

REPORT ON THE PROPOSAL OF APPROVAL OF THE FINANCIAL STATEMENTS AT 31 DECEMBER 2019 AND TO THE ALLOCATION OF THE NET PROFIT THEREOF

BOARD OF DIRECTORS – 12 MAY 2020

FIRST ITEM IN THE AGENDA

Dear Shareholders,

you are invited to resolve on the following item in the agenda:

1. Financial statements as at 31 December 2019. Profit allocation thereof. Presentation of the consolidated financial statements as at 31 December 2019:
 - (i) approval of the financial statements as at 31 December 2019; related resolutions;
 - (ii) allocation of the profit; related resolutions.

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Report on item no. 1 (i) on the agenda

IMA's Board of Directors resolved to propose to the Shareholders' Meeting the approval of the Company's financial statements as at 31 December 2019, the Directors' Report on Operation and the consolidated financial statement at 31 December 2019, attached to Board of Directors minutes.

Therefore, upon analysis of the annual financial statements, the report prepared by the independent auditor EY S.p.A. and the Board of Statutory Auditors' Report.

"We hereby invite you to approve IMA's financial statements as at 31 December 2019, as drafted by Board of Directors, and Directors Report on Operation".

Ozzano dell'Emilia (BO), 12 May 2020

On behalf of Board of Directors

The Chairman

Alberto Vacchi

Report on item 1 (ii) on the agenda

On 12 May 2020, IMA's Board of Directors, due to the health emergency caused by COVID-19 and of the change of global economic scenario resulting therefrom, for the purpose of avoiding any potential economic and financial impact, has prudentially resolved as a partial amendment of the Board resolution of 12 March 2020, to allocate the net profit equal to euro 91,295,143 as follows:

- (i) euro 230,255 to the legal reserve, thereby reaching one fifth of the overall share capital;
and
- (ii) the remaining amount to the reserve named "Extraordinary Reserve".

Therefore,

we hereby invite you to approve

- the proposal to allocate the net profit equal to euro 91,295,143 as follows:
 - (i) euro 230,255 to the legal reserve, thereby reaching one fifth of the overall share capital;
and
 - (ii) the remaining amount to the reserve named "Extraordinary Reserve"..

Ozzano dell'Emilia (BO), 12 May 2020

On behalf of the Board of Directors

The Chairman

Alberto Vacchi