the Companies for which they may receive customary fees. In addition, Lazard holds participatory financial instruments in Astaldi having a nominal value of approximately Euro 250,000, and certain companies of the Lazard Group may trade in the shares and other securities of the Companies for their own account and for the accounts of their customers, and accordingly, may at any time hold a long or short position in such securities, and may also trade and hold securities on behalf of the Companies and/or certain of their respective affiliates. We do not express any opinion as to the price at which the shares of the Companies may trade at any time.

This opinion is being provided solely for the benefit of the Committee (in its capacity as such) in connection with, and for the purposes of, its consideration, in its sole independence of judgment, of the Transaction and is not on behalf or for the benefit of, and shall not confer rights or remedies upon any shareholder of the Companies or any other person. This opinion may not be used or relied upon by any person other than the Committee for any purpose. This opinion addresses only the fairness, as of the date hereof, from a financial point of view, of the Exchange Ratio to Webuild in the context of the De-Merger, and does not address any other aspect or implication of the Transaction, including without limitation, any legal, tax, regulatory or accounting matters or

the form or structure of the Transaction or any agreements or arrangements entered into in connection with, or contemplated by, the Transaction. In addition, our opinion does not address the relative merits of the Transaction as compared to any alternative transaction or strategy that might be available to Webuild or the merits of the underlying decision by Webuild to engage in the Transaction. This opinion is not intended to and does not constitute a recommendation as to how any shareholder of Webuild or Astaldi should vote or act with respect to the Transaction or any matter relating thereto.

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

For purposes of its analyses and reviews, Lazard considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of the Companies. No company, business or transaction used in Lazard's analyses and reviews as a comparison is identical to the Companies, and an evaluation of the results of those analyses and reviews is not entirely mathematical. Rather, the analyses and reviews involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies, businesses or transactions used in Lazard's analyses and reviews. The estimates contained in Lazard's analyses and reviews and the ranges of valuations resulting from any particular analysis or review are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by Lazard's analyses and reviews. In addition, analyses and reviews relating to the value of companies, businesses or securities do not purport to be appraisals or to reflect the prices at which companies, businesses or securities actually may be sold. Accordingly, the estimates used in, and the results derived from, Lazard's analyses and reviews are inherently subject to substantial uncertainty.

The summary of the analyses and reviews provided below includes information presented in tabular format. In order to fully understand Lazard's analyses and reviews, the table below must be read together with the full text of each summary. The table alone does not constitute a complete description of Lazard's analyses and reviews. Considering the data in the table below without considering the full description of the analyses and reviews, including the methodologies and assumptions underlying the analyses and reviews, could create a misleading or incomplete view of Lazard's analyses and reviews.

Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before 17 March 2021 and is not necessarily indicative of current market conditions. On 15 March 2021, Webuild issued a press release announcing that, *inter alia*, the Boards of Directors of Webuild and Astaldi had agreed upon a proposed exchange ratio, and therefore, as further detailed hereinafter, in order to neutralize any potential impact from such announcement and for the purposes of the 52-Week Trading Range analysis only, Lazard based its analyses on data that existed on or before 12 March 2021.

## **FINANCIAL ANALYSES**

For the purpose of assessing the Exchange Ratio, an analysis of the relative equity values of the Companies has been carried out applying valuation methodologies commonly used in the international practice for similar businesses and transactions. The analyses have been performed considering Webuild and Astaldi on a standalone basis (*i.e.*, not taking into account any synergies or other effects of the Transaction).

In consideration of our role and of the nature of the Transaction, our valuations were carried out with the aim of expressing a comparative estimate of the valuation ranges of the Companies, adopting homogenous and comparable valuation criteria. These valuations are therefore exclusively intended in relative terms and with only reference to the specific Transaction and do not express in any way or form the absolute values of any company (including the Companies) and they cannot be considered representative of current or future market prices.

We also note that the price per share of Webuild's ordinary shares calculated for the purposes of this opinion takes into account the value of the pro-rata amount of Astaldi Shares already owned by Webuild. The value attributed to such portion of Astaldi Shares is calculated by applying in each case the relevant valuation methodology.

In preparing our opinion, the discounted cash flow analysis has been utilized as the reference methodology, whereas the 52-week trading range and comparable companies analyses have been utilized as a control methodologies.

### **Discounted Cash Flow Analysis**

Based on the management projections and guidance provided by the Companies, Lazard performed a discounted cash flow analysis of the Companies to calculate the estimated net present value of the standalone, unlevered, after-tax free cash flows that each of the Companies could generate during the fiscal years ended 31 December 2021 through 31 December 2023. Lazard also calculated Terminal Values based on the last year of projections provided by the Companies.

In addition, Lazard separately calculated the net present value of the cash flows stemming from the collection of the so-called claims estimated by the Companies, according to the collection profiles provided by the Companies.

With reference to Webuild, Lazard also calculated the net present value of the cash flows that are expected to be generated by the Texas HSR project from 2023 through 2028, as provided by the management of Webuild. As no additional cash flow is expected beyond 2028, no terminal value has been taken into account.

With reference to Astaldi, Lazard also calculated the net present value of the cash flows expected to be generated from the tax benefits related to lender warrants, *i.e.*, the deferred tax-shield impact on the warrants' amortized cost (as provided by the management of Astaldi).

The standalone, unlevered, after-tax free cash flows (including claims and the Texas HSR project) and terminal values were discounted to present value using discount rates which were based on a weighted average cost of capital ("WACC") analysis which relies on a panel of companies deemed to be generally comparable to Webuild and Astaldi and operate in the same industry.

The results of these analyses implied an Exchange Ratio in the range of 177:1,000 and 216:1,000.

52-Week Trading Range

On 15 March 2021, Webuild issued a press release announcing that, *inter alia*, the Boards of Directors of Webuild and Astaldi had agreed upon a proposed exchange ratio. Therefore, in order to neutralize any potential impact from such announcement, Lazard reviewed the historical price performance and trading volumes of the Companies’ ordinary shares for the 52-week period ending on 12 March 2021. During this period and until the completion, on 6 November 2020, of the €225.0 million Astaldi cash capital increase subscribed for by Webuild, the volumes traded of Astaldi Shares were negligible, thus reducing the significance of the Astaldi share price until that date. Therefore, Lazard mainly relied on historical price performance between 6 November 2020 and 12 March 2021 and also reviewed, in addition to the spot price, the historical price performance of the Companies’ ordinary shares in the one, two and three months before such date. However, given that Astaldi has been part of the Webuild group since 6 November 2020, we assume that the Astaldi Share price reflects this circumstance and may not fully represent the value of the Astaldi Share on a standalone basis. For this reason we have applied the 52-week trading range as control methodology only.

The following table sets forth the results of these analyses:

| Period Ending                    | Exchange Ratio |
|----------------------------------|----------------|
| @ 12 March 2021                  | 254:1,000      |
| 1 month period                   | 260:1,000      |
| 2 month period                   | 266:1,000      |
| 3 month period                   | 269:1,000      |
| 6 November 2020 to 12 March 2021 | 275:1,000      |

Comparable Companies Analysis

Lazard reviewed and analyzed selected publicly traded companies in the engineering, procurement and construction (“EPC”) industry. In performing these analyses, Lazard reviewed and analyzed publicly available financial information relating to the selected companies and applied the resulting valuation metrics to the corresponding information for the Companies based on the Companies’ management forecasts. Specifically, Lazard compared the Companies to the following companies in the EPC industry: Vinci, Ferrovial, Bouygues, Skanska, ACS, Hochtief, Strabag, Balfour Beatty, Fluor, Granite and Tutor Perini.

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

Based on equity analysts' estimates and other public information, Lazard reviewed the enterprise value of each selected comparable company as a multiple of such comparable company's projected EBIT for the calendar years ending 31 December 2021 ("EV/EBIT 2021E") and 31 December 2022 ("EV/EBIT 2022E"). The mean and median EV/EBIT multiples for the panel of comparable companies have been applied to the expected Webuild and Astaldi's EBIT for the years 2021 and 2022.

For Webuild, the value of the Texas HSR project, the expected profitability of which is not captured by the 2021E and 2022EBIT, has been determined using the DCF methodology and has been treated as a surplus asset for the purposes of the analysis; likewise for Astaldi, for which the net present value of expected tax benefits related to the lender warrants has been treated as a surplus assets.

Lazard has performed this analysis on the basis of public information only and has not independently verified whether any of the comparable companies have been awarded material projects the expected profitability of which is not fully reflected in in their current enterprise value.

In the context of the Transaction, the limited comparability of the sample of selected comparable companies in terms of product portfolio, geographical exposure and visibility with respect to material surplus assets (the value of which is not yet fully reflected and captured in current profit estimates for 2021 and 2022) reduce the reliability of this methodology. For these reasons we have applied the comparable companies analysis as control methodology only.

For the purposes of the analysis of comparable companies, the market prices of the panel of the selected companies have been analysed over different periods, taking into consideration the prices of the various companies. In particular, Lazard considered the price of the companies on 17 March 2021 and the average price for periods of one and three months ending as of such date. In order to assess the Exchange Ratio, the three month average VWAP has prudentially been used, as it reflects the highest Exchange Ratio among the periods analyzed.

The results of the comparable company analyses described above were as follows:

|               | Exchange Ratio              |
|---------------|-----------------------------|
| EV/EBIT 2021E | From 231:1,000 to 253:1,000 |
| EV/EBIT 2022E | From 248:1,000 to 276:1,000 |

### Additional Analyses of the Companies

The additional analysis described below was carried out for informational purposes only and was not material to the rendering of Lazard's opinion.

Lazard also reviewed the most recent research equity analyst target prices for the ordinary shares of the Companies. However, the number of available research reports for Astaldi is extremely limited, which renders such sample not relevant for the analysis.

### Critical Issues and Limitations

In carrying out our financial analyses and valuations, the following critical issues and limitations have been identified. Any changes or differences in respect of the following critical issues and limitations or the assumptions relating thereto could have an impact, even significant, on the results of our analyses and valuations.

- (i) Astaldi as standalone entity: Today, Webuild holds approximately 66% of Astaldi's share capital exerting control over Astaldi. We understand from Webuild's management that, from time to time and depending on each specific situation, Webuild may provide commercial and/or financial support to Astaldi. The financial projections and forecasts of Astaldi, which have been provided by Astaldi and used, with Webuild's consent, for the purposes of our financial analyses, were developed by the management of Astaldi and presented to us as the financial forecasts of Astaldi on a standalone basis. Lazard has not carried out any independent verification as to the existence of any support by Webuild in such financial projections or the impact of any potential support by Webuild on such financial projections.
- (ii) Claims: Both Webuild and Astaldi report material amounts of slow-moving backlog/claims related to their construction businesses. Webuild and Astaldi expect to collect claims for a total aggregate face amount of approximately €2.0 billion and €730 million, respectively. These claims typically originate when the EPC companies ask for additional compensation to remunerate portions of work not originally planned and clients challenge/dispute those additional amounts. The financial projections and forecasts of Webuild and Astaldi, which have been used, with Webuild's consent, for purposes of our financial analyses, reflect the collection plan estimated by each of the Companies. An actual collection of claims by Webuild and Astaldi different from the one envisaged by the Companies would have a material impact on the results of our financial analyses and valuations. Lazard has not carried out any independent verification as to the status of such claims and we have relied on the information provided by Webuild and Astaldi as to the amount and timing of such collections.
- (iii) Texas HSR: In September 2019, Webuild was awarded the project to build the Houston-Dallas high speed link. The project is expected to generate approximately €13.0 billion in revenues from 2023 through 2028. Webuild confirmed to us that (i) the administrative process to award the project is now fully complete and that (ii) while the final contract has not been finalized yet, the execution risk associated with this project is in line with that of other similar projects in Webuild's backlog. Lazard has, therefore, relied on the





(Translation from the Italian original which remains the definitive version)

# Webuild Group

**Pro forma financial information as at and for the year ended  
31 December 2020**

(with independent auditors' report thereon)

KPMG S.p.A.

15 April 2021



KPMG S.p.A.  
Revisione e organizzazione contabile  
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(Translation from the Italian original which remains the definitive version)

## **Independent auditors' report on the examination of pro forma financial information as at and for the year ended 31 December 2020**

*To the board of directors of  
Webuild S.p.A.*

- 1 We have examined the pro forma statements of financial position and profit or loss and notes thereto of the Webuild Group (the "group") as at and for the year ended 31 December 2020 (the "pro forma financial information"), included in chapter 4 of the information document for the partial proportionate demerger of Astaldi S.p.A. to Webuild S.p.A. (the "parent") prepared pursuant to article 70.6 of and Annex 3B (template 2) to the Italian regulation endorsed by Consob (the Italian Commission for listed companies and the stock exchange) with resolution no. 11971 of 14 May 1999, as subsequently amended (the "information document").

The pro forma financial information derives from the following historical figures:

- the group's consolidated financial statements as at and for the year ended 31 December 2020;
- the consolidated financial statements of the Astaldi Group as at and for the year ended 31 December 2020,

and the pro forma adjustments thereto, which we have examined.

We audited the group's consolidated financial statements at 31 December 2020 and issued our report thereon on 6 April 2021.

PricewaterhouseCoopers S.p.A. audited the Astaldi group's consolidated financial statements at 31 December 2020 and issued its report thereon on 7 April 2021.

The pro forma financial information is based on the assumptions described in the notes thereto to retroactively present the effects of the partial proportionate demerger of Astaldi S.p.A. to the parent (the "transaction").



**Webuild Group**

Report on the examination of pro forma financial information  
31 December 2020

- 2 The pro forma financial information has been prepared for inclusion in the information document.

It has been prepared to reflect, in accordance with accounting policies that are consistent with the historical data and compliant with the relevant legislation, the effects of the transaction on the group's financial position and financial performance as if it had occurred on 31 December 2020 and at the beginning of 2020, respectively. Had the transaction actually occurred on such dates, the outcome may not necessarily have been that presented.

The pro forma financial information is the responsibility of the parent's directors. We are responsible for expressing an opinion on the reasonableness of the assumptions adopted by the directors in the preparation of the pro forma financial information and the correctness of the methodology used to prepare it. Furthermore, we are responsible for expressing an opinion on the correctness of the accounting policies applied.

- 3 We conducted our examination in accordance with the standards recommended by Consob in Recommendation no. DEM/1061609 dated 9 August 2001, which regulates the examination of pro forma financial information. We have carried out all the procedures which we have deemed to be necessary for the purposes of our engagement.
- 4 In our opinion, the basic assumptions that the parent's directors have adopted in the preparation of the pro forma financial information are reasonable, the methodology used to prepare it has been correctly applied for the disclosure purposes described above and the accounting policies applied to prepare it are correct.

Milan, 15 April 2021

KPMG S.p.A.

(signed on the original)

Paola Maiorana  
Director of Audit



**Dichiarazione del dirigente preposto alla redazione dei documenti contabili societari a norma dell'art. 154-*bis*, comma 2, del TUF**

Il Dirigente preposto alla redazione dei documenti contabili societari di Webuild S.p.A., dott. Massimo Ferrari, dichiara e attesta, ai sensi dell'art. 154-*bis*, comma 2, del TUF, che l'informativa contabile contenuta nel presente Documento Informativo corrisponde alle risultanze documentali, ai libri e alle scritture contabili di Webuild S.p.A.

Milano, 15 aprile 2021

A handwritten signature in black ink, appearing to read 'Massimo Ferrari', is written over a horizontal line.

(*Massimo Ferrari*)