



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 THE BOARD OF DIRECTORS ON THE PROPOSALS ON THE  
AGENDA OF THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS 'MEETING OF  
JANUARY 10, 2023, PREPARED IN ACCORDANCE WITH SECTION 125-TER OF LEGISLATIVE  
DECREE 58/1998*

Cagliari, DECEMBER 6, 2022

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 RESOLUTIONS

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.

Pursuant to and for the purposes of Section 125-ter of Legislative Decree no. 58/1998, we submit this report to your attention with reference to item 1 on the agenda.

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

Dear Shareholders,

following the resignation dated May 16, 2022 by the Effective Auditor, Gaetano Rebecchini, the Alternate Auditor Andrea Borghini took over the position of the Effective Auditor in compliance with the provisions of the Law and By-Laws. It is therefore mandatory, upon the convened meeting, to appoint two members of the Board of Statutory Auditors, one effective and one alternate.

It should be noted that the list voting mechanism provided for by Section 18 of the By-Laws, shall not apply in the event of appointment of only two members of the Board of Statutory Auditors, as in the present case, provided that such rule is only enforceable for the complete renewal of the supervisory body.

Given the above, we invite you to vote for the appointment, determination of the remuneration and term of office of the Effective Auditor, as well as for the appointment and determination of the term of office of the Alternate Auditor; in this regard, the Board of Directors proposes to confirm Andrea Borghini, who has already taken over from Rebecchini following his resignation, as Effective Auditor and Antonio Zecca as Alternate Auditor; that their office would have the same duration of the other members of the Board of Statutory Auditors (namely, until the approval of 2023 financial statements) and that

the Effective Auditor receives a gross annual fee of 35 thousand Euro (same remuneration granted to the other Effective Auditor, Rita Casu).

Attached to this report are copies of the candidates' curriculum vitae and the relative declaration by which the candidate confirms the acceptance of the candidacy, the absence of ineligibility or incompatibility causes and the existence of integrity and professionalism skills, the above in compliance with the Law and By-Laws. We therefore propose that you adopt a resolution in line with the following proposal:

*"The Ordinary Shareholders' Meeting of Tiscali S.p.A., having read the Directors' Report and having heard the presentation of the Chairman,*

*resolves*

- 1. to appoint as Effective Auditor of the Company Andrea Borghini, whose office shall have the same duration of the other members of the Board of Statutory Auditor and, therefore, until the date of the Shareholders' Meeting called to approve the 2023 financial statements, and to set a gross annual remuneration of Euro 35,000; consequently, grant to the Chairman and the Chief Executive Officer, severally and not jointly, the widest powers for the purposes of implementing this resolution, also by means of proxies and in compliance with the terms and conditions provided for by the Law and, if appropriate or necessary, to make additions, amendments and formal deletions that may be requested by the competent authorities for the filing of the relative deeds before the companies' register;*
- 2. to appoint as Alternate Auditor of the Company Antonio Zecca, whose office shall have the same duration of the other members of the Board of Statutory Auditor and, therefore, until the date of the Shareholders' Meeting called to approve the 2023 financial statements; consequently, grant to the Chairman and the Chief Executive Officer, severally and not jointly, the widest powers for the purposes of implementing this resolution, also by means of proxies and in compliance with the terms and conditions provided for by the Law and, if appropriate or necessary, to make additions, amendments and formal deletions that may be requested by the*

*competent authorities for the filing of the relative deeds before the companies' register."*

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Dear Shareholders,

while referring the information on items 2 and 3 on the agenda to the documentation that will be provided according to Law, we invite you to comment on the proposals illustrated above.

Cagliari, December 6, 2022

**Tiscali S.p.A.**

On behalf of the Board of Directors

Davide Rota

Chief Executive Officer