TISCALI

Communication to the market as per Art. 114 par. 5 Leg. Decree No. 58/98

Cagliari, September 30, 2022

In compliance with Consob request sent to the Company on July 14, 2009, pursuant to article 114, paragraph 5 of the Law Decree No. 58/98, the Company hereby provides to the market the following information concerning the Tiscali Group as at August 31, 2022.

NET FINANCIAL INDEBTEDNESS OF TISCALI GROUP AND TISCALI SPA, WITH SHORT-TERM COMPONENTS SHOWN SEPARATELY FROM MEDIUM/LONG-TERM ONES

On August 1, 2022, the merger by incorporation of Linkem Retail S.r.l. into Tiscali Spa, pursuant to the Merger Deed executed on 22 July 2022, became effective.
At the same time, the conferral of the Retail Branch from Tiscali S.p.A. to Tiscali Italia S.p.A. was completed on August 1, 2022. As of August 1, 2022, the assets elements of the Retail Branch have been consolidated into the Tiscali Group. As of this Disclosure as at August 31, 2022, the information below includes the Retail Branch component.

The net financial indebtedness as at August 31, 2022 amounted to EUR 105.5 million.

NET FINANCIAL INDEBTEDNESS

EUR (000)	Notes	**Tiscali Group August 31, 2022**	**Of Which: Tiscali S.p.A. August 31, 2022**
A. Cash and bank deposits		20,139	769
B. Cash equivalents			
C. Securities held for trading			
D. Cash and Cash equivalents (A) + (B) + (C)		**20,139**	***769***
E. Current financial debt	(1)	***12,359***	***0***
F. Current portion of non-current financial debt	(2)	***7,337***	***0***
G. Current financial indebtedness (E+F)		**19,696**	***0***
H. Net current financial indebtedness (G+D)		**-443**	**-769**
I. Non-current financial debt	(3)	87,286	0
J. Debt Instruments			
K. Trade and other non-current payables	(4)	18,676	471
L. Non-current financial indebtedness *(I + J + K)*		**105,962**	**471**
M. Net financial indebtedness (H+L)		**105,519**	**- 298**

Notes:

(1) *It includes i) the short-term portion of finance lease payables relating to network infrastructure investments and capitalised lease contracts in application of IFRS 16 for EUR 10.2 million (including the short-term portion of the Sa Illetta lease contract in application of IFRS 16 for EUR 2.1 million and leasing payables arising from the merger of the Retail Branch in the amount of EUR 4.3 million); (ii) other bank payables for EUR 2.1 million;*
(2) *It includes the current portion of the Senior loan and other non-current bank loans;*
(3) *It includes the following items: i) the long-term portion of the Senior Loan and other long-term bank loans, respectively for EUR 63.2 million and EUR 3.4 million, whose repayment terms were renegotiated as part of the signing of the Amendment Agreements on 22 July 2022; ii) the long-term portion of the financial lease payables related to the investments for the network infrastructure and capitalised lease contracts in accordance with IFRS 16 for EUR 20.7 million (including the long-term portion of the Sa Illetta lease contract in accordance with IFRS 16 for EUR 8.5 million and leasing payables arising from the merger of the Retail Branch in the amount of EUR 10.4 million;*
(4) *It includes the long-term component of trade payables and payables for long-term tax bills in instalments of EUR 18.7 million (of which trade liabilities arising from the merger of the Retail Branch in the amount of Eur 3.8 million).*

OVERDUE DEBT POSITIONS OF THE TISCALI GROUP AS AT AUGUST 31, 2022

As at August 31, 2022, net overdue trade payables amounted to EUR 16.5 million, of which 2.5 million are overdue by more than 12 months (net of payment plans agreed with suppliers and net of credit amounts or claims against the same suppliers). As at August 31, 2022 overdue financial debts amounted to EUR 0.6 million (net of credit positions).
There were overdue tax debts for approximately EUR 4.3 million, of which 3.4 million are overdue by more than 12 months. There were also overdue debts towards social security institutions amounting to EUR 0.1 million.
It should be noted that the Company's staff leaving indemnities at August 31, 2022 amounted to EUR 9.5 million.

POSSIBLE REACTIONS OF THE CREDITORS OF THE GROUP AS AT AUGUST 31, 2022

There have been no suspensions of relationships with suppliers capable of affecting the course of business.
As at August 31, 2022, the group received reminders for payment only within the ordinary course of business. As at that date, the total main injunctions for payment received, as a result of the definition of certain positions, amounted to EUR 2 million, of which the residual not paid off as still in negotiation, opposition or subject to an installment scheme amounted to EUR 0.5 million.

RELATIONSHIPS WITH TISCALI S.P.A. AND THE TISCALI GROUP RELATED PARTIES

The Tiscali Group holds relationships with related parties on terms deemed as customary in the respective reference markets, taking into account the characteristics of the goods and services provided.

The table below summarizes the income statement and balance sheet for the Tiscali Group as at August 31, 2022, arising from transactions with related parties.

INCOME STATEMENT *(EUR 000)*	*Notes*	TISCALI GROUP August 31, 2022	*Of which:* Tiscali S.p.A. August 31, 2022
Monteverdi S.r.l.	1	(19.5)	-
Istella S.p.A.	2	4.1	-
CC&Soci S.r.l.	3	(85.7)	(85.7)
Open Campus S.r.l.	4	36.0	-
Cuccureddus S.r.l	5	1.3	-
Dolores Lai	6	(27.9)	-
Close Dr Soru family employees	7	(60.2)	-
Linkem S.p.A.	8	(5,299.9)	-
Project Group Italy S.r.l.	9	-	-
Sababa Securities S.p.A.	10	-	-
TOTAL		**(5,451.8)**	**(85.7)**

BALANCE SHEET *(EUR 000)*		TISCALI GROUP August 31, 2022	*Of which:* Tiscali S.p.A. August 31, 2022
Monteverdi S.r.l.	1	(46.2)	
Istella S.p.A.	2	515.2	
CC&Soci S.r.l.	3	(2,622.0)	(2,622.0)
Open Campus S.r.l.	4	131.7	
Cuccureddus S.r.l	5	6.5	
Dolores Lai	6	(3.4)	
Close Dr Soru family employees	7	(8.1)	
Linkem S.p.A.	8	(20,594.6)	
Project Group Italy S.r.l.	9	(666.4)	
Sababa Securities S.p.A.	10	(606.4)	
TOTAL		**(23,893.7)**	**(2,622.0)**

(1) Monteverdi S.r.l.: company participated by the Chairman and shareholder Renato Soru. The relationship concerned refers to a leasing contract for a space used for the storage of business documentation.

(2) Istella: company partially owned by the Chairman and shareholder Renato Soru. The relationship concerned refers to supply, by Tiscali, of IT services (hosting of network equipment) from October 2018. In addition, since December 2019, Istella provides Tiscali with consulting services for software development and assistance for customer care automation.

(3) CC&Soci: controlled by CC Holding Srl, it holds an 11.8% stake in Amsicora S.r.l. (a 3.15% shareholder of the Company as at August 31, 2022) and it has entered into a contract with Tiscali Spa in December 2020 for the provision of financial advisory services. Furthermore, in December 2021, an addendum to the aforementioned 2020 contract was signed, relating to the support and financial advisory activities inherent to the Merger Operation with Linkem Retail S.r.l.

(4) Open Campus: a company 80% owned by Alice Soru, daughter of Chairman Renato Soru. Tiscali Italia has two contracts with Open Campus. Under the first contract, Tiscali Italia purchases brand promotion services from Open Campus, while under the second contract it offers Open Campus hospitality services at the Sa Illetta campus. The two contracts are not related.

(5) Cuccureddus s.r.l: Tiscali Italia has an in force contract with this company for the provision of connectivity services at the location called Is Cuccureddus in the territory of Villasimius. The company's legal representative is Michelangelo Soru, son of Chairman Renato Soru.

(6) Dolores Lai: Tiscali Italia has a consultancy agreement in place with lawyer Dolores Lai for legal advice on privacy issues. Lawyer Lai is the spouse of Chairman Renato Soru.

(7) The costs and payables reported in this line relate to some close family members of Chairman Renato Soru, who are employees of Tiscali Italia.

(8) Linkem S.p.A: Tiscali's main shareholder following the Merger by incorporation of Linkem Retail S.r.l. into Tiscali S.p.A, completed on August 1, 2022. Linkem S.p.A's shareholding in Tiscali was 58.6% at August 31, 2022. The transactions in question refer to: (i) provision of FWA connectivity service and rental (sale) CPE by Linkem S.p.A, governed by the Service Agreement signed by Linkem S.pA .and Linkem Retail S.r.l. on July 15, 2022; (ii) financial and trade payables related respectively to the rental in SLB mode and to the sale of CPE being part of the Linkem retail branch merged in Tiscali Italia on August 1, 2022; (iii) other trade payables existing before the date of merger in Tiscali Italia.

(9) Project Group Italy S.r.l.: company in which the CEO of Tiscali, Davide Rota, holds the position of Director. The report refers to the CPE installation service for the activation of consumer and business customers carried out by Project Group Italy S.r.l, whose contract is included in the Business Unit incorporated in Tiscali Italia on August 1, 2022.

(10) Sababa Securities S.p.A.: company in which the CEO of Tiscali, Davide Rota, holds the position of Chairman.The report refers to security services provided by Sababa Securities S.p.A. to Tiscali Italia.

It shall be noted that the income statement and the balance sheet values reported in the table above do not include fees paid to Directors, Statutory Auditors and Top Managers tasked with strategic responsibilities.

STATEMENT OF THE EXECUTIVE IN CHARGE OF DRAWING UP THE COMPANY'S ACCOUNTING DOCUMENTS

I, the undersigned Fabio Bartoloni, Executive in charge of drawing up the Company's accounting documents of Tiscali S.p.A., certify that, pursuant to Art. 154-bis, paragraph 2, of the Legislative Decree No. 58/98 and subsequent amendments, that the accounting information contained in this press release is consistent with the official documents, books and accounting records.

Fabio Bartoloni

Fabio Bartoloni

Executive in charge of drawing up the Company's accounting documents

About Tiscali

Tiscali S.p.A. (Italian Stock Exchange. Milan: TIS), Smart Telco with the largest fibre coverage in Italy, provides its customers – individuals, businesses and Public Administration – a wide range of services: Internet access in Broadband and UltraBroadband fixed and fixed wireless, mobile phone services and value-added services (including security services, cloud and socialmedia). As at 31 December 2021, Tiscali had a customer portfolio of 642.6 thousand units. Tiscali is also one of the main Italian news portals, with more than 9 million visitors per month. Tiscali's website can be reached at www.tiscali.it.