

PRESS RELEASE**Tessellis S.p.A.: Partial execution of the capital increase**

Cagliari, May 11, 2023

Tessellis informs that today the Board of Directors resolved, in partial execution of the proxy pursuant to Article 2443 of the Italian Civil Code conferred by the Extraordinary Shareholders' Meeting of January 10, 2023, to increase the share capital for cash, in divisible form, for a maximum amount of Euro 25,116,540.00, by issuing up to 50,233.080 new ordinary shares, with no par value, having the same characteristics as those in circulation (to be issued with regular dividend entitlement), at an issue price per share of Euro 0.50, to be fully allocated to share capital, to be offered under option to shareholders pursuant to Art. 2441, first paragraph, of the Italian Civil Code, as well as to holders of convertible bonds pursuant to Article 2441, first paragraph, second sentence, of the Italian Civil Code (the "Rights Offering"), by July 31, 2023, in the ratio of 5 newly issued Tessellis shares for every 18 Tessellis shares/convertible bonds held (the "Rights Issue").

It should be noted that the issue price of the new shares was determined by the Board of Directors, in accordance with market practices for similar transactions, by applying a discount on the TERP (Theoretical Ex Right Price) of 8.32%, calculated on the average stock market price of the Tessellis share for the week prior to today's date.

The execution of the Capital Increase will not result in dilutive effects in terms of shareholding in the Company's share capital for shareholders who fully exercise their option rights. Conversely, the failure to exercise the option rights will result in dilution of their shareholding in terms of percentage of the share capital, in the event of full subscription of the Capital Increase, up to a maximum of 21.74%.

The purpose of the Capital Increase is to provide the Company with a suitable instrument to quickly and efficiently raise risk capital and financial resources to be used to support, as an alternative to the resources currently available, in a less onerous manner and with less impact on the share price, the implementation of its business plan. Specifically, the execution of this transaction is aimed at providing the Company with a different and additional source of financing with respect to the convertible and converting bond loan outstanding with Nice&Green S.A. for a total maximum amount of 90,000,000.00 euros (the "POC"). Currently, in fact, the prospect of the Group's business continuity is closely linked, both as regards the coverage of the consolidated net financial requirements and the implementation of the business plan, to the resources derived from the aforementioned POC, the Group's main source of financing. Alternative and partial sources of financing include expected cash flows from the Group's operations, as well as proceeds from the possible sale of IPv4 addresses. In this context, the Capital Increase under the Option Scheme fits in as an alternative source, albeit also partial, to those indicated above, in line with the guidelines approved by the Extraordinary Shareholders' Meeting of January 10, 2023. In addition, since it is a transaction reserved for current shareholders, it enables them, where they subscribe to the option rights to which they are entitled, to finance the Company without being diluted in terms of their participation in its share capital.

With regard to the allocation of the proceeds from the Capital Increase, the latter will amount to approximately Euro 25 million, net of the expenses related to the implementation of the transaction (estimated at approximately Euro 120 thousand), in the event that it is fully subscribed. As envisaged within the business plan updated by the Board of Directors today, containing economic, equity and financial projections of the Company and the Group for the prospective time frame between 2023

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and 2026 (the "Business Plan"), the Company will use the proceeds from the Capital Increase under the Option as sources of financing for its own financial requirements or for carrying out the investments envisaged to achieve the objectives of the Business Plan.

As of today, there are no plans to set up a guarantee and/or placement syndicate, nor have any commitments been formalized by the Company's shareholders to subscribe to the Capital Increase. There are no lock-up commitments on newly issued shares.

The indicative timetable for the transaction envisages that it may be completed by the end of June 2023, subject to the successful completion of CONSOB's preliminary investigation functional to the publication of the prospectus.

In this regard, it should be noted that on April 26, 2023, a prospectus in tripartite form (Registration Document, Financial Instrument Disclosure and Summary Note, together, the "Prospectus") was filed with CONSOB, which the Company intends to use for: (i) the execution of the Rights Offering and for the admission to trading on Euronext Milan of the new Tessellis shares resulting from the subscription of the Capital Increase under the Rights Offering; and (ii) the admission to trading on Euronext Milan of Tessellis' ordinary shares, without any indication of par value, resulting from the capital increase, for cash, in one or more tranches and in divisible form, with the exclusion of option rights pursuant to Article 2441, paragraph 5, of the Civil Code for a total amount, including any share premium, of up to a maximum of Euro 90,000,000, to exclusively and irrevocably service the conversion of the New POC, approved by the Extraordinary Shareholders' Meeting of May 26, 2022. As of today's date, CONSOB's investigation of the Prospectus is ongoing.

For further details, please refer to the Explanatory Report, prepared in accordance with Article 72 and according to Schedule No. 2 of Annex 3A of CONSOB Regulation No. 11971 of May 14, 1999, as amended and supplemented, approved by the Board of Directors today and available on the Company's website www.tessellis.it.

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About Tessellis

Tessellis S.p.A. (Italian Stock Exchange. Milan: TIS) is the holding company of the Group born from the merger between Linkem Retail and Tiscali S.p.A.; it includes among its business areas that of Tiscali Italia S.p.A., national operator among the first in the ultrabroadband segment (FWA - Fixed Wireless Access and FTTH - Fiber To The Home), the portal www.tiscali.it, one of the main Italian news portals, with more than 9 million visitors per month to its credit, as well as the advertising concessionaire Vevisible s.r.l.