

Board of Directors Illustrative Report on the Agenda of the Shareholders' Meeting - extraordinary session:

ELIMINATION OF THE NOMINAL VALUE OF SHARES, CANCELLATION OF 6,993,602 TREASURY SHARES IN PORTFOLIO, WITHOUT REDUCING THE SHARE CAPITAL, AND THE CONSEQUENT AMENDMENT OF ARTICLE 5 OF THE BY-LAWS. RESOLUTIONS THEREON

Dear Shareholders,

you have been called to this Extraordinary Shareholders' Meeting to examine and approve the proposed elimination of the nominal value of the shares and the cancellation of 6,993,602 treasury shares in portfolio, without reducing the share capital, and the consequent amendment of Article 5 of the By-Laws.

The elimination from the By-Laws of the indication of the nominal value of the shares allows for greater operational flexibility and administrative simplification, which is useful in the event of share capital transactions.

Specifically, the proposed change eliminates the indication of the nominal value of the shares (currently Euro 0.52 per share) so that a cancellation of treasury shares leads only to a reduction in the number of shares constituting the share capital - without reducing the value of the same - and an automatic increase in the par value of the remaining shares.

With specific reference to the proposed cancellation of a portion of the treasury shares in portfolio, we note that at the publication date of this report (May 9, 2022), the Company holds a total of 10,324,300 treasury shares in portfolio, equal to 16.927% of the share capital, purchased on the basis of the authorisations granted by the Ordinary Shareholders' Meeting, pursuant to Articles 2357 of the Civil Code and 132 of Legislative Decree No. 58/1998 (the "CFA"), most recently with the Shareholders' Meeting motion of April 13, 2022, and recorded in the financial statements at an average book value of Euro 3.306 per share.

Having reached a substantial number of treasury shares in portfolio, it is deemed appropriate to cancel a portion of them, in order, among other matters, to simplify the share capital structure. This transaction will allow an increase in the value of each share and of the portion of the net profit attributable to each share ("earnings per share").

With the elimination of the nominal value, the cancellation of a portion of the treasury shares held without reducing the share capital will be merely an accounting transaction, and it will be necessary to reduce the "Treasury shares acquisition reserve" by Euro 23,120,072,38 (to be updated to the average value of the shares on the date of cancellation) and to reduce the corresponding negative item "Treasury shares" by the same amount.

BasicNet S.p.A.'s share capital, which is currently Euro 31,716,673.04, will therefore not be reduced; the number of shares issued will be reduced from 60,993,602 to 54,000,000 and the intrinsic nominal value of the remaining 54,000,000 shares constituting the share capital will increase from Euro 0.52 to Euro 0.587.

The cancellation proposal presented here therefore does not concern the additional 3,330,698 treasury shares held in portfolio at the publication date of this report, which represent 5.461% of the shares currently constituting the share capital (6.168% of the total shares after cancellation).

The table below illustrates the percentage changes in significant equity investments - at the date of this report on the basis of the information available and the communications received pursuant to Article 120 of the CFA - that will occur following the possible approval of the proposal to cancel 6,993,602 treasury shares in portfolio, without reducing the share capital.

Shareholder	Percentage share pre-cancellation 60.993.602	Percentage share post-cancellation 5.400.000
BasicWorld	33,128%	37,419%
Marco Daniele Boglione	0,511%	0,577%
<i>Total owned al Sig. Marco Daniele Boglione</i>	<i>33,639%</i>	<i>37,996%</i>
Francesco Boglione	4,557%	5,147%
Francesco Boglione srl	1,719%	1,941%
<i>Total owned al Sig. Francesco Boglione</i>	<i>6,275%</i>	<i>7,088%</i>
Helikon Investments Ltd	10,430%	11,781%

The possible approval of the proposal to cancel 6,993,602 treasury shares in portfolio, without reducing the share capital, will entail the amendment of Article 5 of the By-Laws. This change will be limited to the number of shares constituting the share capital and the elimination of the reference to the nominal value of the shares.

We also note that any effectiveness of the proposed motion is subject to its registration with the Companies Registration Office, pursuant to Article 2436, paragraph 5 of the Civil Code.

Finally, it is believed that this proposed amendment to the By-Laws does not give rise to a right to withdrawal by shareholders pursuant to Article 2437 of the Civil Code.

The table below outlines the amendments proposed compared to the current text.

Article 5 - Share capital	Article 5 - Share capital
The share capital amounts to Euro 31,716,673.04 (thirty-one million seven hundred and sixteen thousand six hundred and seventy-three Euro and four cents) and is divided into 60,993,602 (sixty million nine hundred and ninety-three thousand six hundred and two) ordinary shares with a nominal value of Euro 0.52 each.	The share capital amounts to Euro 31,716,673.04 (thirty-one million seven hundred and sixteen thousand six hundred and seventy-three Euro and four cents) and is divided into 60,993,602 (sixty million nine hundred and ninety-three thousand six hundred and two) 54,000,000 (fifty-four million) ordinary shares with no indication of nominal value with a nominal value of Euro 0.52 each.

Considering the above, the Board of Directors submits for your approval the following motion:

“The Extraordinary Shareholders’ Meeting of BasicNet S.p.A.:

having noted the Board of Directors’ Illustrative Report;

resolves

- to eliminate from Article 5 of the By-Laws - Share Capital - the reference to the nominal value of the shares;
- to cancel number 6,993,602 treasury shares without nominal value owned by the Company, keeping the share capital unchanged, and to carry out any related compliance activity;
- to consequently amend the text of Article 5 of the By-Laws as follows:

The share capital amounts to Euro 31,716,673.04 (thirty-one million seven hundred and sixteen thousand six hundred and seventy-three Euro and four cents) and is divided into 54,000,000 (fifty-four million) ordinary shares with no indication of nominal value

- to grant the Chairperson and the Chief Executive Officer, with the right to sub-delegate, the widest possible powers to enact the motion passed and to make any amendments to it and to the By-Laws that may be required by the competent authorities.

for the Board of Directors

The Chairperson

Marco Daniele Boglione