

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 International provides financial, treasury and consulting services to subsidiaries, affiliates and to the parent company, in accordance with the approved policies and the strategic needs of the Carraro Group. The Company in particular, via its permanent establishment in Luxembourg, works to provide financial resources to the Carraro Group's European companies, whereas the Asian and South American companies source their funds from the local markets, utilising the strategic consulting services provided by Carraro International. Moreover, Carraro International coordinates the factoring activities of the Italian operating companies.

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