



SPAFID
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Data/Ora Ricezione : 23 Dicembre 2022 14:39:52
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Diffusione presunta
Oggetto : Tiscali S.p.A. - Approval for the release of
the Prospectus of admission to trading on
Euronext Milan of ordinary shares of Tiscali
S.p.A.

Testo del comunicato

Vedi allegato.



Approval for the release of the Prospectus of admission to trading on Euronext Milan, organised and managed by Borsa Italiana S.p.A., of ordinary shares of Tiscali S.p.A.

* * * *

Cagliari, 22 December 2022

Tiscali S.p.A. (hereinafter referred to as “**Tiscali**” or the “**Company**”) announces that it has received today from CONSOB the authorisation to publish the registration document, which sets out the risk factors relating to the Tiscali Group, the information note, which sets out the risk factors relating to the Shares (as defined below) and the summary note, which together constitute the prospectus for admission to trading (hereinafter referred to as the “**Prospectus**”) relating to:

(i) No. 5,806,112 Tiscali ordinary shares, ISIN IT0005496481, with no indication of par value, with regular dividend rights and the same characteristics as the outstanding ordinary shares, not admitted to trading, deriving from the conversion of the bonds of the mandatory convertible bond loan into Tiscali ordinary shares offered in full to Nice&Green S.A., and

(ii) n. 104,025,497 Tiscali ordinary shares, ISIN IT0005496481, without indication of nominal value, with regular enjoyment and the same characteristics of the outstanding ordinary shares, issued and assigned to OpNet S.p.A. (formerly Linkem S.p.A.) (hereinafter referred to as “**OpNet**”) in the context of the merger by incorporation of Linkem Retail S.r.l. – transferee of the retail branch headed by Opnet – into Tiscali pursuant to Article No. 2501-ter of the Italian Civil Code,

(hereinafter jointly referred to as the “**Shares**”),

As per the request received by Consob on 21 December 2022 pursuant to Article No. 114(5) of the Consolidated Law on Financial Intermediation, the following disclosure is provided in the registration document:

Risk Factor A.1.1 Risks Related to the Group’s Financial Position and Uncertainties Related to Business as a Going Concern

“[...] The prospect of the Issuer and the Tiscali Group continuing as a going concern is closely linked both to the Company’s ability to raise sufficient resources to meet the Group’s overall net financial requirements for the twelve months following the Registration Document Date and to the Company’s ability to implement the actions of the post-Merger Business Plan in accordance with the terms and measures set out therein.”

As at the Registration Document Date, the Tiscali Group’s estimated total net financial requirements for the twelve months following the Registration Document Date – determined taking into account the indications contained in the document 04/03/2021/ ESMA 32-328-1138 – amount to EUR 62 million.

The Issuer expects to cover the Group’s net financial requirements for the 12 months following the Registration Document Date, (i) primarily through the resources deriving from the subscription of the New POC by N&G, expected to total EUR 60 million during the 12 months following the Registration Document Date and (ii), for the

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Shareholders’ Capital 185,513,965.37 fully paid-up VAT 02375280928 R.E.A. 191784 C.C.I.A.A. Cagliari tiscali.com

excess part, through the resources expected to derive from the sale of certain assets of the Group, deemed not strictly necessary for the implementation of the post-Merger Business Plan (Internet Protocol version 4 (IPv4) addresses, which allow all computers connected to the Internet to communicate with each other).

As at the Registration Document Date, there are high uncertainties regarding the subscription by Nice&Green of the New POC in accordance with measures and timing consistent with the Group's overall net financial requirements for the twelve months following the Registration Document Date, as well as with the financing requirements of the additional shares of the post-Merger Business Plan. The investment agreement relating to the New POC provides for conditions precedent (in particular, the execution of the Opnet Share Loan which allows Nice&Green to receive Tiscali shares admitted to trading on Euronext Milan in anticipation of the issue of the shares to service the conversion), commitments to be fulfilled by the Issuer (Covenants), events of default, early termination and other clauses involving limits on the use of financial resources. There is also a high risk that within the time horizon of the twelve months following the Registration Document Date the cash inflows from the subscription of the New POC may not be sufficient and consistent with the financial commitments falling due from time to time in the aforementioned time horizon.

As at the Registration Document Date, there are also high uncertainties as to the successful outcome of the further measure identified to cover the Group's overall net financial requirements for the twelve months following the Registration Document Date (i.e. the sale of IPv4 addresses), as the successful outcome of such measure requires the involvement and consent of third parties with respect to the Group.

In the event that the New POC is not signed and the sale of the aforesaid assets of the Group is not successful in the absence of further timely actions, the financial resources available to the Group are expected to be exhausted by the first quarter of the financial year 2023.

If, subsequent to an investment in the Issuer's Shares, the assumption of the Issuer's and the Group's business as a going concern were to fail, the value of the Shares could be reduced to zero, thereby incurring a total loss of the invested capital for the investor [...]."

The following table shows the main forward-looking information extracted from the Post-Merger Business Plan (as defined pursuant to the Prospectus) that the Issuer's Board of Directors approved on 8 July 2022.

(EUR million)	Forward-looking data					
	Tiscali Group 30 June 2022	Linkem Retail carve-out financial statements 30 June 2022	Forecast 2022	2025	CAGR vs Tiscali 2021	2022-2025 CAGR
Revenues	64	60	121	455	33%	20%
Other income	13	2	1	2	n.a.	n.a.
EBITDA	13	9,6	28	120	62%	33%
EBITDA margin	20%	16%	23%	26%	Not applicable	Not applicable
Working cash flow	Not applicable	Not applicable	(1)	11	Not applicable	Not applicable

Based on the post-Merger Business Plan, it is expected that the Group's consolidated EBIT and consolidated net result will reverse from negative to positive in the final year of the post-Merger Business Plan (2025).

The Issuer expects the Tiscali Group's consolidated net result for the year 2022 – reflecting the completion of the Merger on 1 August 2022 – to be negative by EUR 20 million. The Tiscali Group's consolidated net result for the financial year 2021 is negative for EUR 20.6 million. The actual consolidated net result for 2021 and the forecast of the consolidated net result for 2022 are not

comparable in view of the change in the Group's scope of consolidation brought about by the Merger. The Merger, which from an accounting point of view is a reverse merger, will be reflected in the financial statements for the year ending 31 December 2022.

Risk factor A.1.2. Risks Related to the Implementation of the Post-Merger Business Plan

"[...] As at the Registration Document Date, there is a risk that the actions taken by the Issuer will not produce the economic results provided for in the Business Plan, in light of the uncertainties that characterise the assumptions of the post-Merger Business Plan. The Group's ability to achieve results in line with the forecasts of the post-Merger Business Plan depends on various assumptions of a general nature, i.e., discretionary and relating to factors over which the members of the administrative, management or supervisory bodies may have an influence, and of a hypothetical nature, linked to the trend of uncontrollable variables and relating to factors over which the members of the administrative, management or supervisory bodies have no influence, such as, inter alia, the evolution of the macroeconomic environment; the national and European regulatory framework; the entry of additional and different competitors in the Group's reference markets with respect to those that were conceivable at the date of approval of the post-Merger Business Plan. In particular, the assumptions characterised by the greatest uncertainty relate to the full subscription of the New POC by N&G and the circumstance that approximately 80% of the estimated revenues for 2025 refer to agreements not yet entered into as of the Date of the Registration Document. In addition, the Post-Merger Business Plan assumes that the COVID-19 pandemic and the Russian-Ukrainian conflict will not have a negative impact on the Group's business and the realisation of its planned investments. As of the Date of the Registration Document, the risk of non-implementation of the Post-Merger Business Plan is high."

The Prospectus was filed today with CONSOB and published in accordance with the law. The Prospectus is made available to the public at Tiscali's registered office in Cagliari, Località Sa Illetta, SS 195 Km 2,300 and on Tiscali's website (www.tiscali.com).

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About Tiscali

Tiscali S.p.A. (Italian Stock Exchange. Milan: TIS), the Smart Telco with the largest Fibre coverage in Italy, provides its customers – individuals, businesses and Public Administration – with a wide range of services: Broadband and UltraBroadband Fixed and Fixed Wireless Internet access, Mobile Telephony services and value-added services (including security, cloud and socialmedia services). Tiscali is also one of Italy's leading news portals, with over 9 million visitors per month. Tiscali's website can be reached at www.tiscali.it.

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