



Tiscali S.p.A.

Registered office in Cagliari, località Sa Illetta, S.S. 195 km. 2,3

Share Capital fully paid-in Eur 185,513,965.37

Tax Code, VAT and Companies' register number 02375280928

ILLUSTRATIVE REPORT OF TISCALI S.P.A.'S BOARD OF DIRECTORS ON PROPOSALS 2) AND 3) ON THE AGENDA OF THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING CONVENED ON JANUARY 10, 2023 (SOLE CALL), PREPARED IN ACCORDANCE WITH SECTION 125-TER OF LEGISLATIVE DECREE FEBRUARY 25, 1998 NO. 58, AS SUCCESSIVELY AMENDED, AS WELL AS WITH SECTION 72 OF CONSOB REGULATION ADOPTED BY RESOLUTION DATED MAY 14 1999 NO. 11971 AND SUCCESSIVE AMENDMENTS

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December 6, 2022

Illustrative Report of the Board of Directors of Tiscali S.p.A. prepared in accordance with Section 125-ter of Legislative Decree February 24, 1998 no. 58, as successively amended (hereinafter "Consolidated Financial Law"), as well as in accordance with Section 72 of Consob Regulation adopted by resolution dated May 14 1999, no. 11971 and successive amendments (hereinafter "Issuers Regulation")

Dear Shareholders,

this report was prepared by the Board of Directors of Tiscali S.p.A. ("Tiscali" or the "Company"), in compliance with applicable Law, with reference to the Shareholders' ordinary and extraordinary meeting convened on January 10, 2023 at 12 a.m. (sole call), to discuss and resolve on the following:

agenda

ORDINARY RESOLUTION

1. Integration of the composition of the current Board of Statutory Auditors. Related and consequent resolutions.

- a) Appointment of Andrea Borghini as Effective Statutory Auditor of the Company, whose office will have the same duration of the other members of the Board of Statutory Auditors and, therefore, up to the date on which the Shareholders' meeting will be convened to resolve on the approval of 2023 financial statements, and a yearly gross remuneration of EUR 35,000;
- b) Appointment of Antonio Zecca as Alternate Statutory Auditor of the Company, whose office will have the same duration of the other members of the Board of Statutory Auditors and, therefore, up to the date on which the Shareholders' meeting will be convened to resolve on the approval of 2023 financial statements.

EXTRAORDINARY RESOLUTIONS

2. Granting of a proxy (in Italian, "Delega") to the Board of Directors, to be implemented in one or more tranches within 30 months from the date of the Shareholders' meeting resolution, for an overall amount of EUR 60,000,000.00, including the premium, in order to: (i) resolve a capital increase, against payment, in divisible form, pursuant to Section 2443 of the Italian Civil Code, also with the exclusion or limitation of the option right pursuant to Section 2441, paragraphs 4, 5 and 8 of the Italian Civil Code.

also through the issuance of shares to be reserved for incentive-based programs for the assignment of financial instruments in favor of directors, employees and collaborators of the Company, identified by the Board of Directors against specific lock-up commitments; and (ii) issue convertible bonds into ordinary shares of the Company pursuant to Section 2420-ter of the Italian Civil Code, together with the power to resolve the related capital increase for the conversion, also with the exclusion or limitation of the option right pursuant to Section 2441, paragraph 5, of the Italian Civil Code. Consequent amendments to Section 5 of the Company's By-Laws.

3. Change of the Company name from "Tiscali S.p.A." to "Tessellis S.p.A." and consequent amendment to Section 1 of the Company's By-Laws.

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EXTRAORDINARY RESOLUTIONS

Item 2 on the agenda:

Granting of a proxy (in Italian, "Delega") to the Board of Directors, to be implemented in one or more tranches within 30 months from the date of the Shareholders' meeting resolution, for an overall amount of EUR 60,000,000.00, including the premium, in order to: (i) resolve a capital increase against payment, in divisible form, pursuant to Section 2443 of the Italian Civil Code, also with the exclusion or limitation of the option right pursuant to Section 2441, paragraphs 4, 5 and 8 of the Italian Civil Code, also through the issuance of shares to be reserved for incentive-based programs for the assignment of financial instruments in favor of directors, employees and collaborators of the Company, identified by the Board of Directors against specific lock-up commitments; and (ii) issue convertible bonds into ordinary shares of the Company pursuant to Section 2420-ter of the Italian Civil Code, together with the power to resolve the related capital increase for the conversion, also with the exclusion or limitation of the option right pursuant to Section 2441, paragraph 5, of the Italian Civil Code. Consequent amendments to Section 5 of the Company's By-Laws.

This report (the "Report") – prepared according to Sections 125-ter of the Consolidated Financial Law and 72 of the Issuers Regulation, as well as to Annex 3A to the Issuers Regulation – is aimed at providing the motivations of the above proposal.

In particular, the Board of Directors called an Extraordinary Shareholders' Meeting to submit to your approval

the granting to the Board of Directors of the proxy pursuant to and for the effects of Section 2443 of the Italian Civil Code and Section 2420-ter of the Italian Civil Code, to be exercised within one or more tranches, in relation to a share capital increase, against payment and in divisible form, for a total maximum amount of Euro 60,000,000.00 (sixty million), including any premium, to be implemented within thirty months from the date of the shareholders' resolution (the "Proxy").

In fact, pursuant to the combined provisions of Sections 2443 and 2420-ter of the Italian Civil Code, the By-Laws may grant directors, respectively, the right to:

- increase the capital, in one or more tranches, up to a specific amount and for a maximum period of thirty months from the date of the resolution;
- issue convertible bonds, in one or more tranches, up to a specific amount and for a maximum period of thirty months from the date of the resolution (in this case, the proxy related to the corresponding increase in share capital shall be considered as included).

Considering that the Proxy to be granted includes the power of the administrative body to implement it also excluding in whole or in part the option right pursuant to Section 2441, paragraphs 4, 5 and 8 of the Italian Civil Code, when this right is exercised, paragraph 6 of Section 2441 of the Italian Civil Code shall apply and the By-Laws must set the criteria the directors must comply with in implementing the Proxy.

For the reasons and purposes better described below, the Proxy we propose to grant to the Board of Directors is broad and general. In particular, it includes the powers to:

- (i) increase the share capital in one or more tranches, against payment and in divisible form (in one or more tranches), pursuant to Section 2443 of the Italian Civil Code, through the issue of ordinary shares with regular entitlement and having the same features of the ordinary shares that are already outstanding at the date of issuance:
 - i. to be offered as an option to those entitled; and/or
 - ii. to be offered in whole or in part to third parties, with the exclusion or limitation of the option right pursuant to paragraphs 4 and 5 of the Section 2441 of the Italian Civil Code;
- (ii) issue, in one or more tranches, convertible bonds pursuant to Section 2420-ter of the Italian Civil Code, to be offered as an option to those entitled and/or third parties, also with the exclusion or limitation of

the option right pursuant to paragraph 5 of Section 2441 of the Italian Civil Code, resolving the corresponding capital increase to serve the conversion of the bonds, divisible (in one or more tranches), through the issuance of ordinary shares with regular entitlement and having the same features of the ordinary shares that are already outstanding at the date of issuance.

Therefore, within the limits of the total amount of the Proxy indicated above, the Board of Directors will have the broadest powers to:

- (i) identify the operating tools of each implementation of the same Proxy and, therefore, the issuance of shares, convertible bonds and/or a combination thereof;
- (ii) identify and determine the amount of each issue;
- (iii) identify from time to time the recipients of the shares and/or convertible bonds deriving from each exercise of the Proxy within the categories of qualified investors ⁽¹⁾ and/or commercial, financial and/or strategic partners from time to time identified, also in relation to transactions which provide for contributions in kind; and
- (iv) establish, upon each issuance, from time to time and in compliance with the limits indicated above, the terms and conditions of the transaction, including the issue price, including any share premium, of the shares and/or of the convertible bonds (as well as the shares serving the conversion of the latter) and their entitlement, according to the methods described in Paragraph 4 of this Report.

Without prejudice to the powers that will be granted under the Proxy, the Board of Directors, taking into account the general and market context, as well as the performance of the Company's share on the regulated market on the issue date, will assess the conditions under which each issuance may be implemented. On this matter, please consider that according to Section 2441, paragraph 6, of the Italian Civil Code the issuance price of the shares in the event of exclusion or non-entitlement of the option right shall be determined on the basis of the net equity of the company, taking into account, if the shares are listed on regulated markets, also the performance of the shares. Furthermore, since these are pure indicative parameters, in the event of exclusion of the option right the legislative reference to the net equity shall be intended in a way that does not necessarily coincide with the merely accounting data. Instead, it is necessary

¹ According to the definition provided for by Section 2(1)(e) of UE Regulation 2017/1129.

to refer to the economic value of the company to be determined also in consideration of market parameters. Having said this, the Board of Directors, in consideration of the purposes for which the transactions is intended, will have to take into account the effective willingness of potential investors to pay the price that will be set by the Board itself in the exercise of the Proxy as represented above.

In the light of the operating ways that will be chosen for carrying out the mentioned transactions, the Board of Directors (even with the support of its advisors) shall be able to identify the most appropriate criteria for determining the economic value of the company and - therefore - the issue price of the shares to be offered to recipients and/or to be issued to service the conversion of the bonds, which takes into account the effective circumstances and are consistent with the purposes of the transaction itself. At the time of each implementation of the Proxy, the Board of Directors will give due account in its report of the reasons that justify the exclusion of the option and the criteria for determining the subscription price of the shares and/or bonds to be issued (as well as the shares to service the conversion of the latter), also for the release of the fairness opinion on the price by the independent auditors appointed pursuant to Section 158 of the Financial Consolidated Law.

1) REASONS AND SCOPE OF THE TRANSACTION

The proposed transaction is aimed at providing the Company and, on its behalf, the Board of Directors, with a suitable instrument to allow the rapid and efficient procurement of risk capital and financial resources to be used to support the implementation of its industrial plan, as an alternative to the resources currently available, with less onerous methods and with less impact on the share. The transaction would also enhance the existing investments, strengthening the Group's equity consistency and ensuring a more favorable positioning on the market, seizing the opportunities arising from a possible positive evolution of the national and international macro-economic scenario.

In fact, the Proxy would make allow the achievement of advantages in terms of flexibility and timeliness in implementing the transaction, giving the Company a chance to, with adequate timing, catch the most favorable moment for carrying out extraordinary transactions, also taking into account the high uncertainty and volatility that characterize the financial markets. In this context, in addition to the aforementioned flexibility regarding the timing of the implementation, the Proxy has the further advantage - with respect to

the resolution of the shareholders' meeting – of deferring to the Board of Directors the decisions on the features of the issuance and the financial conditions of the offer as a whole (including the maximum amount of the offer and the issue price of the shares involved in the offer) on the basis of prevailing market conditions at the time of the effective launch of the transaction, reducing among other things the risk of fluctuation in stock exchange prices between the notice of the transaction and the actual start of the latter, which would occur if the transaction were decided by the shareholders' meeting.

Furthermore, the instrument of the Proxy, in the case of exercise with the exclusion of the option right, appears to allow the Company - where in the future the assumptions, conditions and corporate interest concretely recur - to evaluate possible transactions with subjects interested in investing in the share capital of Tiscali and, among other things, in providing further support to the potential development of future strategic projects, hopefully also in a medium-long term. In fact, the Board of Directors believes that the implementation of a reserved capital increase by means of the Proxy, may accelerate the entry into the corporate share capital of leading high standing Italian and foreign investors. The proposal to exclude the option right, therefore, is motivated by the Company's interest in seizing the possibility of: (i) expanding and diversifying the number of shareholders with the entrance of new partners and investors, as well as strategic operators and investors institutions interested in supporting the growth of the Group; (ii) structuring the transaction quickly and efficiently in order to seize market opportunities; and (iii) offering the newly issued shares as counter value for the acquisition of shareholdings, companies, business branches and/or industrial activities of interest to the Company as part of the Group's growth strategy through external acquisitions.

Furthermore, with reference to the capital increase to be allocated to any remuneration plans based on financial instruments in favor of directors, employees and collaborators of the Company, against specific lock-up commitments by the latter, with the exclusion of the option right to pursuant to Section 2441, paragraphs 5 and 8, of the Italian Civil Code, the Proxy to the Board of Directors will allow the Company to achieve a growth in its value in the medium/long term, strengthening the loyalty and incentive policy towards subjects belonging to the aforementioned categories, in line with the market best practices.

It remains understood, however, that should the Proxy be conferred within the proposed terms, the

decision of the Board of Directors to carry out a capital increase reserved to third parties, with the exclusion of all or part of the option right and against a dilution of the shareholding, could be resolved only when justified by specific needs arising from the corporate interest and the overall benefits of the transactions that can be pursued in line with the provisions of Section 2441, paragraph 6, of the Italian Civil Code.

2) ESTABLISHMENT OF GUARANTEE AND/OR PLACEMENT ASSOCIATION AND RELATED COMPOSITION, AS WELL AS THE METHODS AND TERMS OF THEIR INTERVENTION

As of today, the establishment of a guarantee and/or placement association is not envisaged. If, upon the exercise of the Proxy resolved by the Extraordinary Shareholders' Meeting, the opportunity to establish an association with regard to the specific features and recipients of the transaction should arise, the Board of Directors will promptly inform the market pursuant to applicable Law and regulations.

3) ANY OTHER TYPES OF PLACEMENTS

As indicated above, it should be noted that the shares and/or bonds under the Proxy may be offered:

- (i) as an option to the Company's shareholders, pursuant to Section 2441, first paragraph, of the Italian Civil Code;
- (ii) to qualified investors ⁽²⁾ and/or commercial, financial and/or strategic partners identified from time to time, with the exclusion or limitation of the option right pursuant to Section 2441, paragraph 4, second sentence, and paragraph 5, of the Italian Civil Code and Section 2420-ter of the Italian Civil Code;
- (iii) as part of incentive programs based on the assignment of financial instruments, to directors, employees and collaborators of the Company, against specific lock-up commitments by the latter, also pursuant to Section 2441, paragraph 8, of the Italian Civil Code;
- (iv) to subjects identified by the Board of Directors in the context of transactions which provide for the contribution in kind (in whole or in part) of shareholdings, companies, business branches and/or industrial activities of interest to the Company, within the development and growth strategy for external lines of the Group pursuant to Section 2441, paragraph 4, first sentence, of the Italian Civil Code;
- (v) through a combination of the alternatives referred to in the preceding points.

4) TERMS AND CONDITIONS OF THE TRANSACTIONS, INCLUDING THE CRITERIA FOR DETERMINING

² See footnote 1

THE ISSUE PRICE OF NEW SHARES, TO BE RESOLVED IN THE EXERCISE OF THE PROXY

The exercise of the Proxy will also include the power to set, from time to time, the terms and conditions of the capital increase, the recipients, the issue price of the shares, including any share premium, the dividend rights, the assignment in the event of increases in option rights to the Company's entitled parties as well as, in the event of the issue of convertible bonds, the interest rate, term, any guarantees, the conversion ratio, the assignment ratio in the event of an option offer, as well as all the other conditions of the loan (including the repayment of the loan in cash, even in advance, through the delivery of shares, or through a combination of the two methods).

In general, therefore, the Board of Directors (with the support of its advisors, if any) would have the broadest power to define the terms, methods and conditions of the capital increase (also with reference to each tranche) and to draw up the terms and conditions of the convertible bond.

For resolutions relating to capital increases to be offered as an option or - in whole or in part - to third parties with the exclusion of the option right, or to service the conversion of bonds, in determining the issue price of the new shares, as well as in determining the conversion ratio of the bonds, the Board of Directors shall refer to market best practices for similar transactions, the most commonly recognized valuation methods used in professional and international practices. In particular, financial and income methodologies may be used, possibly compared and weighted according to commonly recognized and used criteria, as well as market multiples of comparable companies, also taking into account the trend in the price of the Company's shares recorded in the last six months, in compliance with the provisions of Section 2441, paragraph 6, of the Italian Civil Code (applicable in the event of exclusion or limitation of the option right).

Furthermore, in the event of exclusion of the option right pursuant to article 2441, paragraph 4, second sentence, of the Italian Civil Code, the offer price of the shares must correspond to the market value of the shares and this latter condition shall be assessed by a specific report prepared by the auditing firm pursuant to the Law and the By-Laws.

It is understood that the criteria and reasons illustrated in this paragraph and in the previous only provide illustrative principles which the Board of Directors may comply with in the implementation of the Proxy. It

remains understood that, upon the execution of each tranche of the Proxy, the Board of Directors of Tiscali will prepare specific explanatory reports in order to illustrate the specific criteria used to determine the key features indicated above, as well as the reasons for the exclusion of the option right, also for the purposes of the release of the fairness opinion to be released by the auditing firm appointed pursuant to Section 158 of the Consolidated Financial Law.

5) DURATION AND AMOUNT OF THE PROXY

The proposed duration of the Proxy is equal to 30 months from the date of the resolution, allowing its implementation within one or more tranches. Once this term has elapsed, the Proxy will cease to be effective. Without prejudice to the foregoing, the timing for exercising the Proxy, pursuant to Section 2443 and/or Section 2420-ter of the Italian Civil Code, depending on the case, as well as the terms and conditions of any issue, will depend on the existing opportunities that should arise and, in any case, will be promptly communicated to the market in compliance with Law and regulations as soon as they are determined by the Board of Directors .

The Proxy for the increase of the share capital and that the Board calls for, is up to a maximum of Euro 60 million inclusive of the share premium, with the power of the Board to establish whether to implement it through the issuance of ordinary shares or to serve, in whole or in part, a convertible bond to be issued pursuant to Section 2420-ter of the Italian Civil Code.

6) AUTHORIZATIONS OF THE COMPETENT AUTHORITIES

The proposed transaction is not subject to authorizations from the competent Authorities.

In the light of the definitive terms and conditions of the capital increase that will be resolved by the Board of Directors for the implementation, in whole or in part, of the Proxy, the Company shall evaluate the opportunity to prepare an information report for the offer and/or admission to trading, promptly complying with all the information obligations provided for by the applicable national and Community legislation, including regulations.

7) SHAREHOLDERS WHO HAVE SHOWN THE WILLINGNESS TO SUPPORT

This section is not applicable, provided that the Proxy is granted pursuant to Section 2443 of the Italian Civil Code.

8) EXPECTED PERIOD FOR THE EXECUTION OF THE TRANSACTIONS

The duration of the Proxy is 30 months from the date of the shareholders' resolution. Upon the implementation of each tranche of Proxy, the Board of Directors shall establish the execution period for each transaction, taking into account the conditions of the financial markets.

9) DATE OF ENTITLEMENT OF THE NEWLY ISSUED SHARES

The newly ordinary shares to be issued after the implementation of the Proxy, also following the conversion of any bonds issued, will have regular dividend rights and will grant their holders equal rights with respect to the shares already issued by the Company.

10) ECONOMIC-EQUITY EFFECTS

Upon the implementation of the Proxy and basing on the technical terms according to which the transaction described in this Report will be effectively achieved, an extensive information regarding the economic and financial effects of shall be given to the market.

Since this is a Proxy pursuant to Section 2443 of the Italian Civil Code and provided that the issue price and the number of ordinary shares to be issued will be determined only at the time of exercise of the Proxy by the Board of Directors, at the moment it is not possible to provide indications or formulate an estimate regarding any dilutive effects.

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The current content of Section 5 of the By-Laws is shown below, together with the comparison column relating to the proposed amendments (the amendments are shown in bold).

| CURRENT WORDING | REVISED WORDING |
|---|-----------------|
| The share capital amounts to EUR 185,513,965.37 (one hundred eighty-five million, five hundred thirteen thousand, nine hundred sixty-five point thirty seven). The corporate holdings are represented by 177.509.104 (one hundred and seventy-seven million, five hundred nine thousand, one hundred | Unchanged |

and four) shares lacking par value. The shares are fully paid-up, indivisible and freely transferrable.

The Shareholders' Meeting of 24 (twenty-four) June 2021 (two-half-year-one), recorded by deed by Dr. Federico Pavan, notary in Iglesias, on 24 June 2021, repertoire no. 2140, collection no. 1666, resolved to approve the issue of the remaining tranches of the convertible and converting bond loan for an amount equal to Euro 3,000,000 (three million) each, consisting of convertible bonds with a nominal amount of Euro 100,000 (one hundred thousand) each, for a maximum total amount of Euro 36,000,000 (thirty-six million), divided, in accordance with the provisions of the Investment Agreement, in Euro 15,000,000 (fifteen million) and any further Euro 21,000,000.00 (twenty one million), to be offered in full under subscription to Nice & Green SA as part of a private placement intended for qualified investors pursuant to art. 34-ter, paragraph 1, let. b) of the Regulation adopted with Consob resolution no. 11971/1999 and subsequent amendments. The Bonds will have a duration of 21 months from the issue date of the first tranche and will be irrevocably converted on maturity. The subscription price of the convertible bonds is equal to 95.5% of the nominal amount of the same tranche. Consequently, the increase

against payment and in divisible form in the share capital of Tiscali S.p.A. was approved for a fee, in one or more times, with the exclusion of the option right pursuant to art. 2441, paragraph 5, of the Italia Civil Code for a total amount, including any share premium, of a maximum of Euro 36,000,000 (thirty-six million), for the exclusive and irrevocable service of the conversion of the convertible and converting bond loan, through the issue of ordinary Tiscali shares, without of par value, with regular entitlement and the same characteristics as the Tiscali ordinary shares outstanding at the issue date. The subscription price of the shares to service the conversion of the remaining tranches of the convertible and converting bond loan is equal to 95% at the second lowest average daily price weighted by the volumes traded (VWAP, i.e. volume weighted average price) of the shares Tiscali S.p.A. recorded in the 6 trading days preceding the request for conversion of convertible bonds. The Shareholders' meeting has given a mandate to the Chairman and the Chief Executive Officer, separately, with all the widest powers to ensure, also by means of special attorneys, to do what is necessary or even only appropriate to give implementation of the resolutions passed, including the power to (i) establish the issue date

of the convertible bonds, (ii) prepare and present any document required for the purposes of executing the afore-mentioned resolutions as well as to fulfill the necessary formalities to proceed with admission to listing on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. of the newly issued shares deriving from the conversion of convertible bonds, including the power to prepare and submit to the competent authorities any application, request, document or prospectus for the necessary or appropriate purpose, as well as decide on the possible renewal of the Investment Agreement and consequent issue of the convertible bonds and capital increase for the conversion of the convertible bonds for Euro 21,000,000 (twenty-one million). The shareholders' meeting held on April 16, 2022 has resolved the issuance of a convertible and converting bond loan for an amount equal to Euro 90,000,000, consisting of 18 tranches for an amount equal to Euro 5,000,000, through the issuance of convertible bonds for a nominal amount of Euro 100,000 each, to be offered for fully subscription, subject to the execution of the merger by incorporation of Linkem Retail into Tiscali S.p.A., to Nice&Green S.A. in the context of a private placement reserved to qualified investors

pursuant to Section 34-ter, paragraph 1, let. b) of the Regulation adopted with Consob resolution no. 11971/1999 and subsequent amendments. The bonds will have a duration of 24 months from the issue date of the first tranche and will be irrevocably converted upon maturity. The subscription price of the convertible bonds is equal to 95.5% of the nominal amount of the same tranche. Consequently, the increase against payment and in divisible form of the share capital of Tiscali S.p.A., in one or more tranches, with the exclusion of the option right pursuant to Section 2441, paragraph 5, of the Italian Civil Code was approved for a total amount, including any share premium, of a maximum of Euro 90,000,000, to exclusively and irrevocably serving the conversion of the convertible and converting bond loan, through the issuance of Tiscali ordinary shares, without nominal value, with regular entitlement and the same features of Tiscali ordinary shares which are outstanding at the date of issuance. The subscription price of the shares to service the conversion of the remaining tranches of the convertible and converting bond loan is equal to 95% to the second lowest weighted average daily price by volume traded (VWAP, i.e. volume weighted average price) of Tiscali S.p.A. shares,

registered in the 6 open market days preceding the request for conversion of the convertible bonds.

The Shareholders' Meeting granted the Chairman and the Chief Executive Officer, with all the widest powers, to be exercised disjointly, to undertake also through special proxies, all the actions deemed necessary or even just appropriate to implement the resolutions approved, including the power to (i) establish the issue date of the convertible bonds, (ii) prepare and present all documents required for the purposes of the execution of the above resolutions, as well as to fulfill the necessary formalities for the admission to listing on the Electronic Stock Market organized and managed by Borsa Italiana S.p.A. of the newly issued shares deriving from the conversion of the convertible bonds, including the power to arrange for the preparation and presentation to the competent authorities of any application, request, document or report for the necessary or appropriate purpose, as well as decide on the possible renewal of the Investment Agreement and consequent issuance of convertible bonds and capital increase to serve the conversion of convertible bonds. Payments in cash made by the shareholders to the Company by way of loan may be made within the limits of the law: - in the form

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| <p>of a capital contribution without the right to repayment; - in the form of an interest-bearing or non-interest-bearing loan with a natural right to repayment. The share capital is predetermined to achieve the corporate purpose and it may be increased even by way of contribution in kind and/or credits in accordance with the combined provision of Sections 2342, 2343 et seq of the Italian Civil Code. The shareholders' meeting may resolve a reduction of the share capital, also by means of allocation to individual shareholders or groups of shareholders of specific corporate assets or shares or holdings in other companies, in which the Company has an investment. The shareholders' meeting may resolve an increase of the share capital pursuant to and within the limits of Section 2441, paragraph 4, second sentence, of the Italian Civil Code, and assign the management body the power to increase the share capital according to Section 2443 of the Italian Civil Code.</p> | |
| | <p>The Extraordinary Shareholders' Meeting held on January 10, 2022 resolved to grant the Board of Directors the proxy, to be exercised one or more times within 30 months from the date of the shareholders' resolution, for a maximum amount of Euro 60,000,000.00 including the premium: (i) to increase the share capital against payment, in</p> |

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| | <p>divisible form, pursuant to Section 2443 of the Italian Civil Code, also with the exclusion or limitation of the option right pursuant to Section 2441, paragraphs 4, 5 and 8, of the Italian Civil Code, also through the issuance of shares to be reserved to serve incentive programs based on the assignment of financial instruments in favor of directors, employees and collaborators of the Company, identified by the Board of Administration against specific lock-up commitments by the latter; and (ii) to issue bonds that are convertible into ordinary shares of the company pursuant to Section 2420-ter of the Italian Civil Code, together with the power to resolve the related capital increase to serve the conversion, also with the exclusion or limitation of the option right pursuant to Section 2441, paragraph 5, of the Italian Civil Code.</p> <p>The resolution or resolutions for the capital increase must define the portion of the issue price of the shares offered to be charged to the capital and the portion of the issue price, if any, to be charged to the share premium.</p> |
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11) INFORMATION ABOUT THE EXISTANCE OF THE WITHDRAWAL RIGHT: NO CASES OF WITHDRAWAL IN RELATION TO THE PROPOSED BY-LAW AMENDMENTS

The proposed amendments to the By-Laws of Tiscali S.p.A. referred to in this Report do not give rise to the right of withdrawal pursuant to Section 2437 of the Italian Civil Code usually provided in favor of

shareholders who did not take part to the resolutions covered by this Report.

12) RESOLUTION PROPOSED TO THE EXTRAORDINARY SHAREHOLDERS' MEETING

In light of the above, the Board of Directors intends to submit to the Extraordinary Shareholders' Meeting the following resolution proposal relating to item 1) on the agenda of the extraordinary session:

"The Extraordinary Shareholders' Meeting of Tiscali S.p.A.:

- having heard the exposition of the Chairman;

- having examined the report of the Board of Directors and the proposals formulated therein,

resolves

- 1) to grant the proxy to the Board of Directors, to be exercised in one or more times within 30 months from the date of the shareholders' resolution, for a maximum of Euro 60,000,000.00 including the premium: (i) to increase the share capital against payment, in divisible form, pursuant to Section 2443 of the Italian Civil Code, also with the exclusion or limitation of the option right pursuant to Section 2441, paragraphs 4, 5 and 8, of the Italian Civil Code, also through the issue of shares to be reserved for the service of incentive programs based on the assignment of financial instruments in favor of directors, employees and collaborators of the Company, identified by the Board of Administration against specific lock-up commitments by the latter; and (ii) to issue bonds convertible into ordinary shares of the company pursuant to Section 2420-ter of the Italian Civil Code, together with the power to approve the related capital increase to service the conversion, also with the exclusion or limitation of the option right pursuant to Section 2441, paragraph 5, of the Italian Civil Code;*
- 2) to consequently amend Section 5 of the By-Laws as indicated in the explanatory report of the Board of Directors;*
- 3) to grant the Board of Directors the widest powers to establish all the methods, terms and conditions (a) of the capital increase in compliance with the limits indicated above, including, but not limited to, the power to determine, for each possible tranche, the recipients of the offer, the total amount of the offer, the number and issue price of the shares to be issued (including any share premium), or (b) the issue of convertible bonds in compliance with the limits indicated above, including, but not limited to, the power to determine, for each possible tranche, the recipients of the offer, the total amount of the bonds, the number and the*

issue price of the bonds to be issued as well as the shares to be issued as part of the capital increase to service the conversion of the same (or the parameters for determining the said prices at the time of execution) in compliance with the procedures and criteria established by the legislation applicable from time to time;

4) to grant the Board of Directors and on its behalf to the Chairman and the Chief Executive Officer, severally, within the limits provide for by law - without prejudice to the collective nature of the exercise of the delegation pursuant to Sections 2443 and 2420-ter of the Italian Civil Code - all and more extensive powers to undertake all actions deemed necessary for the implementation of the resolutions adopted today, as well as to fulfill all the formalities so that all the resolutions adopted today may obtain the approvals required by law and in everything necessary for the complete execution of the resolutions themselves, with any and all powers necessary and appropriate for this purpose, none excluded and excepted, including the power to amend the resolutions in order to modify, rectify or add non-substantial elements which are deemed necessary for the filing before the Companies' Register, also in relation to any indication from the Supervisory Authority, including the task of filing the updated By-Laws with the relevant Companies' Register in relation to the execution of the capital increases, including those deriving from the conversion of bonds".

Item 3 on the agenda:

Proposal to change the legal name of the Company as appearing in Section 1 of the Company's By-Laws, from "Tiscali S.p.A." to "Tessellis S.p.A." Related and consequent resolutions.

Dear Shareholders,

the proposal concerns the change of the legal name of the parent company from Tiscali S.p.A. to "Tessellis S.p.A.". The rebranding proposal of the Company is part of the wider reorganization process of the Tiscali Group - launched with the acquisition of the retail activities from Linkem S.p.A. (now OpNet S.p.A.) and the related merger by incorporation of Linkem Retail S.r.l. in the Company with effect from August 1st, 2022 - aimed at consolidating the identity position of the Company in the financial market and at developing new market areas. In particular, the scope of this proposal is to make the name of the parent company more fashionable and representative, focusing at the same on the services and products offered by the various entities of the Tiscali group, in line with and for the implementation of the purposes of the new business plan, namely

distinction, rationalization and enhancement of the different business segments that currently exist.

For the above reasons, the Board of Directors proposes to amend Section 1 of the By-Laws which the current content is shown below, together with the comparison column relating to the proposed changes (the changes are shown in bold).

| CURRENT WORDING | REVISED WORDING |
|--|---|
| Section 1 – Corporate name A joint-stock company has been established existing under the corporate name of "TISCALI S.p.A." | Section 1 – Corporate name A joint-stock company has been established existing under the corporate name of " TESSELLIS S.p.A. " |

In light of the above, the Board of Directors intends to submit to the Extraordinary Shareholders' Meeting the following resolution proposal relating to item 3) on the agenda of the extraordinary session:

"The Extraordinary Shareholders' Meeting of Tiscali S.p.A.:

- having heard the exposition of the Chairman;

- having examined the report of the Board of Directors and the proposals formulated therein,

resolves

(i) to amend the corporate name in "Tessellis S.p.A." and, consequently, to amend Section. 1 of the current By-Laws, according to the wording the follows "Section 1 – Corporate name. A joint-stock company has been established existing under the corporate name of "TESSELLIS S.p.A."

(ii) to grant the Chief Executive Officer Davide Rota any wider power to implement this resolution including, by way of example but not limited to, the following powers: (a) fulfill all formalities necessary for the adopted resolution to be filed before the companies' register, accepting and introducing in the same register the modifications, additions or deletions, formal and not substantial, eventually requested from the competent authorities; (b) consent, once the change of name has become effective, to the transfer of the title and transfer of each asset, movable property registered in public registers, real estate, public and private securities, shares, by executing any supplementary and/or amending deeds; (c) perform all activities that are deemed necessary or even just appropriate for the complete execution and publicity of the resolutions

themselves, including those vis-à-vis any competent authority (including Borsa Italiana S.p.A.)."

Tiscali S.p.A.

On behalf of the Board of Directors

Chief Executive Officer

Davide Rota