

ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS, PURSUANT TO ARTICLE 125-TER OF CONSOLIDATED LAW ON FINANCE, AND CONCERNING THE FIRST ITEM AND THE SECOND ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF BREMBO S.P.A., CALLED ON 23 APRIL 2020 (SINGLE CALLING).

1. Presentation of the Financial Statements of Brembo S.p.A. for the year ended 31 December 2019, with the Directors' Report on Operations, the Statutory Auditors' Report, the Independent Auditors' Report and the Attestation of the Manager in Charge of the Company's Financial Reports. Related and ensuing resolutions.

2. Allocation of profit for the year. Related and ensuing resolutions.

Shareholders,

Pursuant to Article 2364, paragraph 1 (1), of the Italian Civil Code, the Ordinary Shareholders' Meeting has been convened to examine and approve the Financial Statements of Brembo S.p.A. for the year ended 31 December 2019, including the Directors' Report on Operations, the Statutory Auditors' Report, the Independent Auditors' Report¹ and the Attestation of the Manager in Charge of the Company's Financial Reports.

We thereby inform you that the Financial Statements of Brembo S.p.A. for the year ended 31 December 2019 were drafted in compliance with the European Regulation No. 1606/2002 and the IFRS effective at 31 December 2019, issued by the International Accounting Standard Board (IASB) and adopted by EC Regulations.

On 9 March 2020, the Board of Directors of Brembo S.p.A. met, examined and approved the Financial Statements and in the same Meeting, as informed on the same day, the Board resolved to submit to the Shareholder's Meeting the proposal to allocate the 2019 Net Income of Brembo S.p.A. amounting to Euro 179.152.879,80 as follows:

- to the Shareholders, an ordinary dividend of Euro 0,22 for each of the outstanding shares;
- to the restricted reserve pursuant Article 6, par. 2 DL 38/05 for Euro 1.125.037,09;
- the remaining amount carried forward.

Later, the Board of Directors of Brembo S.p.A. met on 20 March in an extraordinary session, acknowledged the significant change in the global economic scenario since the Board session of 9 March due to the spread of the COVID-19 viral pandemic, and decided to suspend the resolution authorising the distribution of dividends drawing on the 2019 profit approved on 9 March, in order to support the Group's financial solidity and contain future impacts on its economic and financial performance. In particular, taking a prudent approach, it proposed that the 2019 profit of the Parent, Brembo S.p.A., be carried forward, net of the portion allocated to reserves.

A dividend distributing the 2019 profit may be proposed when the current situation relating to COVID-19 has been resolved.

It bears also recalling that all documents are made available at the Company's registered office in Curno (Bergamo), Via Brembo 25, as well as on the corporate website www.brembo.com, Investors section, Reports, and through the mechanism for the storage of regulated information (www.1info.it). All documents, to which you are referred, will be distributed in digital format to the participants attending the Shareholders' Meeting. Should any participant wish to receive a paper format of the above mentioned documentation, a request can be sent to ir@brembo.it no later than 31 March 2020.

¹ Drafted according to UE Regulation 537/2014 and Italian Legislative Decree No. 135 of 2016

The documentation includes:

- the Directors' Report on Operations regarding the Financial Statements at 31 December 2019;
- the Financial Statements of Brembo S.p.A. for the year ended 31 December 2019;
- the Explanatory Notes to the Financial Statements of Brembo S.p.A. for the year ended 31 December 2019;
- the Report of the Brembo S.p.A.'s Statutory Auditors on the Financial Statements for the year ended 31 December 2019;
- the Independent Auditors' Report on the Financial Statements of Brembo S.p.A. related to the year ended 31 December 2019 pursuant to Articles 14 and 16 of Legislative Decree No. 39 of 27 January 2010 as amended by Legislative Decree No. 135 of 2016;
- the Attestation of the Manager in Charge of the Company's Financial Reports and the Legal Representative and Deputy Executive Chairman of Brembo S.p.A., pursuant to Article 154-bis, paragraph 5, of TUF.

Now therefore, in light of the foregoing, we submit for your approval the following:

Motion

"The Ordinary Shareholders' Meeting of Brembo S.p.A.:

having examined the data contained in the Financial Statements of the Brembo S.p.A. for the year ended 31 December 2019, including the Directors' Report on Operations, the Statutory Auditors' Report, the Independent Auditors' ²Report and further documents as required by the law

resolves

- to approve the Financial Statements of Brembo S.p.A. at 31 December 2019;
- to allocate the 2019 net income of Brembo S.p.A. amounting to Euro 179.152.879,80, as follows:
 - to carry forward the 2019 profit of the Parent, Brembo S.p.A., net of the portion allocated to reserves pursuant to Article 6 (2) of Legislative Decree No. 38/2005 per Euro 1.125.037,09.

Stezzano, 20 March 2020

On behalf of the Board of Directors
The Chairman
signed by Alberto Bombassei

²Drafted according to UE Regulation 537/2014 and Italian Legislative Decree No. 135 of 2016