

INFORMATION NOTE RELATING TO THE PROPOSAL OF CHANGE TO THE DISTRIBUTION OF THE DIVIDEND ON THE PROFITS TO THE YEAR 2019

On 6 April 2020, the Board of Directors of Gefran S.p.A. resolved to withdraw the previous resolution of 12 March 2020 to distribute dividends prudentially and in order to further strength the economic-financial solidity of the Group for the future challenges, as better detailed in the press release issued on the same date. In the light of it, to the shareholders' meeting convened for the next 28 April, on first call, and 19 May, on second call, will be proposed to entirely allocate year's earnings as retained earnings equal to Euro 6,221,826.

In order to facilitate the understanding of the effects of the resolution of the Board of Directors of 6 April 2020, below are described the points of the Annual Financial Report approved by the Board of Directors on 12 March 2020 which have been impacted by the 6 April resolution.

<p>Chairman's Letter (page 9) Original Version</p>	<p>Chairman's Letter (page 9) Version after BoD resolution dated 6 April 2020</p>
<p>Lastly, we have carefully assessed the economic and financial prospects for the year to come: while maintaining the Group's solidity and approaching the next few months with great prudence, our Board of Directors has decided to propose to the Shareholders' Meeting distribution of a dividend of € 0.15 per share, to be distributed in the month of May.</p> <p style="text-align: center;">omissis</p>	<p>Lastly, we have carefully assessed the economic and financial prospects for the year to come: while maintaining the Group's solidity and approaching the next few months with great prudence, our Board of Directors has decided to propose to the Shareholders' Meeting distribution of a dividend of € 0.15 per share, to be distributed in the month of May.</p> <p>On 6 April 2020, in the light of the changed macro-economic scenario related to the spread of the COVID-19 pandemic, the Board of Directors withdrawn the proposal to distribute the dividend and proposed to allocate year's earnings as retained earnings equal to Euro 6,221,826.</p> <p style="text-align: center;">omissis</p>

<p>Specific Explanatory Notes to the Accounts (page 119) Original Version</p>	<p>Specific Explanatory Notes to the Accounts (page 119) Version after BoD resolution dated 6 April 2020</p>
<p>The Group's portion of Shareholders' Equity at 31 December was EUR 75,044 thousand, up by EUR 2,230 thousand over 31 December 2018. The most significant changes pertained to the positive annual result, amounting to EUR 7,042 thousand, partially absorbed by distribution of dividends on the 2018 annual result totalling EUR 4,599 thousand.</p> <p>In consideration of the result for the year, the Board of Directors proposed, subject to approval of the shareholders' meeting, to pay a dividend of EUR 0.15 per unrestricted share.</p> <p style="text-align: center;">omissis</p>	<p>The Group's portion of Shareholders' Equity at 31 December was EUR 75,044 thousand, up by EUR 2,230 thousand over 31 December 2018. The most significant changes pertained to the positive annual result, amounting to EUR 7,042 thousand, partially absorbed by distribution of dividends on the 2018 annual result totalling EUR 4,599 thousand.</p> <p>In consideration of the result for the year, the Board of Directors proposed, subject to approval of the shareholders' meeting, to pay a dividend of EUR 0.15 per unrestricted share.</p> <p>On 6 April 2020, in the light of the changed macro-economic scenario related to the spread of the COVID-19 pandemic, the Board of Directors withdrawn the proposal to distribute the dividend and proposed to allocate year's earnings as retained earnings equal to Euro 6,221,826.</p> <p style="text-align: center;">omissis</p>

<p>Report on operation Proposed resolution (page 240) Original Version</p>	<p>Report on operation Proposed resolution (page 240) Version after BoD resolution dated 6 April 2020</p>
<p>Dear Shareholders,</p> <p>We hereby submit for your approval the annual financial statements for the period ending 31 December 2019, which show a net profit for the period of EUR 6,221,826.</p> <p>Note that the legal reserve reached the limit set by the Italian Civil Code some time ago and that the available reserves amply cover the development costs recorded under non-current assets.</p> <p>We therefore submit for your approval the following resolution:</p> <p><i>“The Ordinary Shareholders’ Meeting of Gefran S.p.A., having taken note of the Board of Statutory Auditors’ Report and the External Auditors’ Report, votes:</i></p> <ol style="list-style-type: none"> 1. <i>to approve the Board of Directors’ Report on Operations and the annual financial statements for the period ending 31 December 2019, which show a profit of 6,221,826 Euro, as presented by the Board of Directors;</i> 2. <i>to distribute to the shareholders, by way of dividend, gross of the legal withholdings, EUR 0.25 for each of the outstanding shares (net of the own shares), using, for the necessary amount, the net profit for the year;</i> 3. <i>to allocate to Retained earnings, the amount corresponding to the portion of the net profit for the year which remains net of the distribution as per point 2. ”</i> <p>The dividend, in accordance with the provisions of the “Regulation of the markets organised and managed by Borsa Italiana S.p.A.”, will be paid as follows: ex-dividend date 11 May 2020, in payment as from 13 May 2020.</p> <p>The amount of the dividend is fully covered by the profit for the period and sufficient financial funds are already available for the payment.</p>	<p>Dear Shareholders,</p> <p>We hereby submit for your approval the annual financial statements for the period ending 31 December 2019, which show a net profit for the period of EUR 6,221,826.</p> <p>Note that the legal reserve reached the limit set by the Italian Civil Code some time ago and that the available reserves amply cover the development costs recorded under non-current assets.</p> <p>We therefore submit for your approval the following resolution:</p> <p><i>“The Ordinary Shareholders’ Meeting of Gefran S.p.A., having taken note of the Board of Statutory Auditors’ Report and the External Auditors’ Report, votes:</i></p> <ol style="list-style-type: none"> 1. <i>to approve the Board of Directors’ Report on Operations and the annual financial statements for the period ending 31 December 2019, which show a profit of 6,221,826 Euro, as presented by the Board of Directors;</i> 2. to distribute to the shareholders, by way of dividend, gross of the legal withholdings, EUR 0.25 for each of the outstanding shares (net of the own shares), using, for the necessary amount, the net profit for the year; 2 2 to allocate to Retained earnings, the whole amount corresponding to the portion of the net profit for the year equal to 6,221,826 Euro which remains net of the distribution as per point 2. ” <p>The dividend, in accordance with the provisions of the “Regulation of the markets organised and managed by Borsa Italiana S.p.A.”, will be paid as follows: ex-dividend date 11 May 2020, in payment as from 13 May 2020.</p> <p>The amount of the dividend is fully covered by the profit for the period and sufficient financial funds are already available for the payment.</p>

For the Board of Directors
The Chairman
Maria Chiara Franceschetti