

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OR TO “U.S. PERSONS” (AS DEFINED IN REGULATIONS UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED), CANADA, AUSTRALIA, JAPAN OR ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

PRESS RELEASE

GAMENET GROUP: SUCCESSFUL ACQUISITION OF 100% OF GOLDBET

Rome, October 9, 2018 – Gamenet Group S.p.A. (the “**Company**” and, together with its subsidiary, “**Gamenet Group**”) today announces that the wholly owned subsidiary Gamenet S.p.A. completed the acquisition of 100% of the share capital of GoldBet S.r.l. (“**GoldBet**”), as previously announced to the market on July 24, 2018 (the “**Acquisition**”).

GoldBet, an authorized gaming and betting company in Italy, operates a physical network of 990 betting shops rights and holds the concession to collect online games and bets, including via mobile platforms.

GoldBet closed the financial year ended 2017 with an EBITDA of Euro 41.0 million, an EBIT of Euro 35.0 million, a net income of Euro 23.0 million and generated an EBITDA of Euro 54.0 million for the twelve-month period ended June 30, 2018¹.

The purchase price of the Acquisition is equal to approximately Euro 273 million (the “**Purchase Price**”)². Of this amount, approximately Euro 247 million, net of certain costs incurred by the seller, have been paid in cash today (“**Closing**”), and Euro 25.0 million will be paid at a subsequent date, as it constitutes a deferred price component over a medium term period, subject to the fulfilment of certain conditions provided for in the acquisition agreement.

The Acquisition will allow Gamenet Group to assume a leading position in Italy in the multi-concession gaming sector, in particular in the sports betting sector, and to significantly increase the degree of diversification of its product portfolio and profitability, at EBITDA, EBIT and net profit levels.

With the integration of GoldBet, the Company estimates that it will be able to achieve significant cost synergies, with a resulting improvement effect on EBITDA on a recurring basis from the year ending

¹ The information regarding the EBITDA, EBIT and net income have been derived from the financial statements for the financial year ended December 31, 2017 and from the interim financial statement as of the six months ended June 30, 2018 and June 30, 2017 of GoldBet, prepared in compliance with the Civil Code regulations that govern its preparation as interpreted by the accounting standards issued by the Italian Accounting Body (“**Italian GAAP**”). EBITDA and EBIT are not measurements of performance under Italian GAAP and have limitations as analytical tools, and should not be considered in isolation.

² The Purchase Price takes into account the GoldBet net financial position, as contractually defined, at June 30, 2018.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OR TO “U.S. PERSONS” (AS DEFINED IN REGULATIONS UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED), CANADA, AUSTRALIA, JAPAN OR ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

December 31, 2020, amounting to approximately Euro 14.9 million (hereinafter the “**Synergies**”³) and also meaningful synergies in terms of revenues, in particular on virtual betting; specifically, for the twelve-month period ended June 30, 2018, the *pro forma* adjusted run-rate EBITDA of the Company including the Synergies and the negative net impact of certain other minor effects estimated at approximately Euro (0.8) million, would have been equal to Euro 157.9 million, whereas the *pro forma* adjusted run-rate Contribution Margin including the Synergies would have been equal to Euro 235.2 million⁴. The estimate of the above *pro forma* information does not take into account the expected benefits of revenues synergies mentioned above.

The Acquisition has been financed, for the most part of the Purchase Price due at the Closing by the proceeds of the issuance of a non-convertible senior secured bond due 2023, reserved for qualified investors, which was announced by the Company on September 10, 2018; whereas, the remaining part has been financed from Gamenet Group’s own cash resources. The commitment of the credit institutions UniCredit S.p.A. and Nomura Bank International plc for the arranging and underwriting of a committed bridge loan was not used.

The Closing was subject to the occurrence of the usual conditions precedent for this type of transactions, including the prior approval of the Italian Competition Authority, which was received on September 17, 2018 and the authorization of the Customs and Monopolies Agency, which was received on August 2, 2018.

The 2018 EBITDA target set in the guidance of Gamenet Group is substantially in line with the information already communicated by the Company, without taking into account the estimated positive effects of the Acquisition.

For further information, please refer to the press releases published on July 24, September 10, 13 and 20, 2018.

Gamenet Group, listed on the STAR segment of the Italian Stock Exchange, is one of the leading operators in the gaming sector regulated in Italy in terms of revenues, equal to Euro 297.3 million in the six-month period ended June 30, 2018, thanks to a wide and diversified offer of multi-concession gaming products in four different operating sectors: (i) *amusement with prize machines* (AWP) dealer, (ii) *video lottery terminals* (VLT) dealer, (iii) betting and *online gaming dealer* (*Betting & Online*) and (iv) management of gaming halls and owned AWP’s (*Retail & Street Operations*).

³ The Synergies are based on a set of assumptions about the occurrence of future events and actions to be taken by the Directors, which include, among other things, hypothetical assumptions, relating to forecasts of future events, actions of the Directors and the management of the Company that will not necessarily occur and variables not controllable or controllable only in part by the Directors and on a set of assumptions of a discretionary nature depending on the initiatives of the Directors of the Company. These assumptions have been identified by the Company’s Directors as key parameters for achieving the Synergies, although linked to the behaviors of the Company’s Directors, are influenced to a certain extent by factors outside their influence. The estimate of the Synergies is based on a series of assumptions deriving from the information available to the Company and from the management’s opinions expressed on this information. The information available is preliminary and the assumptions used in the estimate of Synergies and associated costs relating to the integration of GoldBet into the Group are inherently uncertain and are subject to a wide range of business, economic and competitive risks and uncertainties. Due to the uncertainty associated with the realization of any future event, both with regard to the occurrence of the event and with regard to the extent and timing of its occurrence, the deviations between the actual values and the estimated values of the Synergies could be significant, even if the above assumptions were to be made.

⁴ The *pro forma* information has been prepared in order to retroactively reflect at July 1, 2017 the effects of (i) the Acquisition and (ii) the Synergies (hereinafter, the “**Pro-Forma Financial Data**”). The Pro-Forma Financial Data represents a simulation, for illustrative purposes only, of the possible effects that may derive from the above mentioned transactions. In particular, as *pro forma* information is prepared to retroactively reflect the effects of transactions that will occur subsequently, despite compliance with commonly accepted rules and the use of reasonable assumptions, there are limitations that are inherent to the nature of *pro forma* information; therefore, if the above transactions had actually taken place on the dates assumed above, the actual effects would not necessarily have been the same as those presented in the Pro-Forma Financial Data. Lastly, the Pro-Forma Financial Data is not intended to represent a forecast of the Company’s future results and should not be used for such purpose.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OR TO “U.S. PERSONS” (AS DEFINED IN REGULATIONS UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED), CANADA, AUSTRALIA, JAPAN OR ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

As of June 30, 2018, Gamenet Group has a portfolio of concessions that includes 30,060 AWP licenses and 8,570 VLT licenses, along with a network of 742 betting licenses and 69 proprietary gaming halls distributed across Italy.

This document contains certain forward-looking statements concerning the Company's current expectations, estimates, forecasts, in relation to the Company's objectives. . By their very nature, forward-looking statements involve inherent risks and uncertainties, as they depend on the occurrence of future events and developments. A number of important factors could cause actual results to be materially different from the expected results, expressed or implied by such forward-looking statements and in any case only refer to the date of this document. The Company does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

This document does not contain or constitute an offer to sell or the solicitation of an offer to buy any of the securities of Gamenet Group, nor shall there be any sale of the securities in the United States or any state or jurisdiction in which such offer, solicitation, or sale is unlawful. Any offers of the securities will be made only by means of a private offering memorandum. This document and its distribution should not be used as the basis or be taken into consideration in relation to any agreement or undertaking of any kind, nor shall be considered as a recommendation as to the securities issued by Gamenet Group.

The determination of the EBITDA and EBIT used by Gamenet Group are not endorsed by EU-IFRS and those indicators do not have to be considered as an alternative to the indicators provided in the financial statements for the assessment of the future performance and financial position of the Gamenet Group.

For information requests:

Josef Mastragostino – Investor Relations	phone: +39 06.89865700 email: j.mastragostino@gamenetgroup.it
Gennaro Schettino – Press Office	phone: +39 06.89865834 email: g.schettino@gamenetgroup.it
Image Building – Media Relations	phone: +39 02.89011300 email: gamenet@imagebuilding.it