

GAMENET GROUP S.p.A.

Registered office in Corso d'Italia, 6, 00198, Roma

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 MEETING OF SHAREHOLDERS

27 April 2018

Explanatory report of the board of directors

drafted pursuant to art. 125-*ter* of Legislative Decree no. 58 of 24 February 1998 and art. 73 of the Regulation passed by CONSOB with resolution no. 11971 of 14 May 1999 on the

FIFTH POINT ON THE AGENDA

PROPOSAL FOR THE AUTHORIZATION TO PURCHASE AND DISPOSE OF OWN SHARES:

RELEVANT AND ENSUING RESOLUTIONS

Dear Messers,

We hereby submit to your attention the proposal for the board of directors of Gamenet Group S.p.A. (hereinafter referred to respectively as the "**Board**" and the "**Company**") to be authorised to purchase and dispose of the Company's own shares, pursuant to art. 2357 *et seq.* of the Italian Civil Code, for the purposes and on the basis of the terms and modalities set out below.

1. REASONS FOR THE PROPOSED AUTHORISATION

The request for authorisation which you are asked to approve will serve to grant the Board the power to purchase, and dispose of, own shares in accordance with the applicable national and European legislation and with permitted market practices in use at any given time, for the following purposes:

- i. to comply with obligations arising from any stock incentive plans that may be approved by the Company; and
- ii. to improve the liquidity of the Company's shares in such a way as to stabilise trading and prices, in a situation of low trading liquidity.

2. MAXIMUM NUMBER OF SHARES COVERED BY THE PROPOSED AUTHORISATION

As of the date of this explanatory report, the Company's share capital amounts to EUR 30,000,000.00 fully subscribed and paid in, consisting of 30,000,000 ordinary shares with no

nominal value. In this respect, it is proposed that the shareholders' meeting should grant the authorisation to purchase own shares, in one or more transactions, up to a maximum number – bearing in mind the shares held from time to time by the Company and, if appropriate, by its subsidiaries – not exceeding, in the aggregate, 600,000 (sixhundredthousand) shares.

It should be stressed that, pursuant to art. 2357 of the Italian Civil Code, purchase operations may be carried out within the limits of the distributable profits and available reserves shown in the latest duly approved financial statements. In this respect, we inform you that, on the basis of the financial statements closed as of 31 December 2017 and submitted to the approval of the shareholders' meeting, there are no distributable profits and the Company's available reserves amount to EUR 275,845,000.00 (twohundredseventyfive million eightyfourthousand/00).

The authorisation includes the right to dispose, in one or more transactions, of all or some of the shares held in the portfolio, even prior to exhausting the maximum quantity of shares that can be purchased, and, where appropriate, to buy back these shares at a level such that the own shares held by the Company and, if appropriate, by its subsidiaries, do not exceed the maximum limit established in the authorisation.

3. FURTHER USEFUL INFORMATION FOR A COMPREHENSIVE ASSESSMENT OF COMPLIANCE WITH THE COMBINED PROVISIONS OF ART. 2357, PARAGRAPH 3, OF THE ITALIAN CIVIL CODE

Currently, the Company holds no own shares in its portfolio, not even through its subsidiaries.

4. DURATION FOR WHICH THE AUTHORISATION IS REQUESTED

In accordance with art. 2357, paragraph 2, of the Italian Civil Code, the duration of the authorisation to purchase own shares is requested for a period until the date of the shareholders' meeting called to approve the financial statement as at 31 December 2018 and in any case no later than 31 May 2019.

The disposal authorisation is requested with no time limit in order to ensure that the Board has the greatest possible operational flexibility.

5. MINIMUM AND MAXIMUM CONSIDERATION

The purchases will have to be carried out at a price to be established from time to time, having regard to the modality selected for implementing the purchase, and in compliance with national and European legislation and with permitted market practices in use at any given time.

Furthermore, the requested authorisation envisages that the sale, or other acts of disposal, of own shares held in the portfolio should take place in accordance with the terms and conditions established from time to time by the Board, in accordance with the purposes and criteria explained above, this being in any case without prejudice to compliance with any limits that may be contemplated by national and European legislation and by permitted market practices in use at the time.

In accordance with the provisions contained in the "Indenture" signed by the Company on 3 August 2016, *inter alios*, with The Law Debenture Trust Corporation p.l.c., in the framework of the bond issue entitled "6.00% Senior Secured Notes due 2021", further purchases may not be

carried out when the Company – bearing in mind all operations involving the purchase and successive resale of shares – has sustained an overall net cost of EUR 7 (seven) millions.

6. MODALITIES BY WHICH THE PURCHASE AND DISPOSAL OF OWN SHARES WILL BE CARRIED OUT

Pursuant to art. 132, paragraph 1, of Legislative Decree no. 58 of 24 February 1998, the purchases of own shares will have to be carried out in such a way as to ensure equal treatment between shareholders.

In view of the different purposes specified in paragraph 1 above, the requested authorisation envisages that the purchase operations may be carried out in accordance with the modalities contemplated by the relevant legislation, including European legislation, and by permitted market practices in use at any given time and, specifically, in accordance with the modalities set out in art. 144-*bis* of the Regulation passed by CONSOB in Resolution no. 11971 of 14 May 1999 (the “**Issuers Regulation**”), as indeed with the market practices permitted by CONSOB in Resolution no. 16839 of 19 March 2009.

Furthermore, it should be stressed that, in the framework of the purchase of own shares in support of any stock incentive plans that may be approved by the Company, the provisions of art. 5 of (EU) Regulation no. 596/2014 of the European Parliament and of the Council of 16 April 2014 and relevant implementing provisions will have to be complied with, with particular reference to the Commission Delegated (EU) Regulation 2016/1052 of 8 March 2016.

The requested authorisation to dispose of own shares envisages, on the other hand, that the acts of disposal should take place in accordance with the modalities deemed most appropriate by the Board, in the interests of the Company, whilst complying with the applicable legislation. It should be stressed that – in accordance with the provisions contemplated by the “Lock-up Agreement” signed by the Company with the offer’s coordinators (i.e., Banca IMI S.p.A., Credit Suisse Securities (Europe) Limited and UniCredit Bank AG), in the context of the recent listing of its shares on the Online Stock Market of Borsa Italiana S.p.A. – the sale of the Company’s own shares to third parties may only be carried out once a period of 180 days has elapsed since the Company’s shares were first traded, *i.e.* 6 December 2017.

7. INFORMATION ON THE POSSIBILITY OF THE PURCHASE BEING INSTRUMENTAL TO REDUCING THE SHARE CAPITAL

We inform our shareholders that the present request for authorisation to purchase own shares is not instrumental to reducing the share capital.

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

“The ordinary shareholders’ meeting of Gamenet Group S.p.A., after examining the explanatory report of the board of directors drafted pursuant to art. 125-ter of Legislative Decree no. 58 of 24 February 1998 and Art. 73 of the Regulation passed by CONSOB in Resolution no. 11971 of 14 May 1999 hereby

resolves

A. *to authorise the board of directors –pursuant to art. 2357 of the Italian Civil Code – to proceed to purchase the Company’s shares, in one or more transactions and for a period until the date of the shareholders’ meeting called to approve the financial statement as at 31 December 2018 and in any case no later than 31 May 2019, in order to pursue the purposes indicated in the explanatory report furnished by the board of directors to today’s ordinary shareholders’ meeting regarding this point on the agenda, on the terms and conditions set out below;*

- *the maximum number of shares to be purchased is equal to 600,000 (sixhundredthousand) shares and, in any event, within the limits of the distributable profits and available reserves shown in the latest duly approved financial statements;*
- *the purchases will have to be carried out at a price to be established from time to time, having regard to the modality selected in order to implement the purchase and in compliance with national and European legislation and with permitted market practices in use at any given time;*
- *in accordance with the provisions contained in the “Indenture” signed by the Company on 3 August 2016, inter alios, with The Law Debenture Trust Corporation p.l.c., in the framework of the bond issue entitled “6.00% Senior Secured Notes due 2021”, no further purchases may be carried out when the Company – bearing in mind all operations involving the purchase and successive resale of shares - has sustained an overall net cost of EUR 7 million.*
- *the purchases will have to be carried out in such a way as to ensure equal treatment between shareholders and in accordance with the modalities and conditions contemplated by legislation, including European legislation, and by permitted market practices in use at any given time, as mentioned in the explanatory report of the board of directors furnished to today’s meeting of shareholders regarding this point on the agenda;*

B. *to authorise the board of directors –pursuant to art. 2357-ter of the Italian Civil Code – to proceed with the disposal, in one or more transactions, of all or some of the own shares held by the Company, with no time limit, even prior to exhausting the maximum of quantity of shares that can be purchased and, if appropriate, to buy back these shares at a level such that the own shares held by the Company and, if appropriate, by its subsidiaries, do not exceed the limit established in the authorisation indicated in point A above. The acts of disposal of own shares may take place in order to pursue the purposes indicated in the explanatory report of the board of directors furnished to today’s shareholders’ meeting regarding this point on the agenda, on the terms and conditions specified below:*

- *the sale, or other acts of disposal, of own shares held in the portfolio may take place on the basis of the modalities deemed most suitable and in keeping with the interests of the Company and, in any case, in accordance with national and European legislation and with permitted market practices in use at any given time, and in compliance with the commitments undertaken by the Company vis-à-vis Banca IMI S.p.A, Credit Suisse Securities (Europe) Limited and UniCredit Bank AG in the “Lock- up Agreement”;*
- *the sale, or other acts of disposal, of own shares held in the portfolio may take place in accordance with the terms and conditions established from time to time by the board of*

directors, in compliance with the purposes and criteria indicated in this authorisation, without prejudice, in any event, to compliance with any limits that may be envisaged by the relevant legislation, including European legislation, and by permitted market practices in use at any given time;

- *own shares in support of any stock incentive plans will be allocated in accordance with the terms and conditions set out in the rules regulating such plans.*

C. to grant the board of directors and, on its behalf, the chairman and chief executive officer – jointly and severally and with the power to sub-delegate - any and all powers that may be necessary to effectively and fully implement the resolutions set out in points A and B above, and to inform the market accordingly, in accordance with national and European legislation and with permitted market practices in use at any given time”.

Rome, 28 March 2018

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