



PANARIAGROUP INDUSTRIE CERAMICHE S.P.A.

Registered office in Finale Emilia (MO), at Via Panaria Bassa 22/A
Share capital Euro 22,677,645.50 fully paid-in
Registration number with Modena Companies House: 01865640369
Website www.panariagroup.it

THIS NOTICE CANCELS AND REPLACES THE PREVIOUS CALL NOTICE FOR 28 APRIL 2010

In order to minimise the risks connected with the ongoing health emergency and to limit movements and mass gatherings as much as possible, the Company has decided to avail itself of the right established by Decree Law no. 18 of 17 March 2020, containing *“Measures to strengthen the national health service and for financial support for families, workers and businesses connected with the epidemiological emergency caused by COVID-19”* (the *“Decreto Cura Italia”* - Heal Italy Decree), to set forth that the shareholders’ meeting can only be attended through the designated representative pursuant to art. 135-*undecies* of Legislative Decree no. 58/98 (the *“TUF”* - Consolidated Finance Act), with access to shareholders’ meeting venues by shareholders or their delegates other than the aforementioned designated representative remaining excluded.

The directors, statutory auditors, representatives of the independent auditors, the secretary, the Designated Representative and the other persons who are entitled to attend the shareholders’ meeting pursuant to law and the Articles of Association, other than those holding voting rights, may attend the Shareholders’ Meeting by using remote connection systems, which ensure the identification of the participants and their participation, in observance of the applicable provisions in force, according to the methods which shall be communicated by the Company to the aforementioned parties.

CALLING OF THE ORDINARY SHAREHOLDERS’ MEETING

The shareholders are called to the Ordinary Shareholders’ Meeting at the head office of Panariagroup Industrie Ceramiche S.p.A. (the **“Company”**) in Sassuolo (Modena), via Emilia Romagna 31, at single call, at 10:00 am on 28 May 2020, to discuss and resolve on the following

Agenda

1. Presentation of the Panariagroup Group consolidated financial statements and approval of the annual financial statements as at 31 December 2019; related and consequent resolutions;
 - 1.1 Approval of the financial statements of the Company as at 31 December 2019 and the Board of Directors’ report on operations;
 - 1.2 Allocation of the net result.
2. Resolutions regarding the policy on remuneration and compensation paid pursuant to art. 123-*ter* of Legislative Decree 58/1998 and art. 84-*quater* Consob Regulation no. 11971/1999.
 - 2.1 Binding vote on the policy on remuneration relating to 2020 illustrated in the first section of the report; related and consequent resolutions;
 - 2.2 Consultation on the second section of the report relating to the compensation paid in 2019 or relating to it; related and consequent resolutions.
3. Appointment of the Board of Directors; related and consequent resolutions.
 - 3.1 Determination of the number of members of the Board of Directors;
 - 3.2 Determination of the term of office of the Board of Directors;
 - 3.3 Appointment of the members of the Board of Directors;

3.4 Determination of the compensation due to members of the Board of Directors.

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Additional information relating to the COVID-19 (CoronaVirus) health emergency.

In compliance with art. 106, paragraph 4 of Decreto Cura Italia (Heal Italy Decree), in observance of the fundamental principles for the protection of health, the shareholders cannot physically take part in the Shareholders' Meeting and they can only attend through their designated representative pursuant to art. 135-*undecies* of the TUF, in accordance with the legal and regulatory provisions in force, as specified later in this call notice, in the section "Participation in the Shareholders' Meeting and conferral of the proxy to the Designated Representative".

It should be pointed out that the information contained in this notice - and, in particular, the date, location and/or time of the shareholders' meeting, the terms for the exercising of votes by the shareholders, the methods of participation in the shareholders' meeting and/or the methods for the holding of said meeting - may be subject to changes, updates or clarifications in consideration of the current emergency situation connected with COVID-19 and the subsequent measures adopted by the competent authorities from time to time, as well as in order to allow rigorous respect for the fundamental principles for the protection of the health and safety of shareholders, employees, representatives and advisors of the Company. Any amendments, additions or clarifications of the information reported in this call notice shall be promptly made available through the company's website (www.panariagroup.it) and with the other methods set forth by law.

Information on share capital at the date of the call notice

The share capital subscribed and paid-in by the Company is Euro 22,677,645.50, represented by 45,355,291 ordinary shares with a nominal value of Euro 0.50 each; each of them gives the right to one vote. As at the date of this call notice, the Company holds 432,234 (four hundred and thirty-two thousand, two hundred and thirty-four) own shares, for which, in accordance with the law, voting rights are suspended. Any change to own shares will be disclosed at the start of the meeting. Therefore, the total number of votes that can exercised at the Shareholders' Meeting is 44,923,057.

Legitimate entitlement to attend and vote at the Shareholders' Meeting

Those who hold a right to vote may attend the Shareholders' Meeting. Pursuant to art. 83-*sexies* of Consolidated Finance Act, the legitimate entitlement to attend the Shareholders' Meeting and exercise voting rights – which, as better specified later in this call notice in the section "Participation in the Shareholders' Meeting and conferral of the proxy to the Designated Representative", can only take place through the designated representative - is certified by a communication to the Company, sent by an authorised intermediary, in compliance with its accounting records, in favour of the person holding the voting right based on the facts which apply as at the end of the accounting day of the seventh trading day prior to the date set for the Shareholders' Meeting (i.e. Tuesday 19 May 2020).

Anyone recorded as holders of shares only after this date shall not be entitled to attend and vote in the Shareholders' Meeting.

The communication of the intermediary must reach the Company before the end of the third trading day prior to the date set for the Shareholders' Meeting (i.e. 25 May 2020). However, this is without prejudice to the legitimate right to attend and vote should the communications be received by the Company after said term, provided before the start of Shareholders' Meeting proceedings.

The directors, statutory auditors, representatives of the independent auditors, the secretary, the Designated Representative and the other persons who are entitled to attend the Shareholders' Meeting pursuant to law and

the Articles of Association, other than those holding voting rights, may attend the Shareholders' Meeting by using remote connection systems, which ensure the identification of the participants and their participation, in observance of the applicable provisions in force, according to the methods which call be communicated by the Company to the aforementioned parties.

No provision is made for voting by correspondence or by electronic means.

Participation in the Shareholders' Meeting and conferral of the proxy to the Designated Representative

Taking into account the containment measures imposed in relation to the exceptional emergency resulting from the COVID-19 epidemic, pursuant to the provisions of Decreto Cura Italia (Heal Italy Decree), those holding voting rights can attend the Shareholders' Meeting without any access to the venues. In fact, the Company chose to avail itself of the option set forth in art. 106, paragraph 4, of the Decreto Cura Italia (Heal Italy Decree), which allows companies with listed shares to identify, for ordinary and extraordinary shareholders' meetings, a designated representative pursuant to art. 135-*undecies* of the TUF, including where the articles of association instructs otherwise, as in the case of Panariagroup. Subsequently, the Company appointed Computershare S.p.A. – with offices in Via Nizza 262/73, 10126 Turin - to represent the shareholders in accordance with art. 135-*undecies* of the TUF and the provisions of the Decreto Cura Italia - Heal Italy Decree (the “**Designated Representative**”). All those entitled to attend and vote, who intend to participate in the Shareholders' Meeting must therefore confer the appropriate proxy, as per mandatory requirements, to the Designated Representative.

Conferral to the Designated Representative of the proxies pursuant to art. 135-undecies of the TUF

The proxy pursuant to art. 135-*undecies* of the TUF can be conferred, with no expenses for the delegating person (with the exception of any postage costs), through the specific form, prepared by said Designated Representative in agreement with the Company, and made available, based on the relevant compilation and transmission instructions, on the Company's website at the address www.panariagroup.it (Governance/Corporate Documents section) in the section dedicated to this Shareholders' Meeting as well as at the Company's registered office.

The proxy must contain the instructions for voting on all or some of the proposals on the agenda and shall have effect only for the proposals in relation to which voting instructions will be conferred.

The proxy with voting instructions must be received, with one of the methods indicated in the Instructions of the form itself, before the end of the second trading day prior to the date set for the Shareholders' Meeting (i.e. Tuesday 26 May 2020). Again by the end of the second trading day prior to the date set for the Shareholders' Meeting (i.e. Tuesday 26 May 2020), the proxy and the voting instructions can always be revoked using the methods indicated above.

Conferral to the Designated Representative of the proxies or sub-proxies pursuant to art. 135-novies of the TUF

It should also be noted that, pursuant to the Decreto Cura Italia (Heal Italy Decree), ordinary proxies or sub-proxies can also be conferred to the Designated Representative, under art. 135-*novies* and in derogation of art. 135-*undecies*, paragraph 4 of the Consolidated Finance Act, by adhering to the instructions indicated in the form available on the Company's website at the address www.panariagroup.it (Governance/Corporate Documents section) in the section dedicated to this Shareholders' Meeting as well as at the company's registered office.

Those who do not avail themselves of the proxy right set forth in art. 135-*undecies* of the TUF, alternatively, can therefore confer the ordinary proxies or sub-proxies pursuant to art. 135-*novies* of the TUF, with the relevant written voting instructions, by using the appropriate proxy/sub-proxy form to be sent to the Designated Representative, using one of the methods indicated in the Instructions of the form itself.

The ordinary proxy must contain the instructions for voting on all or some of the proposals on the agenda and shall have effect only for the proposals in relation to which voting instructions will be conferred.

Taking into account the necessary legitimacy checks that the delegated Designated Representative must carry out, the aforementioned proxies/sub-proxies must be received by 12:00 on Wednesday 27 May 2020 according to the methods indicated above. Using the same methods, entitled parties can always revoke, within the same term, the proxy/sub-proxy and the voting instructions conferred pursuant to art. 135-novies of the TUF.

For any clarifications regarding the conferral of the proxy to the Designated Representative (and in particular regarding the compilation of the proxy form and the voting instructions and their transmission), as well as for requesting the proxy form, the Designated Representative will be available for clarifications and information by calling the number 011/0923213 or sending an e-mail to sedeto@computershare.it.

The Company reserves the right to supplement and/or modify the instructions reported above, in consideration of the needs arising from the current epidemiological emergency situation linked to COVID-19 and its developments which are currently unpredictable.

Right to pose questions before the Shareholders' Meeting

In accordance with art. 127-ter of the Consolidated Finance Act, those entitled to vote in the Shareholders' Meeting may ask questions about the items on the agenda even before the Shareholders' Meeting, by sending these, accompanied by the communication issued by the intermediary proving that the person is a shareholder, or by sending a letter recorded delivery to the Company's registered office, or by means of electronic communication to the e-mail address renato.martelli@panariagroup.it. Those wishing to avail themselves of this option, must submit their questions to the Company within the fifth trading day prior to the date of the Shareholders' Meeting at its sole call (i.e. by 21 May 2020). Questions received before the Shareholders' Meeting will be answered, at the latest, during the Meeting itself. If it specified that (i) no answer is necessary, even during the Shareholders' Meeting, for questions asked in advance when the information requested is already available in "Questions and answers" format on the Company's website; and (ii) the Company may in any case provide single answers to questions of the same nature.

Addition to the agenda of the Shareholders' Meeting and presentation of new proposed resolutions on the items already on the agenda

Pursuant to art. 126-bis of the Consolidated Finance Act, shareholders who individually or jointly represent at least one fortieth of the share capital may ask, within ten days of publication of this notice, to supplement the list of items on the agenda to be resolved, indicating in that request the additional matters proposed; they may also present proposals for resolution on items already on the agenda. The request, together with the certification attesting to ownership of the share, must be submitted in writing to the registered office, or sent by recorded delivery to it, or notified electronically to the e-mail address renato.martelli@panariagroup.it, as long as it reaches the Company by the above deadline. The items on the agenda cannot be supplemented in respect of matters on which the Shareholders' Meeting resolves, in accordance with the law, on the proposal of the directors or on the basis of a draft or report they have prepared, other than those set forth in art. 125-Ter, paragraph 1 of the TUF.

Those entitled to vote who request an addition to the agenda or present proposed resolutions on items already on the agenda shall prepare a report giving the reasons for the proposals for resolution on new items they are proposing be discussed, or the reasons for any other proposals for resolution on items already on the agenda. The report is sent to the administrative body by the deadline and according to the methods indicated above for the submission of the request for the addition or additional proposed resolutions. Details are provided of any additions to the agenda or the presentation of additional proposed resolutions on items already on the agenda of the Shareholders' Meeting, according to the same forms prescribed for the publication of this notice, at least 15 days before the date set for the Shareholders' Meeting (i.e. by Wednesday 13 May 2020). On the same date, the Company makes available to the public, according to the methods set out in art. 125-ter, paragraph 1, of

the TUF, the additional proposed resolutions on items already on the agenda, the reports presented by the Shareholders, as well as any judgments of the Board of Directors.

Appointment of the Board of Directors and filing of lists

In relation to point 3 of the agenda, note that the directors will be appointed based on list voting according to the provisions established in article 21 of the Articles of Association (to which express reference should be made for matters not reported herein) and in observance of the legal and regulatory provisions.

Shareholders who, alone or together with other shareholders, hold shares representing at least 2.5% (two point five) of the share capital with voting rights at the Shareholders' Meeting are entitled to submit lists, pursuant to Consob Managerial Resolution no. 28 of 30 January 2020.

Each shareholder, shareholders signed up to a shareholder agreement, the parent company, subsidiaries and joint ventures pursuant to Article 93 of the Consolidated Finance Act, cannot submit or participate in the submission of more than one list, either directly or through a third party or a trustee, nor can they vote for any list other than that presented, either directly or through a third party or a trustee. Acceptances or votes breaching such prohibition shall not be assigned to any list.

The lists must be filed at the Company's registered office by the twenty-fifth day prior to the date of the Shareholders' Meeting (i.e. by Monday 4 May 2020, as the natural deadline, Sunday 3 May 2020 is a holiday), and made available to the public at the Company's registered office, on the website and using the other methods set forth in the legal and regulatory provisions, at least twenty-one days before the date of the Shareholders' Meeting (7 May 2020). Ownership of the necessary equity investment for the presentation of lists by shareholders is determined with regard to the shares registered in favour of the shareholder on the day in which the lists are filed at the Company's registered office. The relevant certification, issued pursuant to the applicable legislation by an authorised financial intermediary, can also be produced after the filing, provided that it reaches the Company within the deadline set forth in the provisions, including regulatory, in force for the publication of lists by the Company.

Each list must include at least a number of candidates - in compliance with the applicable legislation - who meet the independence requirements prescribed by law or the applicable regulatory provisions, indicating them separately and inserting one of them in first place on the list. At the time of filing of the lists, information must also be provided that enables those presenting the lists to be identified.

Together with each list, the declarations must also be submitted whereby the individual candidates accept their candidacies and certify, under their own personal responsibility, the absence of any grounds for ineligibility and conflict of interest, as well as fulfilment of the requirements prescribed by applicable laws and the Articles of Association for the respective position. Together with said declarations, for each candidate, a comprehensive description of their personal and professional profiles, with an indication of their suitability for qualifying as independent pursuant to law, is filed at the Company's registered office.

Those who present a "minority list" are also the recipients of the recommendations drawn by Consob by means of Communication no. DEM/9017893 of 26 February 2009.

Art. 21 of the Articles of Association requires the Board of Directors to be renewed in respect of the provisions governing gender balance pursuant to the applicable legal and regulatory provisions, based on the lists presented by the shareholders in which the candidates are listed in progressive order.

In this regard, it should be noted that 1 January 2020 saw the entry into force of the provisions of Law no. 160 of 27 December 2019 ("2020 Budget Law"), which modify articles 147-ter, paragraph 1-ter, and 148, paragraph 1-bis, of the TUF, introduced by Law no. 120 of 12 July 2011 ("Golfo-Mosca Law"), regarding gender balance in the corporate bodies of companies with listed shares.

In relation to the renewal of the administrative body, pursuant to the provisions of the 2020 Budget Law and taking into account the recommendations drawn up by Consob by means of Communication no. 1/20 of 30 January 2020, lists that present a number of candidates equal to or more than three must include candidates of

a different gender, so that a number of candidates at least equal to two-fifths of the directors elected belong to the less represented gender. If the application of the criterion for gender distribution results in a whole number of members of the administration bodies belonging to the less represented gender, this number is rounded up to the nearest unit, with the exception of lists that present a number of candidates equal to or more than three for which the number is rounded down to the nearest unit.

The list for which the above provisions are not observed is considered as having not been presented.

Shareholders who intend to submit a list may e-mail renato.martelli@panariagroup.it in advance, to acquire the necessary operational details.

Bear in mind that, in observance of the provisions of the Code of Corporate Governance of listed companies, which Panariagroup subscribes to, the Board of Directors, as part of the annual self-assessment process, expressed, in view of the renewal of the Board of Directors, its stance on the composition of the Board itself, in the hope that the shareholders, in presenting the lists, maintain a similar level of quality of the Board in terms of the skills and experiences represented, taking account of the characteristics, including gender, of the candidates. It should be noted that, pursuant to the Code of Corporate Governance, it is hoped that shareholders, when presenting lists and subsequently appointing directors, evaluate, also in light of the opinion expressed by the Board on the matter and the diversity criteria identified by the issuer, the professional profiles, experience, including managerial, the complexity and unique characteristics of the business sector in which it operates, as well as the size of the Board of Directors.

More information about the rights and the foregoing is available from the Company's website www.panariagroup.it.

Documentation

The documentation relating to the items on the agenda shall be filed at the Company's registered office and Borsa Italiana S.p.A., on the Company's website (www.panariagroup.it), as well as on the authorised storage mechanism IInfo at the address www.linfo.it according to the legal methods and terms, also by updating and supplementing, where necessary, the documentation already made available to the public by the Company up to this moment, with reference to the previous call of the Shareholders' Meeting, which must be considered valid also for the Shareholders' Meeting in question. Shareholders shall have the right to obtain a copy.

Finale Emilia, 16 April 2020

For the Board of Directors
The Chairman
Emilio Mussini