

CARRARO GROUP: update on the Group's reorganization project

Campodarsego (Padua), 21 July 2020 - As part of the Carraro Group's reorganisation project disclosed to the market on 17 March and 11 May, and in line with previous announcements, documents were finalised today relating to:

- (i) the non-proportional and asymmetrical partial demerger of Carraro Drive Tech SpA by assigning part of the assets to Carraro Dive Tech Italia SpA with a single shareholder ("CDT demerger"); and
- (ii) the merger of Carraro Drive Tech SpA (as resulting from the aforementioned CDT demerger) into Carraro International SE.

However, contrary to previous announcements, the simplified partial proportional demerger of Carraro International SE with the assignment to the parent company Carraro SpA of the "Prestito obbligazionario Carraro International 2018-2025" debenture loan and the associated financial receivables ("CINT demerger") was not carried out because, on 20 July 2020, the Board of Directors of Carraro SpA and the Extraordinary Shareholders' Meeting of Carraro International SE resolved to revoke the previous resolutions for the CINT demerger, given the change in the market conditions on which basis the transaction had originally been approved.

The minutes of the resolutions adopted by Carraro SpA regarding the revocation of the CINT demerger will be made available to the public in accordance with the provisions of art. 70, paragraph 7, letter (c) of the regulation adopted by Consob Resolution no. 11971 of 14 May 1999 for demerger resolutions.

Carraro is an international group, a leader in transmission systems for off-road vehicles and specialised tractors, with consolidated turnover in 2019 of 548.8 million euros.

The Group's activities are divided into two Business Areas:

- **Drive systems and components**
Through the subsidiaries Carraro Drive Tech and SIAP, the Group designs, manufactures and sells transmission systems (axles and transmissions) mainly for agricultural and construction equipment, and also markets a wide range of gears for very diverse sectors, from the automotive industry to material handling, agricultural applications and construction equipment.
- **Tractors**
Through Divisione Agritalia, the Group designs and manufactures specialised tractors (for vineyards and orchards from 60 to 100 HP) for third-party brands, namely John Deere, Massey Ferguson and Claas, as well as a specialised Carraro-brand range; Agritalia also provides engineering services for the design of innovative tractor ranges.

The Group's holding company, Carraro S.p.A., has been listed on the Italian Stock Exchange since 1995 (CARR.MI) and has its headquarters in Campodarsego (Padua). As at 31.12.2019, the Group had 3,092 employees – of which 1,424 based in Italy – and has manufacturing facilities in Italy (4), India, China, Argentina and Brazil. For additional information visit carraro.com.

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