Courtesy translation of the Common Representative's report from page 6 to page 14

As savings shareholders know, I, as the Common Representative, in performing my duties during this and the previous three-year period, have always considered it appropriate for the Company to perform a transaction to convert savings shares into ordinary shares and I have made my support for this clear.

As set out above, the Financial Terms of the Transaction established by the Board of Directors consist of a Conversion Ratio of 0.67 ordinary shares for every savings share, without payment of any cash adjustment, and a post-conversion Extraordinary Dividend of €0.75 per share for each ordinary shareholder. The premium resulting from the Transaction, without taking into account the Extraordinary Dividend, would be 18.46% based on the market price at the close of trading on 8th October 2020, whilst if we consider the Extraordinary Dividend of €0.75 per share, the premium would be 22.70%, again with reference to the market price on the day prior to the announcement of the Transaction. This is a premium which, as stated by the Board of Directors, falls within the range of premiums recorded in similar transactions carried out previously in Italy.

For the purposes of providing savings shareholders with an even more detailed picture of the conditions behind the Mandatory Conversion, I, as the Common Representative, have deemed it appropriate to appoint an independent financial advisor, Prof. Enrico Cotta Ramusino, who will provide a second opinion on the Financial Terms of the Transaction and, in particular, on the Conversion Ratio. Prof. Ramusino has prepared his opinion, which is attached to this report, and I will refer to it here.

To this end and in consideration of Prof. Ramusino's observations, I have deemed it appropriate to analyse the Transaction from three different perspectives in that they are inextricably linked: firstly, (i) the nature of the Transaction itself; secondly, (ii) the premium, based on stock market price, that is reserved for holders of savings shares; thirdly, (iii) the Conversion Ratio.

With regard to the first aspect, it should be noted that, for years, savings shareholders have called for the Company to propose this Transaction to its shareholders. In this sense, I would like to draw your attention to various Shareholders Meetings, including those taking place in the last three-year period (Special Shareholders Meeting of 12th May 2017, Ordinary Shareholders Meeting of 10th May 2018, Ordinary Shareholders Meeting of 9th May 2019, and the Ordinary, Extraordinary and Special Shareholders Meeting of 8th May 2020), and the multiple meetings with the Company's senior management, in which I, in order to protect the shareholders I represent, have highlighted how the market is keen on this transaction and the benefits that may be derived from it. Indeed, the Transaction certainly meets the Company's interests, in that it would allow it to simplify its capital structure, to reduce its corporate obligations and the related costs of having different categories of share, aligning the rights of all shareholders, expanding the number of free floating ordinary shares, thus establishing the conditions for an even greater liquidity of shares and an increase in share value. A capital structure based on two classes of shares is instead anachronistic compared with the needs of the market – also from a perspective of hypothetical future extraordinary M&A transactions – and with international governance best practice, especially in the application of the "one share, one vote" principle. Conversely, savings shareholders, whilst losing the financial privileges connected with this category of share, such as an uprating of any dividend owed to them and the rights of pre-emption pertaining to repayments of capital in the event of the Company being liquidated, will, however, acquire greater importance in terms of governing the Company, by exercising the right to vote in Ordinary and Extraordinary Shareholders Meetings. Therefore, I believe that the Mandatory Conversion itself is certainly in the interests of holders of savings shares.

The second aspect of assessment relates to the premium to be recognised based on the stock market price at the date of the announcement of the Transaction and on pre-existing averages.

In particular, it should be noted that the Company's financial advisor, Unicredit S.p.A., has stated that the premiums implicit in this Transaction – without taking into account the payment of an Extraordinary Dividend – are as follows:

• 18.46% based on the date prior to the announcement of the Transaction;

• 18.30% based on the month prior to the announcement of the Transaction;

• 19.72% based on the three months prior to the announcement of the Transaction;

• 20.12% based on the six months prior to the announcement of the Transaction.

If, however, we take account of the payment of an Extraordinary Dividend (subject to the Transaction being performed) the premium would be as follows:

• 22.70% based on the date prior to the announcement of the Transaction;

• 22.70% based on the month prior to the announcement of the Transaction;

• 24.11% based on the three months prior to the announcement of the Transaction;

• 24.79% based on the six months prior to the announcement of the Transaction.

On the basis of this evidence and as confirmed by the independent expert I appointed, the total premium payable to holders of savings shares – in absolute terms – can be considered as being largely in line with the market averages for other previous transactions of this type, and this is considering the Extraordinary Dividend. As suggested by the independent expert, we must compare the premiums implicit in previous transactions, taking account of discounts in existence prior to the announcement of these transactions, based on the ordinary share price and the savings share price.

In particular, the expert has highlighted that there is significant variation in the average premiums calculated for similar transactions over different time horizons. This variation also depends on the size of discount on savings shares compared with ordinary shares, identified prior to the announcement of the conversion. As the expert observes, the conversion transactions examined include some for which the ratio between the price of the savings shares and the price of the ordinary shares before the conversion (the "conversion ratio" set out on page 9 of the Directors' Explanatory Report) is higher, and others with contrary conditions where the ratio is significantly lower. In the first case, the premium offered as part of the conversion of savings shares into ordinary shares is lower whilst, in the other, the premium offered to savings shareholders during conversion is higher. By conducting a comparison between the premiums included in the Company's Proposal to its savings shareholders and the premiums resulting from transactions that are largely comparable in terms of conversion ratio identified pre-conversion, the expert notes that the premium offered to Buzzi Unicem S.p.A.'s savings shareholders is at the low end of the range of premiums identified.

In this regard, we must further examine the Conversion Ratio, including making a comparison with those identified in previous transactions. We can identify how this is also greatly influenced by the discount that characterised the market performance of the two classes of share. Generally, it can be said that there is a direct correlation between the size of the discount and the conversion ratio, so much so that the lower the gap, the greater the conversion ratios of savings shares to ordinary shares. In some cases, this ratio is even reversed, especially when savings shares were quoted at a premium compared with ordinary shares, as occurred, for example, prior to Unicredit S.p.A.'s transaction to convert its savings shares into ordinary shares.

Before examining this indicator, we must also immediately note how, in relation to it, the Extraordinary Dividend is neutral, in that it will only be paid following the Transactions and, therefore, in proportion to the shares held by those who become ordinary shareholders as an effect of the Mandatory Conversion, and by those who were already ordinary shareholders prior to the conversion.

The Extraordinary Dividend assigned to savings shareholders will be equal to €0.50025 for each savings share held (that is, 67% of €0.75). Conversely, where the Extraordinary Dividend – as, for example, was proposed in a similar conversion transaction (Danieli & C. Officine Meccaniche S.p.A.) – was recognised in equal measure for both categories of share and distributed at the same time as or near to the date of conversion of savings shares into ordinary shares, this would have had an effect on the total values attributable to the Conversion Ratio.

Moving to the analysis of this Conversion Ratio – 0.67 ordinary shares for every savings share – it should be noted that it falls at the low end of the range of values relating to a number of conversion transactions performed in the last few years on the Italian market.

Below, I have prepared a table based on publicly available data. It shows a series of some (most) conversion ratios used when converting savings shares into ordinary shares of listed companies.

		Conversion Ratio		
Date of Announcement	**Company**	**No. of ordinary shares**	**No. of savings shares**	**Ratio ordinary/ savings**
13/09/2000	CIR	1	1	1
18/09/2000	Recordati	16	25	0.64
13/11/2001	Alleanza	1	1	1
14/12/2001	Cofide	1	1	1
26/09/2002	Snia	1	1	1
14/05/2003	NGP	1	1	1
23/09/2003	Banca Finnat	1	1	1
17/12/2003	Intek	1	1	1
03/11/2005	Valentino	1	1	1
15/05/2007	Caltagirone	1	1	1
27/10/2011	Fiat risparmio	0.875	1	0.88
27/10/2011	Fiat Industrial risparmio	0.725	1	0.725
11/02/2013	Exor risparmio	1	1	1
06/03/2014	Italcementi	0.65	1	0.65
21/03/2014	Indesit	1	1	1
01/07/2016	Italmobiliare	1	10*	0.10
21/09/2017	Unicredit	3.82	1	3.82
06/02/2018	Intesa Sanpaolo	1.04	1	1.04
28/10/2018	Danieli	0.65	1	0.65

*In this case, the company paid an extraordinary privileged dividend only to savings shareholders, partly in cash, partly in kind.

As we can see, most conversion ratios are equal, or, if less than equal, they tend to involve greater values – bar some exceptions – to that proposed by the Company.

However, we must consider that Buzzi’s savings shares were characterised by a significant discount compared with its ordinary shares, with an implied value that is certainly lower than that proposed.

As we can see from the data circulated by the Company, the implied conversion ratio based on the stock market performance of ordinary shares compared with savings shares is as follows:

- based on prices recorded on 8th October 2020: 0.57;

- based on the average of the prices recorded over the last month: 0.57;
- based on the average recorded over the last three months: 0.56;
- based on the average recorded over the last six months: 0.56;
- based on the average recorded over the last twelve months: 0.58.

The Company has, therefore, set an implied value for its savings shares that is greater than the market price over the course of the last year. If, however, we assess this value based on the average of previous transactions, we can see that the Conversion Ratio is certainly at the low end of this average.

The above parameters seem to be confirmed by the independent expert appointed to provide a second opinion. He concludes by drawing two main considerations: *"The first relates to the Transaction as a whole and its aims, as set out by the Directors in their Explanatory Report. The Transaction appears to have solid foundations in terms of simplifying the capital structure and governance, in terms of increasing share liquidity post-conversion and also in terms of being in line with the current trend on the Italian financial market, where, over the past few years, the practice of converting savings shares into ordinary shares appears to be widespread.*

The second relates to the financial terms of the Transaction. In terms of the conversion ratio offered to savings shareholders, it appears to fall at the low end of the range of transactions considered. This evidence is set out, based on publicly available information, in the Common Representative's Report.

In terms of the conversion premium offered to the Company's savings shareholders, I note that it is largely in line with the average premium offered by similar transactions performed on the Italian market. The average to which it refers is the summary of transactions characterised by different starting conditions as seen in the discount, prior to the conversion being announced, between the price of the savings shares and the price of the ordinary shares. If we restrict the comparison to those transactions in which the discount, prior to the conversion being announced, is largely the same as that between the Company's savings shares and ordinary shares, it shows that the premium offered to Buzzi Unicem S.p.A.'s savings shareholders is at the low end of the range of premiums paid."

In line with what has been expressed by the independent expert, in summarising my considerations, I believe that the Transaction itself appears to be a positive thing, in that, from a general point of view, it will lead to a simplification of capital structure and governance, to a reduction in costs and, from a point of view of increasing the liquidity of ordinary shares, to a possible increase in share value, assuming market conditions are equal. With regard to the premium offered to savings shareholders, taking account of the Extraordinary Dividend, it is – in absolute terms – entirely in line with those paid in previous transactions. If we restrict the comparison to those transactions in which the discount, prior to the conversion being announced, is largely the same as that between the

Company’s savings shares and ordinary shares, it shows that the premium offered to Buzzi’s savings shareholders is at the low end of the range. The Conversion Ratio does not appear to be entirely in line with the average of conversion ratios identified by other Italian companies in this type of transaction; again, this is at the low end of the range.

In light of this, I believe that the Company could have proposed the Transaction with better Financial Terms, better meeting the requirements of savings shareholders. On one hand, the Company could have improved the terms relating to the distribution of the Extraordinary Dividend, for example, increasing its size only for savings shareholders and bringing forward its distribution date, and/or, on the other hand, the Company could have improved the terms relating to Conversion Ratio, aligning them with some of the expectations of this category of shareholder.

In any case, it is up to the Shareholders Meeting of Savings Shareholders to make a final assessment as to whether this Transaction provides value for money. If the resolution made during the Extraordinary Shareholders Meeting of Ordinary Shareholders is approved, the Shareholders Meeting of Savings Shareholders may vote on the Mandatory Conversion, in consideration of all of the parameters on which it is based, noting that the Special Shareholders Meeting, pursuant to Article 146, paragraph 1, letter b), Italian Consolidated Finance Law (TUF) and in derogation from Article 2376, paragraph 2, Italian Civil Code, will resolve in a single call with a favourable vote of as many savings shares as represent at least twenty percent of this category of shares.

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Report on the Common Representative’s Activities

The approval of the Mandatory Conversion and its performance will abolish the category of savings shares and, as a result, my mandate as Common Representative will cease. Therefore, I believe it appropriate to prepare a report of the activity that I have performed and that I am currently performing, highlighting its related costs.

I was appointed as Common Representative of the savings shareholders by the Special Shareholders Meeting of 8th May 2020 for three financial years, 2020-2022. Therefore, the mandate conferred pursuant to the above resolution and the current Articles of Association should expire on 31st December 2022, but, in the event that a Special Shareholders Meeting should approve the Mandatory Conversion, this would cease at the same time as the Conversion Transaction is performed, as authorised by the related resolution.

These past few months, I have continued to represent the interests of the savings shareholders, carrying out activities that I began as part of my mandate for the previous three-year period. In particular, I have maintained constant contact with the Company’s savings shareholders and I have liaised with the Company’s relevant offices and with its senior management in the interests of the category I represent, analysing information regarding the Company’s management, its activities and its transactions already implemented and to be implemented, pursuant to law and the Articles of Association. I also participated in the Special Shareholders Meeting of 8th May 2020 and will participate in the Ordinary, Extraordinary and Special Shareholders Meetings, all convened for 19th November 2020.

My activities have mainly and especially concerned the proposed transaction to convert savings shares into ordinary shares. Recently, I have been in continuous discussion with savings shareholders, with Buzzi's corporate bodies, and with Buzzi's departments responsible for managing relations with shareholders, having previously acquired the necessary information made available by the Company and investigating its contents.

In fact, it should be noted that even before the Company took the decision on the Conversion Transaction, over the course of the three-year period just concluded, I have many times called for the Company to assess the possibility of performing this type of transaction, liaising with the Company regarding this aspect.

Once the Board of Directors resolved to propose the Conversion Transaction in line with its deliberations and presented it to the market, I held discussions with the Company's senior management in the interests of the savings shareholders, also facilitating dialogue between shareholders.

At the date of this explanatory report, I have not asked the Company for any payment for fees for my activities and for my analysis of the various questions faced, which I have investigated with the help of people who work with me, although the Company has demonstrated that it is willing to cover them, without it being necessary to constitute a common fund ex-Article 146, paragraph 1, letter c), Italian Consolidated Finance Law (TUF).

In relation to the Conversion Transaction, as illustrated above, it should be noted that a financial advisor, Prof. Enrico Cotta Ramusino, was appointed to assess the fairness of the Financial Terms of the Transaction.

I remain at your disposal and I would like to thank you for your attention and for your trust over the course of my mandate.

Milan, 29th October 2020

Dario Trevisan

The Common Representative
of Buzzi Unicem S.p.A.'s Savings Shareholders

<u>Professor Enrico Cotta Ramusino</u>

<u>To the Common Representative of Buzzi Unicem S.p.A.'s Savings Shareholders: Opinion regarding the Conversion Proposal formulated by the Company and presented to the Savings Shareholders</u>

29th October 2020

1. Introduction

Dario Trevisan, Common Representative of the Savings Shareholders of the Company Buzzi Unicem S.p.A. (the "Common Representative"), has asked me to give my independent opinion regarding the conversion proposal (the "Proposal" or the "Transaction") to convert the savings shares in the above Company into ordinary shares.

I have prepared this Opinion on the basis of the company documentation provided by the Common Representative and the publicly available data and information. In particular, I have analysed the Proposal published by the Company in its press release dated 9th October 2020, the Directors' Explanatory Report, and the Opinion prepared by the Company's Advisor.

In this document, I will: i) summarise the structure of the Transaction (as already set out in detail in the Directors' Explanatory Report and in the Common Representative's Report) (para. 2); ii) examine the financial terms of the Transaction (para. 3); iii) express my independent opinion on the above financial terms (para. 4).

2. The Conversion Proposal and the reasons for it

According to the Directors' Explanatory Report, the Transaction aims to simplify the Company's capital structure (reducing the company's obligations and the costs connected with the existence of different categories of shares), to improve governance, aligning the rights of all shareholders, to expand the number of free floating ordinary shares post-conversion of the savings shares, establishing the conditions for an even greater liquidity of the Company's shares post-Transaction. This transaction is also in line with the medium-term trend that characterises the Italian financial market, where transactions of this type are performed in significant measure, reducing the presence of savings (and privileged) shares and progressively reinforcing the 'one share, one vote' principle, in line with governance best practice for listed companies.

The resolution containing the Mandatory Conversion Proposal will be submitted for approval by the Company's Extraordinary Shareholders Meeting on 19th November; the same Proposal must also be approved by the Special Savings Shareholders Meeting, on the same date. Again, the resolution regarding the mandatory conversion will be subject to the condition precedent detailed in the Directors' Explanatory Report and in the Common Representative's Report.

3. The financial terms of the Transaction

The financial terms of the Transaction, from a savings shareholders' perspective, are split into two components.

Firstly, the mandatory conversion proposal offered to savings shareholders requires the conversion of savings shares into ordinary shares using a conversion ratio of 0.67 ordinary shares for one savings share. In short, a current savings shareholder will receive 0.67 ordinary shares for each savings share held.

Secondly, the financial terms of the transaction state that, post-conversion, all ordinary shares, including those created by the conversion of savings shares in line with the above conversion ratio, will receive an extraordinary dividend of EUR 0.75 per share. Savings shareholders will, therefore, receive 67% of the extraordinary dividend of EUR 0.75 paid to pre-existing ordinary shareholders post-conversion.

In short, the conversion ratio and the extraordinary dividend are the financial terms of the Transaction in question.

Paragraph 9 of the Directors' Explanatory Report sets out the criteria on which basis the financial terms of the Transaction are defined.

As well as the reasons of governance and the capital and administrative rights of the two respective categories of share that exist today, the two reference criteria are as follows: "*c) the market price performance of the savings shares compared with the market price performance of the ordinary shares in different time periods; d) the conversion ratios and the implied premiums recorded in similar transactions performed on the Italian market*"[1].

[1] Page 7 of the Directors' Explanatory Report.

The Directors' Explanatory Report includes tables[2] that show how the Company's ordinary share price and savings share price have performed, with reference to the following: the last day of market trading prior to the announcement of the Transaction (8th October 2020), the average over the last month, the average over the last three months, the average over the last six months and the average over the last twelve months.

These figures show the conversion ratios[3] (the ratio between the price of the savings shares and the price of the ordinary shares) implicit in the market prices, as set out below:

- 0.57 refers to the prices of the two categories of share as at 8th October 2020, the day before the announcement of the conversion;
- 0.57 refers to the average of the prices of the two categories of share over the last month;
- 0.56 refers to the average of the prices of the two categories of share over the last three months;
- 0.56 refers to the average of the prices of the two categories of share over the last six months;
- 0.58 refers to the average of the prices of the two categories of share over the last twelve months.

With regard to the conversion premium, at paragraph 14 of their Explanatory Report (Conversion Incentives), the directors state that savings shareholders will receive a premium after their shares are converted to ordinary shares.

This premium, calculated based on the prices of the savings shares at 8th October, would be 18.46%, or 22.70% when the extraordinary dividend is taken into account[4].

The summary of the Mandatory Conversion Proposal contained in the press release issued by the Company on 9th October 2020 and the Opinion issued by the Advisor appointed by the Company also show premiums calculated on the basis of average share prices:

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[2] Pages 8 and 9.

[3] Page 9.

[4] Page 12.

i) during the last month, equal to 18.30% <u>without</u> taking into account the extraordinary dividend, or 22.70% when <u>also</u> taking into account the extraordinary dividend;

ii) during the last three months, equal to 19.72% <u>without</u> taking into account the extraordinary dividend, or 24.11% when <u>also</u> taking into account the extraordinary dividend;

iii) during the last six months, equal to 20.12% <u>without</u> taking into account the extraordinary dividend, or 24.79% when <u>also</u> taking into account the extraordinary dividend.

The conversion premium including the extraordinary dividend is calculated using an approach that compares the situation of savings shareholders pre-conversion – that is, when the savings shareholder holds one savings share – and the situation post-conversion – when the same shareholder would hold 0.67 of an ordinary share and 67% of the extraordinary dividend of EUR 0.75 per ordinary share post-conversion.

The Opinion drawn up by the Advisor appointed by the Company and attached to the Directors' Explanatory Report examines the ten mandatory conversion transactions performed in the Italian market. In light of the considerations set out in the Opinion and the examination of the Data referring to the ten reference transactions, the Advisor concludes that the financial terms of the Transaction can be deemed to be appropriate.

The conclusion of the Directors, set out on page 9 of their Explanatory Report, is that "*the analysis of the previous key transactions shows that the premiums implicit in the Conversion Ratio offered are within the range of premiums recorded in the similar cases previously performed in Italy*".

<u>4. Considerations on the financial terms of the Transaction from the savings shareholders' perspective</u>

I have received from the Common Representative data relating to previous transactions assumed to be comparable and mentioned by the Company and the Advisor. From an examination of the available data, the following evidence is shown.

Firstly, after examining the conversion ratios (ordinary shares offered for one savings share) offered as part of a conversion transaction, I note that the distribution of the ten cases considered[5] was as follows: in one case the ratio was 1.04, in four cases the ratio was 1, in one case it was 0.875, in one case it was 0.85, in one case 0.725, in one case 0.7 and in one case the ratio was 0.65. The conversion ratio offered to the Company's savings shareholders is, in relation to this parameter, at the low end of the range of transactions defined above.

Secondly, I note that the conversion premium for Buzzi Unicem S.p.A.'s savings shareholders shown in the Company's Proposal is generally in line with those shown in the analysis of other similar transactions[6].

The data suggests a third observation, in addition to what is set out above. There is significant variation in the average premiums calculated for similar transactions, over various time horizons[7]. The reasons for this variation include the size of the discount on the savings shares[8] compared to ordinary shares identifiable prior to the conversion being announced.

The conversion transactions examined include some for which the ratio between the price of the savings shares and the price of the ordinary shares (the "conversion ratio" implicit in the market price set out on page 9 of the Directors' Explanatory Report) is higher, and others with contrary conditions where the ratio is significantly lower.

In the first case, the premium offered as part of the conversion of savings shares into ordinary shares is lower whilst, in the other, the premium offered to savings shareholders during conversion is higher. The presence of the first type of transaction – characterised by conversion ratios implicit in

[5] None of which provided for a cash component.

[6] The data shows the following premiums: 22.1% (relating to the prices on the last day of market trading prior to the announcement), 23.3% (relating to the one-month average), 24.4% (relating to the three-month average), 24.3% (relating to the six-month average).

[7] Measured by the standard deviation and by the coefficient of variation, the ratio between the standard deviation and the average. This value varies between a minimum of 36.6% (considering the premiums calculated based on the one-month average prices) and a maximum of 51.9% (considering the prices identified the day prior to the date the transaction was announced).

[8] Or privileged shares, considering that the sample of transactions assumed to be comparable also includes this type of share.

higher market prices and by lower conversion premiums – has the effect of reducing the average value of the premium calculated on the basis of the entire sample.

By conducting a comparison between the premiums included in the Company's Proposal to its savings shareholders and the premiums resulting from transactions that are <u>largely comparable in terms of conversion ratio identified pre-conversion</u>, I note that the premium offered to Buzzi Unicem S.p.A.'s savings shareholders is at the low end of the range of premiums identified.

<u>Conclusions</u>

In light of what is set out above, I have reached two conclusions, which I have summarised below.

The first relates to the Transaction as a whole and its aims, as set out by the Directors in their Explanatory Report. The Transaction appears to have solid foundations in terms of simplifying the capital structure and governance, in terms of increasing share liquidity post-conversion and also in terms of being in line with the current trend on the Italian financial market, where, over the past few years, the practice of converting savings shares into ordinary shares appears to be widespread.

The second relates to the financial terms of the Transaction. In terms of the conversion ratio offered to savings shareholders, it appears to fall at the low end of the range of the transactions considered. This evidence is set out, based on publicly available information, in the Common Representative's Report.

In terms of the conversion premium offered to the Company's savings shareholders, I note that it is largely in line with the average premium offered by similar transactions performed on the Italian market. The average to which it refers is the summary of transactions characterised by different starting conditions as seen in the discount, prior to the conversion being announced, between the price of the savings shares and the price of the ordinary shares. If we restrict the comparison to those transactions in which the discount, prior to the conversion being announced, is largely the same as that between the Company’s savings shares and ordinary shares, it shows that the premium offered to Buzzi Unicem S.p.A.’s savings shareholders is at the low end of the range of premiums paid.

Pavia, 29th October 2020 Professor Enrico Cotta Ramusino