

GAMENET GROUP S.p.A.

Registered Office: Corso d'Italia 6, 00198, Rome

Corporate Capital: Euro 30,000,000.00 entirely paid in

Registration Number with the Company Register of Rome and Tax Identification Number:
13917321005; N. REA: RM-1482648

ORDINARY SHAREHOLDERS' MEETING

27 April 2018

Explanatory report of the board of directors

drafted pursuant to article 125-ter of Legislative Decree no. 58 of 24 February 1998 on the

FIFTH ITEM ON THE AGENDA

**PROPOSAL FOR AMENDMENTS TO THE STOCK OPTION PLAN 2017 – 2020: RELEVANT AND ENSUING
RESOLUTIONS.**

Dear Messers,

the board of directors of Gamenet Group S.p.A. (hereinafter the "**Company**"), convened the shareholders' meeting in order to submit to Your approval certain amendments to the "Stock Option Plan 2017 – 2020" (the "**Plan**") applicable to the executive officer, managers with strategic responsibilities and a selected group of managers with strategic in the Company and in its subsidiaries (jointly, the "**Group**"), pursuant to article 93 of Legislative Decree no. 58 of 24 February 1998 as further amended ("**TUF**"). Such amendment proposal has been approved by the board of directors on 26 March 2018, following a favorable opinion of the nomination and remuneration committee, and is submitted for Your approval pursuant to article 114-bis, TUF.

As a preliminary point, the shareholders shall be informed that the Plan concerns the free allocation to the beneficiaries of a maximum total number of 1.500.000 options exercisable, in particular, upon condition that: (i) a three-year vesting period has elapsed and (ii) the performance objective (i.e. 10% of Total Shareholders Return in above the vesting period) has been achieved.

The amendments submitted to Your consideration relate primarily to clause 12 of the Plan's regulation (the "**Regulation**") which, in its current version, contains, *inter alia*, an exception to the above conditions because it provides that, if a person other than Trilantic Capital Partners and/or Intralot Italia S.p.A. should become the holder of a participation in the Company exceeding 50%, the beneficiaries of the Plan will have the right to exercise in advance all the options granted, regardless of those conditions being met.

When the provision under clause 12 of the Regulation was drafted, the assumption was that the participation held by the controlling shareholder at the time of the resolution of the Plan ("**Originally Controlling Entity**") would not be reduced below 50%. Nevertheless, as known, this assumption has proved to be incorrect since, currently, the Originally Controlling Entity controls the Company without holding the majority of the Company's share.

Therefore, the board of directors believes it is appropriate to align the Regulation with the changes in the ownership structure, and thus to amend clause 12, so that the options granted under the Plan will be immediately exercisable also further to a "*de-facto*" change of control.

This proposal of amendments provides the right to exercise in advance all the options granted, even though the relevant vesting period has not lapsed and regardless of the achievement of the performance objective, if a person (or several persons acting in concert) other than the Originally Controlling Entity should hold a participation in the Company exceeding:

- the thresholds to launch a mandatory takeover bid under article 106 TUF (currently, 30%, or 25% if no other shareholder holds a greater participation in the Company); and
- the participation held by the Originally Controlling Entity.

For more detailed information about the Plan, please refer to the information document which, pursuant to article 84-*bis*, first paragraph, of CONSOB Regulation no. 11971/1999, as further amended, shall be made available to the public, in compliance with the applicable law, on the web site of the Company at www.gamenetgroup.it, in the "Governance" section ("Meeting" subsection), and on the storage mechanism www.1info.it.

In the light of the above, we submit for Your approval the following resolution:

"The ordinary shareholders' meeting of Gamenet Group S.p.A.,

- *having examined the explanatory report of the board of directors drafted pursuant to article 125-ter of Legislative Decree No. 58 of 24 February 1998, and implementing the proposal presented thereby, to be considered hereby entirely recalled;*
- *having examined the information document on the "Stock Option Plan 2017 - 2020" (the "**Plan**") drafted pursuant to article 84-*bis*, first paragraph, of CONSOB Regulation no. 11971/1999, with the relevant regulation attached (the "**Regulation**"),*

resolves

- I. *to include among the definitions contained in the Regulation the following definition of “Originally Controlling Entity”: “The controlling entity of the Company pursuant to Article 93, TUF, at the time of the first approval of the Plan by the shareholders’ meeting of the Company (i.e. 20 October 2017), namely Trilantic Capital Partners Management Limited in the capacity of legal entity placed at the top of the control chain, indirectly through its subsidiary TCP Lux Eurinvest S.à.r.l.”;*
- II. *to modify clause 12 of the Regulation concerning the change of control, by replacing the paragraph between the words “modalities provided for in the Regulation” and “in case of delisting” with the following paragraph:*
“If, during the Vesting Period, a subject (or several subjects in concert) other than the Originally Controlling Entity should hold a participation in the Company exceeding (i) the threshold to launch a mandatory takeover bid under Article 106 TUF; and (ii) the participation held by the Originally Controlling Entity, the Beneficiaries will have the right to exercise in advance all the Options granted, even if the relevant Vesting Period has not lapsed and regardless of the achievement of the Performance Objective. The exercise of these Options may take place within six months from the date on which the event referred to in points (i) and (ii) has occurred.”;
- III. *to grant the board of directors with the power to reflect the amendments approved herein in a new Regulation text, as well as with any wider power, necessary or appropriate, to give complete execution to the present resolution , with the express power of sub-delegation.”*

Rome, 28 March 2018

for the Board of Directors
the Chairman
(Vittorio Pignatti Morano Campori)