

PRESS RELEASE

CERVED GROUP: THE BOARD OF DIRECTORS APPROVES THE CONSOLIDATED RESULTS AS OF 31ST MARCH 2021

POSITIVE RESULTS IN THE FIRST QUARTER OF 2021

- Revenues: Euro 124.1 million, + 1.9% compared to 121.8 million in the first three months of 2020;
- Adjusted EBITDA¹: Euro 52.3 million, + 0.1% compared to 52.3 million in the first three months of 2020, with an incidence on Revenues of 42.2%;
- Adjusted Net Profit¹: Euro 26.9 million, -1.9% compared to 27.4 million in the first three months of 2020;
- Operating Cash Flow: Euro 44.3 million, + 51.3% compared to 29.3 million in the first three months of 2020;
- Consolidated Net Financial Position: Euro 544.5 million as of March 31, 2021, equal to 2.7x the Adjusted LTM EBITDA, an improvement compared to Euro 587.7 million as of December 31, 2020.

San Donato Milanese, 12 May 2021 - The Board of Directors of Cerved Group S.p.A. (MTA: CERV, the “**Company**” or “**Cerved Group**”), a major Italian firm engaged in credit risk analysis and credit management, today approved the consolidated financial statements as of 31 March 2021.

Andrea Mignanelli, Chief Executive Officer of the Group, commented:

“Despite the continuation of the measures aimed at containing the pandemic, Cerved grew in the first quarter of 2021, marking a first step towards a return to pre-COVID levels. The dynamics of the various business lines are encouraging, because the growth is driven by trends that will consolidate over time, thanks to the vaccination plan that will hopefully lead to the end of the COVID-19 outbreak.

In particular, we have grown at double-digit rates in Risk Intelligence, with strong growth rates both in the Financial Institutions and Corporate segments, thanks to analytics, ratings and services provided to banks with respect to loans issued under the Fondo Centrale di Garanzia. This growth more than offset the slight decline in revenues in Marketing Intelligence, which however significantly increased margins, and in Credit Management, still impacted by the slowdown of the judicial auctions as a consequence of the pandemic emergency.

Expectations for the next few months are positive, not only for the expected improvement in the economic environment and for the end of the COVID-19 emergency, but also because we are convinced to have a strategy that can meet the future needs of our customers. We want to put our products at the service of banks, corporates and institutions to engage the green and digital transition and continue to growth”.

Analysis of consolidated Revenues

In the first three months¹ of 2021, the consolidated Revenues of the Group increased by 1.9%, reaching Euro 124.1 million compared to Euro 121.8 million in the first three months of 2020 (+ 1.6% on an organic basis).

The Revenues of the **Risk Intelligence** business unit went from Euro 66.5 million in 2020 to Euro 74.3 million in 2021, an increase of 11.8%:

¹ Adjusted EBITDA excludes the impact of the Performance Share Plan with reference to the plan 2019-2021 and plan 2022-2024; Adjusted Net Income excludes non-recurring income and expenses, amortisation of capitalized financing fees, amortisation of the Purchase Price Allocation and non-recurring income taxes

- the Corporate segment showed an increase of + 8.8% compared to the first quarter of 2020, mainly driven by “Top” clients, who are gradually restarting a series of projects suspended in 2020 due to the pandemic;
- the Financial Institutions segment recorded revenues up by 15.3% compared to 2020, mainly thanks to the contribution of the Credit Risk service line and support services provided to banks with respect to loans issued under the Fondo Centrale di Garanzia.

Revenues relating to the **Marketing Intelligence** business unit went from Euro 14.6 million in 2020 to Euro 14.1 million in 2021, down by 3.6% compared to the previous period, mainly due to the combined effect:

- a contraction in the Advanced Analytics area due to a different seasonal nature of the variable component of some projects;
- the growth of the Sales Intelligence service line, in particular the ATOKA platform, realized by the subsidiary Spazio Dati, and the positive performance of Digital Marketing

The Revenues of the **Credit Management** business unit went from Euro 40.7 million in 2020 to Euro 35.8 million in 2021, down by Euro 4.9 million, equal to -12.2%. This result was mainly affected by the decline in the Banking NPL service line, which in the first quarter of 2020 still benefited from the tail end of the contract with Monte Paschi di Siena and by the delay in collections due to the Covid 19 pandemic, which led to the closure of the courts for three months starting from April 2020 and consequently slowed down the judicial auctions.

Quarterly Revenues <i>in millions of Euro</i>	First Quarter 2020	First Quarter 2021	% Growth
Risk Intelligence – Corporates	36.0	39.1	8.8%
Risk Intelligence – Financial Institutions	30.5	35.2	15.3%
Risk Intelligence	66.5	74.3	11.8%
Marketing Intelligence	14.6	14.1	-3.6%
Credit Management	40.7	35.8	-12.2%
Consolidated Revenues	121.8	124.1	1.9%

Analysis of Consolidated *Adjusted* EBITDA

Consolidated Adjusted EBITDA of Euro 52.3 million in the first three months of 2021 represents an increase of + 0.1% compared to the first three months of 2020. The Group's Adjusted EBITDA margin stood at 42.2% compared to 43, 0% of the previous period. The slight reduction in margins is essentially attributable to the Credit Management business unit in which the decline in Revenues was not reflected in the operating leverage, due to the greater incidence of overhead fixed costs.

Adjusted EBITDA <i>in millions of Euro</i>	First Quarter 2020	First Quarter 2021	% Growth
Risk Intelligence	35.2	38.9	10.7%
Marketing Intelligence	3.1	4.3	37.4%
Credit Management	14.0	9.1	-34.9%
Adjusted EBITDA	52.3	52.3	0.1%
Adjusted EBITDA Margin (%)	43.0%	42.2%	
Risk Intelligence	52.9%	52.4%	
Marketing Intelligence	21.2%	30.2%	
Credit Management	34.5%	25.6%	

Analysis of the Consolidated Net Result

As of March 31, 2021, the Consolidated Net Result before minorities was Euro 19.3 million.

The Adjusted Net Result after the minorities - which excludes non-recurring expenses and income, the amortized cost of loans, the amortization of the capital gains allocated resulting from business combinations, the adjustment of the fair value of the options and the tax effect of previous items - amounted to Euro 26.9 million, a decrease of 1.9% compared to Euro 27.4 million in the first three months of 2020.

Analysis of Consolidated Net Financial Position

As of March 31, 2021, the Group's Net Financial Position stood at Euro 544.5 million compared to Euro 587.7 million at December 31, 2020. The ratio between Net Financial Position and LTM Adjusted EBITDA stood at 2.7x at March 31, 2021 compared to 2.9x as of December 31, 2020.

Consolidated Net Financial Position <i>in millions of Euro</i>	At December 31, 2020	At March 31, 2021
Net Financial Position	587.7	544.5
LTM Adjusted EBITDA Multiple ¹⁾	2.9x	2.7x

¹⁾ Adjusted to include the EBITDA of the M&A transactions over the 12 months before the selected period

Public Tender Offer

On March 8, 2021, Castor S.r.l. with sole shareholder (the "**Bidder**"), announced that it had reached the decision on the same date to launch a voluntary tender offer (the "**Offer**") on all of the ordinary shares (the "**Cerved Shares**" or the "**Shares**") of Cerved Group S.p.A. ("**Cerved**" or the "**Issuer**"), including treasury shares directly or indirectly held, at any one time, by the Issuer, pursuant to and for the purposes of Article 102, paragraph 1, of Legislative Decree No. 58 of February 24, 1998, as subsequently amended (the "**TUF**" - Consolidated Finance Law), as well as Article 37 of the regulation adopted by CONSOB with resolution No. 11971 of May 14, 1999, as subsequently amended (the "**Issuers' Regulation**").

On 25 March 2021, the Bidder communicated that on the same date it has taken the decision to launch the Offer through a newly established joint stock company named Castor Bidco S.p.A. ("**Bidco**"). In this context, the Bidder has also communicated that (i) an equity commitment letter has been entered into by Bidco and the Bidder, pursuant to which the latter has undertaken to make equity injections and/or shareholders' loans to Bidco to cover the maximum disbursement under the Offer; and (ii) the Bidder and/or Bidco reserve the right to raise part of the funds necessary to pay the maximum disbursement under the Offer through a bank financing whose terms and conditions will – should this be the case – be disclosed to the public.

Likewise on 25 March 2021, the Bidder communicated that the Italian Antitrust Authority (AGCM - Autorità Garante della Concorrenza e del Mercato) resolved not to initiate an in-depth review on such transaction, as it does not give rise to the creation or strengthening of a dominant position, such as to eliminate or substantially and permanently reduce competition.

Finally, again on March 25, 2021, Bidco announced (i) that it had filed on the same date with CONSOB, pursuant to art. 102, paragraph 3 of the TUF, as well as Article 37-ter of the Issuers' Regulation, the offer document, intended for publication, relating to the Offer promoted by Bidco, and (ii) to have submitted to the competent Authorities, pursuant to art. 102, paragraph 4 of the TUF and art. 37-ter, paragraph 1, lett. b) of the Issuers' Regulations, communications and applications for obtaining the authorizations required by the applicable legislation in relation to the Offer.

The activities related to the evaluation and analysis of the Offer and its terms by the Company's Board of Directors, which will be the subject of the press release that the Company is required to publish pursuant to Article 103 of the TUF have commenced and are currently underway. In order to support the Board of Directors in carrying out these activities, the Company has appointed UBS AG - London Branch and Mediobanca -

Banca di Credito Finanziario S.p.A. as financial advisors and Studio Legale BonelliErede and Studio Legale Carbonetti as legal advisors.

Beginning of a share buy-back program

Today, May 12, 2021, the Company's Board of Directors approved the launch of a share buy-back program, as per the relative press release issued at the same time as this press release.

Business Outlook and expectations for the Group's economic and financial performance

On 25 March 2021, the Board of Directors approved the 2021-2023 Business Plan and the related Strategic Outlook, illustrated to investors and analysts during the third Investor Day of the Cerved Group held on 26 March 2021.

Cerved's strategy aims to support banks, businesses and institutions in the both the, digital and sustainable transition that will have to put Italy back on a growth path, with an evolution of the company consistent with our strengths, technology trends, and the needs of our customers and stakeholders. The objective is to strengthen the core and grow in new services (e.g., non-credit risks, market & sales intelligence, etc.) by leveraging the DAT (data, analytics and technologies) assets developed by the Group.

The targets for consolidated revenue growth, expressed as compound annual growth rate 2020-2023, envisage organic growth between +5.0% and +7.0%. The targets for consolidated EBITDA growth, expressed as compound annual growth rate 2020-2023, envisage organic growth between +5.0% and +7.0%, in addition to growth from acquisitions of +2.0% to +3.5%, for a total consolidated growth rate of between +7.0% and +10.5%. The Group aims to achieve a conversion rate of Adjusted EBITDA into Operating Cash Flow between 75% and 80% by the end of 2023. The medium to long-term objective for net financial debt is 3.0x year-end Adjusted EBITDA, barring extraordinary transactions and non-recurring impacts. As for the dividend policy, the following two components should be taken into consideration; (i.) a dividend, based on a distribution of around 40% to 50% of the Group's Adjusted Net Profit; and (ii.) a possible additional variable dividend and/or share buybacks, in the event of additional financial resources compared to the leverage target of 3.0x Adjusted EBITDA, provided resources are not utilized for acquisitions.

In the weak phases of the economic cycle our services become even more important in limiting financial contagions and, already in the past, our business model has proven to be resilient. In this context, we have also made our wealth of data, technologies and tools available to customers and institutions to assess the impact of COVID-19 on businesses: thanks to our analysis, we have estimated the effects of the emergency on different segments and the effects on default rates.

Conference call to comment results as of 31st March 2021

The conference call with institutional investors and financial analysts to comment the results as of 31st of March 2021 will take place this afternoon, 12nd of May 2021, at 17:30 (Milan time). For further details visit the website of the Company (<http://company.cerved.com>, Investor Relations section, Financial Calendar area). The presentation of the results and the transcript of the conference call will be made available on the company's website (<http://company.cerved.com>, Investor Relations section, Presentations area).

According to paragraph 2 of Article 154-*bis* of the TUF, the Executive appointed to draft corporate accounts, Ms. Francesca Perulli, stated that the accounting information herein contained tallies with the company's documentary evidence, ledgers and accounts.

Cerved helps companies, banks, institutions and individuals to protect themselves from risk and grow in a sustainable way. Thanks to a unique wealth of data and analytics, it provides clients with digital and artificial intelligence services and platforms to manage risk and support data-driven growth, also involving customised consultancy solutions. Through Cerved Credit Management it helps the financial and real system to dispose of and recover impaired loans. Cerved Rating Agency, one of Europe's leading rating agencies, operates within the group.

Contact information:

Cerved Group S.p.A.
Investor Relations
Pietro Masera ir@cerved.com

Press office: Close To Media
Luca Manzato (+39 335 8484706) luca.manzato@closetomedia.it
Nicola Guglielmi (+39 366 6190711) nicola.guglielmi@closetomedia.it

RECLASSIFIED INCOME STATEMENT

<i>(in millions of Euro)</i>	As of 31 March 2020	As of 31 March 2021
Revenues	121.8	124.1
Cost of raw material and other materials	-0.2	-0.1
Cost of services	-29.7	-30.5
Personnel costs	-36.5	-38.8
Personnel costs	-1.8	-1.8
Impairment of receivables and other provisions	-1.2	-0.6
Total operating costs	-69.4	-71.8
Adjusted EBITDA	52.3	52.3
<i>Performance Share Plan</i>	1.8	-1.4
EBITDA	54.1	51.0
Depreciation and amortization of tangible and intangible assets	-10.1	-9.2
PPA Amortization	-12.0	-9.5
Operating profit before non recurring items	31.9	32.3
Non-operative components	-16.8	-0.7
Operating profit	15.1	31.6
Loan interest	-3.5	-2.7
Recurring financial costs/income	11.5	-0.7
Non-recurring financial costs/income	0.0	0.0
Income tax expenses	-6.8	-8.9
of which non recurring income tax expenses	0.0	0.0
Net Income pre minorities	16.4	19.3
Net Income post minorities	15.7	19.4
Adjusted Net Income pre minorities	28.7	27.2
Adjusted Net Income post minorities	27.4	26.9

RECLASSIFIED BALANCE SHEET

<i>(in € millions)</i>	As of 31 March 2020	As of 31 March 2021
Intangible assets	389.5	353.3
Goodwill	749.8	746.9
Tangible assets	59.8	56.0
Financial assets	12.1	11.7
Non-current assets	1,211.2	1,168.0
Inventories	0.0	0.0
Trade receivables	239.3	248.7
Trade payables	-50.9	-38.8
Deferred revenues	-75.4	-75.4
Net working capital	113.0	134.5
Other receivables	13.5	6.9
Other liabilities	-133.7	-113.6
Net corporate income tax items	-39.2	-22.9
Employee benefits	-15.1	-17.7
Risk and expense provisions	-5.1	-3.2
Deferred tax liabilities	-85.4	-73.3
Net Invested Capital	1,059.2	1,078.7
Net financial debt	568.5	544.5
Net equity	490.7	534.1
Total financing sources	1,059.2	1,078.7

RECLASSIFIED INCOME STATEMENT

<i>(in millions of Euro)</i>	As of 31st March 2020	As of 31st March 2021
Adjusted EBITDA	52.3	52.3
Net Capex	-8.4	-7.7
Adjusted EBITDA -Capex	43.9	44.6
Cash change in Net Working Capital	-13.3	-5.1
Change in other assets / liabilities	-1.3	4.8
Operating Cash Flow	29.3	44.3
Interests paid	-4.1	-0.3
Cash taxes	0.0	-0.2
Non recurring items & Others	-0.3	-0.4
Cash Flow (before debt and equity movements) FREE CASH FLOW	24.9	43.4
Dividends	0.0	0.0
Acquisitions / deferred payments / earnout	-44.9	-0.1
BuyBack	0.0	0.0
Cerved La Scala Loan	0.0	0.0
Refinancing	0.0	0.0
Net Cash of the Period	-20.0	43.3

CONSOLIDATED NET FINANCIAL POSITION

	At 31 March 2020	At 31 March 2021
<i>(In thousands of euros)</i>		
A. Cash	28	34
B. Cash equivalent	165.789	78.392
C. Trading securities	-	-
D. Liquidity (A)+(B)+(C)	165.817	78.426
E. Current Financial Receivables	-	-
F. Current Bank debt	(119)	(225)
G. Current portion of non-current borrowings	(158.117)	(4.754)
H. Other current financial debt	(108.931)	(10.694)
I. Current financial debt (F)+(G)+(H)	(267.166)	(15.673)
J. Net Current Financial Indebtedness (D)+(E)+(I)	(101.350)	62.753
K. Non-current Bank loans	(418.220)	(560.305)
L. Bonds Issued	-	-
M. Other non current loans	(48.922)	(46.964)
N. Non-current Financial Indebtedness (K)+(L)+(M)	(467.142)	(607.268)
O. Net Financial Indebtedness (J)+(N)	(568.492)	(544.515)