



Press Release

The Board of Directors of Saras SpA met today and decided

- to revoke the proposal of dividends distribution and the proposal to the authorization for the purchase and disposal of treasury shares. The Chairman Mr Massimo Moratti stated: *“both dividends distribution on net income 2019 and the proposal to the authorization for the purchase and disposal of treasury shares will be assessed again as soon as there will be more visibility on the reference economic scenario”*;
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- to revoke the Shareholders' meeting scheduled on 21st April 2020 and to convene a new Shareholders' meeting on 22nd May 2020, and a second call is scheduled on 23rd May 2020, if needed.

On the sidelines of the Board, the Chairman Mr Massimo Moratti stated: *“Our refinery, a strategic production site, has kept operating in a difficult context, supplying essential goods, such as electric power and oil products in Sardinia and in the whole country. All of this, while taking great care of our people and community, fully complying with the provisions of law and adopting all the measures to contain the risk of Covid-19 contagion. Despite having a sound financial position, the uncertainty of the global economic scenario caused by the pandemic forces us to choices inspired by prudence: the current decisions have been adopted exclusively in light of the context of general uncertainty and unpredictability, both in terms of duration and potential consequences, of an emergency that the whole world is experiencing”*.

Milan, 17th April 2020: On today's date, the Board of Directors of Saras SpA under the Chairman Massimo Moratti met to discuss the impacts of the Covid-19 pandemic on the macroeconomic and market scenario in which the company operates.

The Board acknowledges the significant impact of the sanitary emergence that has been progressively breaking out, turning eventually into a global crisis and consequently impacting the global economic scenario.

In this context, the oil market experienced an unprecedented decline in demand in the wake of the lockdown measures adopted at international level. A conflict between the crude oil producers has added up; their recent agreement to cut oil production, although relevant in scope, has not had any significant impact on contrasting the decline in consumptions.

Saras is monitoring closely the development of the situation.

In the difficult context of the pandemic, Saras, an essential industry to the prosperity of its country, supplying a significant share of the energy demand in Sardinia, has kept its plant regularly running while carrying on the major maintenance activities planned on its V1 topping unit and on its main gasoline producer unit FCC.

The refinery's operations, as well as that of the many suppliers working on the maintenance activities, has been made possible thanks to the safety and Covid-19 containment measures immediately put in place. This has allowed the full employment of our workforce in this delicate moment, along with the many people of the companies engaged in the maintenance activities. Overall, a tangible contribution to the economy of the territory we work in.

In this context characterized by prices volatility Saras has been able to adequate to the changed scenario owing to its operational and commercial flexibility, thus taking advantage of the opportunities provided by the commodities prices volatility and the increased availability of crudes supply on the market. Its strategic position in the centre of the Mediterranean sea, which provides an outlet on several markets, and its portfolio of customers from its Trading subsidiary, make Saras more resilient to the difficult market conditions and make it possible to give an outlet to the refinery output. Current ongoing maintenance activities furthermore reduce its exposure to the product hit hardest by the crisis: gasoline.

However, in light of the high uncertainty affecting the market, the Board deems appropriate to prudentially withhold the dividend distribution proposal on the net income pertaining year 2019 and the authorization for the purchase and disposal of treasury shares approved on 2nd March. This is aimed at better safeguarding the solidity of the balance sheet and the sound economic and financial balance of the company.

The dividends' distribution as well as the program for the purchase and disposal of treasury shares will be assessed in the second half of the year when an increased visibility is expected, due to an easing of the tensions and market unbalances, as restrictions progressively ease and the economic activity resumes.

The Ordinary Shareholders' Meeting of Saras S.p.A. will be convened in the terms and in the manner required by law with the following Agenda



- 1) Financial statements at 31 December 2019
 - 1.1) Approval of the financial statements at 31 December 2019, presentation of the consolidated financial statements at 31 December 2019 and the consolidated non-financial statement pursuant to Legislative Decree No. 254 of 30/12/2016 - Sustainability Report;
 - 1.2) Allocation of the result for the year
- 2) Report on the remuneration policy and fees paid pursuant to Article 123-ter, paragraphs 3-bis and 6 of Legislative Decree No 58 of 24 February 1998:
 - 2.1) binding resolution on the first section concerning the remuneration policy prepared pursuant to Article 123-ter, paragraph 3, of Legislative Decree No. 58 of 24 February 1998;
 - 2.2) non-binding resolution on the second section concerning fees paid prepared pursuant to Article 123-ter, paragraph 4, of Legislative Decree No. 58 of 24 February 1998.
- 3) Integration of the Board of Statutory Auditors following the resignation of a standing auditor.

The Annual Report will be integrated with the new proposal related to the allocation of the result of the year, notwithstanding other contents already published.

The Financial Calendar will be amended accordingly

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THE SARAS GROUP

The Saras Group, founded by Angelo Moratti in 1962, has about 1,750 employees and total revenues of about 9.5 billion Euros as of 31st December 2019. Today, the Group is a leading European crude oil refiner and it is active also in the energy sector. It sells and distributes petroleum products in the domestic and international markets, directly and through its subsidiaries. The Group also operates in the production and sale of electricity, through its subsidiaries Sarlux Srl (IGCC plant) and Sardeolica Srl (Wind plant). Moreover, the Group provides industrial engineering and research services to the oil, energy and environment sectors through its subsidiary Sartec Srl.