2021 Shareholders' Meeting

Ordinary Part

- ❖ Approved the Saras S.p.A. Annual Financial Statements as at 31 December 2020 and examined the Group Consolidated Financial Statements
- ❖ Appointed the Board of Directors for 2021
- ❖ Appointed the members of the Board of Statutory Auditors for the years 2021-2023
- ❖ Approved the first section and expressed favourable opinion on the second section of the Remuneration Report
- ❖ Approved the stock grant plan for 2021 and the long-term incentive plan for the three-year period 2021-2023

Extraordinary Part

- ❖ Approved the amendment of articles 18 (Board of Directors - Number of members and term of office) and 26 (Board of Statutory Auditors) of the Articles of Association.

Milan, 12th May 2021 - The ordinary and extraordinary Shareholders' Meeting of Saras S.p.A. met today, on first call, with the possibility of participation of the Shareholders exclusively through Spafid S.p.A. - representative appointed exclusively pursuant to article 135-undecies of the Consolidated Finance Act (the TUF) - in compliance with the containment measures of the Covid-19 epidemic provided for by the applicable legal provisions, chaired by Massimo Moratti, who stated:

"I would like to express my gratitude to all Saras' people and to the many employees of the companies involved in the refinery's activities; their high dedication, vast competence and spirit of sacrifice help us to get through a very complex and unprecedented period, and at the same time to set the basis for a plan aimed at ensuring the Group's financial strength and place it in a position to seize the recovery expected in the second half of the year. Saras, thanks to the strength and skills of its people, will continue its long journey with the purpose of maintaining its leading role in the local community and being an innovative and sustainable point of reference amidst energy suppliers, nationally and in the global market".

Approval of the Saras S.p.A. Annual Financial Statements as at 31 December 2020 and presentation of the Consolidated Financial Statements

The Shareholders' Meeting approved the **Saras S.p.A. Annual Financial Statements as at 31 December 2020, which recorded a net loss of EUR 65 million.**

During the Meeting, **the Consolidated Financial Statements as at 31 December 2020 were presented:**

The **Group's revenues amounted to EUR 5,342 million in the year, down 44%** compared to the EUR 9,518 million achieved in the previous year. The Refining segment recorded lower revenues for approximately EUR 3,174 million (46% lower than the previous year) and the Marketing segment for approximately EUR 897 million (44% lower than the previous year). In 2020, the contribution of the Power and Wind segments was also lower, which recorded revenues lower than 2019 by 20% and 14% respectively. This was impacted by the lower value of the CIP6 tariff and in general, by the drop in the price of electricity.

The scenario has profoundly impacted the volumes sold, the prices and the margins of petroleum products.

In the Refining segment, volumes fell by 14% compared to 2019. This reduction is also due to one of the most important turnarounds in the history of the Sarroch refinery, already scheduled for 2020 and duly completed during the year. It involved the Topping T1 units and the FCC unit, the main plant used in the production of gasoline. The plant shutdown for the maintenance of the FCC plant, started in March and initially scheduled until the end of May, was extended to the entire month of June. This was in consideration of the low cost of gasoline refining, especially in the second quarter, when the gasolne crack fell 57% compared to the same period last year. In the third quarter, less work was also recorded due to the shutdowns of one of the two mild hydrocrackers, plants used in the production of diesel, which lasted about 30 days. In the fourth quarter, production remained at 80% of production capacity.

In Marketing, sales volumes fell by 17% compared to 2019, compared to a national average that saw gasoline consumption drop by 21% in 2020 and diesel consumption by 17%. In particular, in Italy, the performance of the segment confirmed an overall better trend in the sale of fuels in the wholesale channel compared to the market.

From a price point of view, gasoline averaged USD 382 per ton (compared to the 2019 average of USD 595 per ton), while diesel prices averaged USD 362 per ton (compared to the average of USD 586 per ton in 2019). The gasoline crack recorded an average value in the year of USD 3.9 per barrel, 44% lower than that of 2019 (USD 7.0 USD per barrel). Similarly, the diesel crack was on average equal to USD 6.7 per barrel, reaching values below USD 2 USD per barrel, with a decrease of 53% compared to the average of USD 14.3 per barrel in 2019, with particularly low values in the second half, which reached USD 1.3 per barrel in September.

Said phenomena led to a negative Group reported EBITDA of EUR 87.1 million in 2020, compared to a positive reported EBITDA of EUR 252.8 million in 2019.

This result is attributable to the scenario following the pandemic crisis that was reflected in the Refining segment with a negative impact on Group reported EBITDA of approximately EUR 287 million, mainly as a result of the compromised margins of the sector, in particular with reference to the diesel and gasoline crack, only partially offset by the falling prices of the crude oils purchased. This result also takes into account the negative impact - in the Refining and Marketing segments - of the valuation of inventory stocks resulting from the collapse in petroleum prices, equal to EUR 32.2 million in the year, with a particularly negative effect originating in the first half, along with the collapse in prices. This was then partially reabsorbed in the following months.

The production planning of the Refining segment made a lower contribution to Group EBITDA compared to 2019, in consideration of the limited opportunities for optimisation deriving from the changed market context and the high volatility and uncertainty of the latter, as well as the structure of the plants during the year (for further details in this regard, refer to the description of the management of the Refining segment).

However, these effects were partially offset by specific actions implemented by the Company, such as a reduction in processing and an increase in the efficiency of activities, which also resulted in a benefit in terms of lower operating expenses.

In addition, the commercial management of the Refining segment also resulted in a higher contribution to Group EBITDA than in 2019.

In addition, in order to guarantee a margin on the diesel crack, the company implemented hedging transactions in the second quarter that resulted in a benefit on Group EBITDA in 2020 of approximately EUR 19 million.

Finally, Group EBITDA in 2020 benefited from lower variable costs, reduced compared to the previous year both in terms of unit prices and in terms of consumption, due to less processing. The less processing led to lower costs also in terms of CO2 emitted.

Lastly, as already described in the previous paragraphs, it is recalled that Group EBITDA in 2020 includes EUR 35.9 million relating to the release of the CO2 risk provision linked to the former Versalis plants, of which EUR 21.0 million relating to the 2015/2017 portions.

The Group's reported Net Result was negative for EUR 275.5 million, compared to a net profit of EUR 26.2 million in 2019, substantially due to the factors described above for EBITDA, net of the tax effect. Moreover, amortisation and depreciation increased on the previous year (EUR 218.1 million, compared to EUR 198.7 million in 2019) due to the new investments placed in service.

As a result of the impairment test pursuant to IAS 36, there was also impairment attributable to tangible assets for EUR 35 million.

The balance between financial income and charges was negative and equal to EUR 16.4 million (compared to a negative balance of EUR 18.2 million in 2019). Other financial items (which comprise realised and unrealised differentials on derivative instruments mainly on exchange rates, net exchange rate differences and other financial income and charges) showed a net positive balance of approximately EUR 2.5 million compared to a net negative balance of EUR 0.5 million in the previous year. Lastly, an allocation was made to a tax reserve relating to assessments on taxes paid in previous years.

In terms of comparable EBITDA, the Group result was negative for EUR 20.8 million, compared to a positive comparable EBITDA of EUR 313.8 million in 2019. Compared to reported EBITDA, this result does not take into account the negative impact - in the Refining and Marketing segments - of the valuation of inventory stocks resulting from the volatility of petroleum prices, which in the year amounted to EUR 32.2 million, with a very negative effect in the second quarter, along with the collapse in prices. This effect was partially reabsorbed in the following months. Comparable EBITDA with respect to reported EBITDA also does not include the effect of some non-recurring items relating to personnel costs and deriving from redundancy incentives, as well as the write-downs relating to the material inventory of the subsidiary Sarlux.

The comparable Group Net Result in 2020 amounted to a loss of EUR 197.0 million, compared to the profit of EUR 67.3 million in the previous year, and does not take account, with respect to the comparable Net Result, in addition to the differences described for EBITDA, net of the tax effect, of an allocation to a tax reserve relating to assessments on taxes paid in previous years.

Group investments in 2020 amounted to EUR 255.7 million and were mainly dedicated to the Refining segment (EUR 225.9 million), compared to EUR 344.6 in 2019. Of said investments, EUR 128 million refer to the aforementioned multi-year turnaround.

The Group Net Financial Position as at 31 December 2020, before the effects of applying IFRS16, was negative for EUR 504.6 million, compared with the positive position of EUR 79.0 million as at 31 December 2019. The Group Net Financial Position including the effects of IFRS16 (negative for EUR 40.3 million) was negative for EUR 544.9 million.

The worsening dynamics on the demand and prices of raw materials and products caused by the pandemic crisis resulted in cash absorption in terms of net working capital, in addition to lower profitability.

In particular, in the twelve months, cash generation was negative for EUR 575 million. In addition to the operating loss in terms of negative reported EBITDA, of EUR 87 million, and investments of EUR 255.7 million in the year, the most significant impact derives from the change in working capital, negative in the year for EUR 193 million. This trend was mainly determined by a significant decrease in trade payables, which mainly due to price dynamics, decreased compared to the end of the previous year by EUR 732 million. This value is higher than the decrease recorded in trade receivables and inventory stocks, cumulatively equal to EUR 398 million, and other minor changes, such as those related to the release of the CO2 provision for EUR 32 million, as it does not have a monetary effect, and to the decrease in the provision for deferred tax assets for EUR 72 million.

It is noted that in order to strengthen the financial structure of the Group, at the end of 2020, the Company signed a loan agreement of EUR 350 million with a pool of leading Italian financial institutions, maturing in 2024. It was recorded under medium and long-term bank loans and backed for 70% of the amount by guarantees issued by SACE as part of the Garanzia Italia programme. The Company also obtained from the lending banks the revision of the financial parameters on the existing lines, to take into account the changed market conditions. For further details, refer to the consolidated cash flow statement and to paragraph 5.4.1 Long-term financial liabilities of the Notes.

In this regard, it is noted that the additional credit lines granted and not used by the Group as at 31 December 2020 (both medium and short term) amounted to approximately EUR 400 million.

Consolidated non-financial statement - 2020 Sustainability Report

The Consolidated Non-Financial Statement - Sustainability Report 2020 was also presented during the Meeting. It was prepared as a separate report from the Annual Financial Statements. This statement prepared pursuant to Legislative Decree no. 254/2016, is based on the standards of the Global Reporting Initiative (GRI - Sustainability Reporting Standards) and describes the responsibility and social commitment of the Group and the strategies of sustainable development for the creation of shared value, with utmost protection of health, safety and environment.

For information and details on the 2020 Sustainability Report - Consolidated non-financial statement pursuant to Legislative Decree no. 254/2016, refer to the complete document available on the Company website (www.saras.it).

Allocation of the result for the year

The Shareholders' Meeting approved the proposal of the Board of Directors to fully cover the loss for the year by making use of the “Other reserves”.

Appointment of the Board of Directors

The Shareholders' Meeting resolved to set the number of members of the Board of Directors at 12 (twelve) (in line with as suggested by the outgoing Board regarding its quantitative composition). This was deemed suitable for ensuring the correct performance of corporate functions. It appointed the members of the new Board of Directors, which will remain in office for one year until the date of the meeting called to approve the financial statements as at 31 December 2021.

The new Board of Directors is composed of the following members:

Massimo Moratti	
Angelo Moratti	
Angelomario Moratti	
Gabriele Moratti	
Giovanni Emanuele Moratti	
Dario Scaffardi	
Gilberto Callera**	Independent Director
Adriana Cerretelli*	Independent Director
Isabelle Harvie-Watt **	Independent Director
Laura Fidanza*	Independent Director
Francesca Luchi*	Independent Director

candidates on the list presented by the companies Massimo Moratti Sapa di Massimo Moratti (owner of 20.011%), Angel Capital Management S.p.A. (owner of 10.005%) and Stella Holding S.p.A. (owner of 10.005%), owners overall of 40.021% of Saras shares;

Monica De Virgiliis*	Independent Director

candidate on the list presented by a group of asset management companies and financial intermediaries, also international, which hold a total of 2.59737% of the share capital.

* Candidate in possession of the independence requirements provided for by article 147-ter, paragraph 4 of Legislative Decree 58/1998 and the additional requirements of the Corporate Governance Code (hereinafter also the "New Corporate Governance Code") published in January 2020 by the Corporate Governance Committee promoted, among others, by Borsa Italiana S.p.A.

** Candidate in possession of the independence requirements provided for by article 147-ter, paragraph 4 of Legislative Decree 58/1998.

All the CVs of the Directors are available on the Company website.

Massimo Moratti welcomed the new member of the Board of Directors, Monica De Virgiliis, and expressed a heartfelt thanks to Leonardo Senni, outgoing Director, for the contribution and professionalism provided to the Company during his term of office.

The meeting resolved to pay each Director who is a member of the Board of Directors for 2021 a gross annual remuneration of EUR 45,000. The meeting also authorised the exceptions to the competition prohibition pursuant to article 2390 of the Italian Civil Code in favour of Directors who do not hold executive positions.

Lastly, it is noted that by May 2021, a Board of Directors will meet, which will be called to resolve on the offices and powers of the Directors and to appoint the Committees.

Appointment of the members of the Board of Statutory Auditors for the years 2021-2023

The Meeting also appointed the members of the new Board of Statutory Auditors, which will remain in office for a three-year period until the date of the meeting called to approve the financial statements as at 31 December 2023.

The new Board of Statutory Auditors is composed as follows: Giancarla Branda, Chair of the Board of Statutory Auditors, candidate on the list presented by a group of asset management companies and financial intermediaries, also international, which hold a total of 2.59737% of the share capital; Fabrizio Colombo, Standing Auditor and Paola Simonelli, Standing Auditor, candidates on the list presented by the companies Massimo Moratti Sapa di Massimo Moratti holder of 20.011%, Angel Capital Management S.p.A. holder of 10.005%, and Stella Holding S.p.A. holder of 10.005%, and, jointly, of 40.021% of the share capital. Pinuccia Mazza and Andrea Perrone, Alternate Auditors, the former candidate on the list presented by the companies Massimo Moratti Sapa di Massimo Moratti holder of 20.011%, Angel Capital Management S.p.A. holder of 10.005%, and Stella Holding S.p.A. holder of 10.005%, and, jointly, of 40.021% of the share capital, and the latter candidate on the list presented by a group of asset management companies and financial intermediaries, also international, holders of a total of 2.59737% of the share capital. All the Auditors have stated that they possess the independence requirements pursuant to article 148, paragraph 3 of Legislative Decree 58/1998.

All the CVs of the Auditors are available on the Company website.

The meeting resolved to pay the Chair of the Board of Statutory Auditors an annual gross remuneration of EUR 70,000 and the other Standing Auditors, who do not hold the office of Chair, an annual gross remuneration of EUR 50,000.

Remuneration Report in accordance with article 123-ter of Legislative Decree 58/1998

First section: approval of the 2020 remuneration policy pursuant to article 123-ter, paragraph 3-bis, of Legislative Decree no. 58/1998.

The Meeting resolved to approve – pursuant to article 123-ter, paragraph 3-ter, of Legislative Decree no. 58/1998 (TUF) and for all other legal and regulatory purposes – the remuneration policy for members of the Boards of Directors, Managing Directors and Key Executives with reference to 2020 and, without prejudice to the provisions of article 2402 of the Italian Civil Code, of the Board of Statutory Auditors, contained in the first section of the Remuneration Report.

Remuneration Report - second section: resolution pursuant to article 123-ter, paragraph 6, of Legislative Decree no. 58/1998. The Meeting expressed a favourable opinion on the second section of the Remuneration Report, pursuant to article 123-ter, paragraph 6, of the TUF.

Approval of a Stock Grant plan for 2021

The Meeting approved the proposal of the Board of Directors to cancel the 2019-2021 Stock Grant Plan for the top management of the Saras Group and replaced it with a new plan referred to as Stock Grant 2021. This resolution was adopted due to the fact that the KPIs underlying the 2019-2021 Stock Grant Plan are no longer current or in line with the long-term corporate strategy. In particular, the 2021 Stock Grant Plan has the objective of recognising a bonus to beneficiaries for industrial performance (as identified by the management KPIs underlying the previous plan) achieved in the two-year period 2019-2020.

Approval of a long-term incentive plan (“Performance Cash Plan”) for the three-year period 2021-2023

Also in relation to as outlined in the previous point, the Shareholders' Meeting approved a new long-term monetary plan (Performance Cash Plan or PCP) for the three-year period 2021-2023. The plan is more in line with the current strategy and able to support the engagement and retention of the Group's managerial figures, as well as to increase the attraction potential of resources outside Saras.

The PCP will have a three-year overall performance duration and provides for the possibility for the relative beneficiaries to receive only a monetary amount (without, therefore, providing for any allocation of shares, phantom shares, stock options, or other financial instruments), quantified in a certain percentage of the relative fixed component of the remuneration (diversified according to the participants), subject to the achievement of certain objectives in terms of the Saras margin (vs. the margin of the Benchmark EMC), debt reduction and Total Shareholder Return.

Any amount accrued by the beneficiaries of the PCP will be disbursed in two instalments (for 80% after the performance term, for the remaining 20% after one year from the first payment).

The terms and conditions of the 2021 Stock Grant Plan and the PCP are described in the information document prepared pursuant to article 84-bis and in accordance with Annex 3A of the Issuers' Regulation, available to the public at the registered office, on the Company website (www.saras.it in the Governance/Shareholders’ Meetings section) and at the 1Info authorised storage mechanism (www.1Info.it).

Amendment of articles 18 (Board of Directors - Number of members and term of office) and 26 (Board of Statutory Auditors) of the Articles of Association.

The Extraordinary Meeting resolved on the amendment of articles 18 and 26 of the Articles of Association in order to facilitate compliance with the provisions on the appointment of the Board of Directors and composition of the Board of Statutory Auditors provided for by the applicable legislation. For any further information on the amendment of articles 18 and 26 of the Articles of Association, refer to the illustrative report of the Directors, published on the website www.saras.it (Governance/ Shareholders' Meetings section).

Saras Investor Relations

Ilaria Candotti
Tel + 39 02 7737642
ir@saras.it

Media Contacts:

Comin & Partners
Lelio Alfonso
Tel +39 334 6054090
lelio.alfonso@cominandpartners.com

Giuseppe Stamegna
Tel +39 3920240063
giuseppe.stamegna@cominandpartners.com

THE SARAS GROUP

The Saras Group founded by Angelo Moratti in 1962 is one of the leading independent players in the European energy and refining industry. Through the parent Compay Saras SpA, and its subsidiaries, Saras Trading SA, based in Geneva, and Saras Energia SAU, based in Madrid, the Group sells and distributes oil products in the domestic and international markets. 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. The Group has about 1,690 employees and total revenues of about 5.3 billion Euros as of 31st December 2020 (about 9.6 billion Euros as of 31st December 2019).