

GAMENET GROUP S.p.A.

Registered Office: Via Degli Aldobrandeschi, 300 – 00163 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

26 April 2019

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

APPOINTMENT OF THE BOARD OF DIRECTORS

Dear Messers,

the Board of Directors of Gamenet Group S.p.A. (hereinafter the “**Company**”), the mandate of which is going to expire with the approval of the financial statement of the financial statements as at 31 December 2018, convened the Shareholders’ Meeting in order to appoint the new Board of Directors and, in particular, to: (I) appoint the members of the Board of Directors; (II) appoint the chairman of the Board of Directors; (III) determine the remuneration of the members of the Board of Directors.

(I) Appointment of the members of the Board of Directors

Pursuant to Article 12 of the Company’s By-laws, the Board of Directors shall be composed of 9 Directors and remain in office for the period established by the Shareholders’ Meeting and in any case for a maximum of three financial years, until the Shareholders’ Meeting called to approve the financial statements related to the last year of the mandate, except in case any causes of early termination or forfeiture of the office, provided for by any applicable laws or the Bylaws, occur.

The Company’s Board of Directors shall be appointed in accordance with the laws and regulations currently in force and the procedures provided for under Articles 13 and 14 of the Bylaws, to which reference is expressly made for any matters not dealt with below.

The Shareholder's Meeting appoints the Directors on the basis of slates submitted by the Shareholders, where the candidates must be numbered in sequential order. The number of the candidate shall not be higher than the number of the Directors to be elected.

Pursuant to the Bylaws and Consob communication no. 13 dated 24 January 2019, the Shareholders who, alone or together with other Shareholders, represent at least 4.5% of the share capital of the Company are entitled to submit the slates.

Each shareholder may submit – also by means of proxy holders or fiduciary companies – one slate only and each candidate may only appear in one slate, under penalty of ineligibility.

With specific regard to the preparation of the slates and the composition of the Board of Directors, reference is made to the following provisions.

Each slate having a number of candidate equal to or lower than 2 (two) shall include at least 1 (one) candidate having the independence requirements set forth in the applicable laws (i.e. the requirements provided for the statutory auditors of listed companies pursuant to art. 148, paragraph 3, of the TUF). His or her name shall be specified and placed at the top of the slate. Each slate having a number of candidate higher than 2 (two) shall include at least 2 (two) candidate having the aforementioned independence requirements. Their name shall be specified and placed at the top of the slate.

In accordance with the laws on gender balance currently in force, slates with 3 (three) or more candidates shall also include candidates of different genders, to make sure that at least one fifth (rounded up) of the overall number of candidate belongs to the less-represented gender, considering that this is the first renewal of the Board of Directors after the Company shares have been listed on the MTA Market of Borsa Italiana S.p.A.

In accordance with the recommendations of the Corporate Governance Code of listed companies approved by the Corporate Governance Committee of Borsa Italiana S.p.A. (the "**Corporate Governance Code**"), the Company's Board of Directors has approved the guidelines on the maximum number of offices as director or auditor that the members of the Board of Directors of Gamenet Group may hold in other companies which are not part of the Company's group, in order to ensure that they are able to properly and effectively perform their duties as Director of the Company. These guidelines may be consulted on the Company's website at www.gamenetgroup.it, in the section "*Governance*".

Furthermore, the Board of Directors approved, following the proposal of the Nomination and Remuneration Committee, the "*Guidelines concerning the diversity policy of the Board of Directors*", as well as the "*Guidelines on assessment of directors' independence requirements*", available at the Company's website at www.gamenetgroup.it, in the section "*Governance*".

The Shareholders must file the slates of candidates at least 25 days before the date of the Shareholders' Meeting, being the 1 of April 2019, as follows: (i) by hand delivery to the registered office of the Company at Via Degli Aldobrandeschi 300, Rome, to the attention of the "*Legal and Corporate Affairs department*" (Tel. + 39 06 89865815) from Monday to Friday starting from 9:00 AM to 1:00 PM and 3:00 to 5:00 PM; (ii) by fax to + 39 0689865012; or (iii) by certified email to assemblea@cert.gamenet.it. In all cases, the filing will require the provision of sufficient information to identify the person transmitting the slates. The ownership of the minimum shareholding required to be entitled to submit slates, as indicated above, is determined on the basis of the Shareholder's registered shares on the day on which the slates are filed with the Company.

However, the relevant certification may also be produced after the slate is filed, at least 21 days prior to the date of the Meeting (*i.e.* within 5 April 2019), by a notice issued by an authorized intermediary pursuant to the applicable laws and regulations.

The slates must be filed along with the documentation and information required by the Bylaws and the applicable laws currently in force. To this end, the slates must be filed along with: (i) information on the identity of the Shareholders who submit the slate and the total percentage of shares held by them (it being understood that the relevant certification can be filed within the 5 April 2019); (ii) candidates' curriculum vitae which shall contain detailed an exhaustive information about the candidates' personal and professional features and the eligibility to be qualified as independent (if this will be the case) as well as declarations by means of which the candidates accept their candidature and the appointment (if actually appointed) and certify, under their own responsibility, that no grounds for ineligibility and incompatibility with the office exists and that all the requirements provided for by the Bylaws and by the applicable laws and regulation relating to the office of Director of the Company are satisfied, including the honorability requirements. For those candidates who – in the slate – are specified as being independent pursuant to law, the latter shall file declarations attesting that, under their own responsibility, they satisfy the independence requirements set forth in the laws and the Code of Corporate Governance, as the case may be. The compliance with said independence requirements shall then be verified by the Board of Directors in compliance with the "*Guidelines on assessment of directors' independence requirements*" adopted by the Board of Directors of Gamenet Group and available at the Company's website.

Furthermore, pursuant to Consob Communication no. DEM/9017893 of 26 February 2009 those Shareholders who submit a "minority slate" shall file a declaration certifying that they have no associative relationship (*rapporti di collegamento*) (as per art. 144-*quinques* of the Consob Regulation n. 11971 of 14 May 1999, hereinafter the "**Issuers Regulation**") with the Shareholders who, also jointly, have a controlling or a relative majority shareholding in the corporate capital of the Company.

The slate, in respect of which the above provisions have not been complied with, will be deemed as not submitted.

With reference to the procedure to appoint the Board of Directors please note that, in accordance with Article 147-ter, paragraph 3 of the TUF, Article 14 of the Bylaws provides that:

1. a number of directors equal to the total number of members of the Board of Directors, a part from one, shall be drawn from the slate that obtained the highest number of votes (the "**Majority List**"); within such limits, the candidates shall be elected in the numerical order indicated on the slate; and
2. one director, who is the highest ranked person on the slate, shall be drawn from the list that obtained the second highest number of votes that is in no way connected, even indirectly, with the shareholders who submitted or voted for the Majority List (the "**Minority List**").

In the event of a tie between two or more slates, the Shareholders' Meeting shall express its vote again, and the slate that obtains the highest number of votes shall be elected as the Majority List.

If, at the end of the voting procedure, an insufficient number of directors meeting the independence requirements set out by the legal and regulatory provisions in force have been elected, the candidate that does not meet such requirements lastly elected in the sequential order drawn from the Majority List shall be excluded and replaced with the subsequent candidate that meets the independence requirements drawn

from the same slate. If necessary, this procedure shall be repeated until the number of independent directors to be elected is achieved.

Furthermore, where the candidates elected using the above methods do not ensure that the composition of the Board of Directors complies with the gender balance requirements set forth by the regulations in force from time to time, the candidate belonging to the majority gender who is lastly elected in the sequential number from the slate which obtained the most votes shall be replaced by the first candidate of the minority gender who was not elected, to the drawn from the same slate according to the sequential order. This replacement procedure shall be executed until the composition of the Board of Directors complies with the *pro-tempore* regulations in force regarding gender balance.

In the end, where said procedure does not ensure the results indicated above, the replacement shall be made through a resolution of the Shareholders' Meeting by simple majority ("*maggioranza relativa*").

As a final remark, please note that if a single slate is submitted or if no slates are submitted, the General Meeting will appoint the Board of Directors by the majorities provided for by the law, without adhering to any slate voting procedure, but ensuring that the minimum number of independent directors required by the law is appointed and the applicable rules relating to gender balance are complied with.

In light of the foregoing, we therefore invite you to appoint the Board of Directors, voting for one of the slates of candidates for membership of the Board of Directors presented in accordance with the aforementioned provisions and published on the Company's website under the terms of the law.

(II) Appointment of the Chairman of the Board of Directors

According to the Bylaws and applicable laws, the Shareholders' Meeting may appoint the Chairman of the Board of Directors. We thus invite you to appoint the Chairman of the Board of Directors.

(III) Determination of the remuneration of the members of the Board of Directors

As a final remark, we would like to remind you that, pursuant to Article 14 of the Bylaws, you are asked to determine the remuneration of the members of the Board of Directors.

By way of information, please note that the Shareholders' Meeting of 20 October 2017 granted each member of the Board of Directors with an annual gross remuneration of Euro 30,000.00.

The Board of Directors refrains from making specific proposals in this regard and thus invites you to determine the remunerations of the members of the Board of Directors according to the proposals which may be drawn up by the Shareholders during the forthcoming Meeting.

Rome, 15 March 2019

For the Board of Directors

the Chairman

(Vittorio Pignatti Morano Campori)