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May 7, 2025

*This document has been translated into English for the convenience of the readers.  
In the event of discrepancy, the Italian language version prevails.*

## TIM GROUP – STATEMENTS

The Consolidated Income Statement, Consolidated Statements of Comprehensive Income, Consolidated Statements of Financial Position, Consolidated Statements of Cash Flows and Consolidated Statements of Changes in Equity, as well as the Consolidated Net Financial Debt of the TIM Group, presented below, are consistent with the statements presented in the consolidated financial statements contained in TIM's Annual Financial Report for the year ended December 31, 2024 and the half-year financial report. These statements have not been audited by the Independent Auditors.

The accounting policies and consolidation principles adopted are consistent with those applied for the TIM Group Consolidated Financial Statements at December 31, 2024, to which reference is made, except for the amendments to the standards issued by IASB and adopted starting from January 1, 2025.

## TIM GROUP - SEPARATE CONSOLIDATED INCOME STATEMENTS

(million euros)	1st Quarter 2025	1st Quarter 2024	Changes	
	(a)	(b)	(a-b)	
			absolute	%
<b>Revenues</b>	<b>3,276</b>	<b>3,764</b>	<b>(488)</b>	<b>(13.0)</b>
Other income	42	34	8	23.5
<b>Total operating revenues and other income</b>	<b>3,318</b>	<b>3,798</b>	<b>(480)</b>	<b>(12.6)</b>
Acquisition of goods and services	(1,919)	(1,688)	(231)	(13.7)
Employee benefits expenses	(383)	(695)	312	44.9
Other operating expenses	(141)	(192)	51	26.6
Change in inventories	(2)	28	(30)	—
Internally generated assets	68	149	(81)	(54.4)
<b>Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)</b>	<b>941</b>	<b>1,400</b>	<b>(459)</b>	<b>(32.8)</b>
Depreciation and amortization	(735)	(1,172)	437	37.3
Gains (losses) on disposals of non-current assets	3	(2)	5	—
Impairment reversals (losses) on non-current assets	—	(7)	7	—
<b>Operating profit (loss) (EBIT)</b>	<b>209</b>	<b>219</b>	<b>(10)</b>	<b>(4.6)</b>
Share of losses (profits) of associates and joint ventures accounted for using the equity method	(7)	(5)	(2)	(40.0)
Other income (expenses) from investments	—	—	—	—
Finance income	228	300	(72)	(24.0)
Finance expenses	(501)	(796)	295	37.1
<b>Profit (loss) before tax from continuing operations</b>	<b>(71)</b>	<b>(282)</b>	<b>211</b>	<b>74.8</b>
Income tax expense	11	(43)	54	—
<b>Profit (loss) from continuing operations</b>	<b>(60)</b>	<b>(325)</b>	<b>265</b>	<b>81.5</b>
<b>Profit (loss) from Discontinued operations / Non current assets held for sale</b>	<b>(21)</b>	<b>(17)</b>	<b>(4)</b>	<b>(23.5)</b>
<b>Profit (loss) for the period</b>	<b>(81)</b>	<b>(342)</b>	<b>261</b>	<b>76.3</b>
Attributable to:				
<b>Owners of the Parent</b>	<b>(124)</b>	<b>(400)</b>	<b>276</b>	<b>69.0</b>
Non-controlling interests	43	58	(15)	(25.9)

## TIM GROUP - CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

In accordance with IAS 1 (Presentation of Financial Statements), the following Consolidated Statements of Comprehensive Income include the Profit (loss) for the period as shown in the Separate Consolidated Income Statement and all non-owner changes in equity.

(million euros)

	1st Quarter 2025	1st Quarter 2024
<b>Profit (loss) for the period</b> (a)	<b>(81)</b>	<b>(342)</b>
<b>Other components of the Consolidated Statement of Comprehensive Income</b>		
<b>Other components that will not be reclassified subsequently to Separate Consolidated Income Statement</b>		
<b>Financial assets measured at fair value through other comprehensive income:</b>		
Profit (loss) from fair value adjustments	4	8
Income tax effect	—	—
(b)	<b>4</b>	<b>8</b>
<b>Remeasurements of employee defined benefit plans (IAS 19):</b>		
Actuarial gains (losses)	—	—
Income tax effect	—	—
(c)	<b>—</b>	<b>—</b>
<b>Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method:</b>		
Profit (loss)	—	—
Income tax effect	—	—
(d)	<b>—</b>	<b>—</b>
<b>Total other components that will not be reclassified subsequently to Separate Consolidated Income Statement</b> (e=b+c+d)	<b>4</b>	<b>8</b>
<b>Other components that will be reclassified subsequently to Separate Consolidated Income Statement</b>		
<b>Financial assets measured at fair value through other comprehensive income:</b>		
Profit (loss) from fair value adjustments	4	(3)
Loss (profit) transferred to Separate Consolidated Income Statement	(4)	10
Income tax effect	—	—
(f)	<b>—</b>	<b>7</b>
<b>Hedging instruments:</b>		
Profit (loss) from fair value adjustments	(1)	56
Loss (profit) transferred to Separate Consolidated Income Statement	77	(110)
Income tax effect	(19)	14
(g)	<b>57</b>	<b>(40)</b>
<b>Exchange differences on translating foreign operations:</b>		
Profit (loss) on translating foreign operations	137	(39)
Loss (profit) on translating foreign operations transferred to Separate Consolidated Income Statement	—	—
Income tax effect	—	—
(h)	<b>137</b>	<b>(39)</b>
<b>Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method:</b>		
Profit (loss)	—	—
Loss (profit) transferred to Separate Consolidated Income Statement	—	—
Income tax effect	—	—
(i)	<b>—</b>	<b>—</b>
<b>Total other components that will be reclassified subsequently to Separate Consolidated Income Statement</b> (k=f+g+h+i)	<b>194</b>	<b>(72)</b>
<b>Total other components of the Consolidated Statements of Comprehensive Income</b> (m=e+k)	<b>198</b>	<b>(64)</b>
<b>Comprehensive income (loss) for the period</b> (a+m)	<b>117</b>	<b>(406)</b>
Attributable to:		
<b>Owners of the Parent</b>	<b>22</b>	<b>(449)</b>
Non-controlling interests	95	43

## TIM GROUP - CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(million euros)

	3/31/2025 (a)	12/31/2024 (b)	Changes (a-b)
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Goodwill	11,061	11,030	31
Intangible assets with a finite useful life	5,902	6,011	(109)
	<b>16,963</b>	<b>17,041</b>	<b>(78)</b>
<b>Tangible assets</b>			
Property, plant and equipment owned	<b>4,263</b>	<b>4,560</b>	<b>(297)</b>
<b>Rights of use assets</b>	<b>3,311</b>	<b>3,467</b>	<b>(156)</b>
<b>Other non-current assets</b>			
Investments in associates and joint ventures accounted for using the equity method	265	265	—
Other investments	145	150	(5)
Non-current financial receivables arising from lease contracts	37	40	(3)
Other non-current financial assets	548	646	(98)
Miscellaneous receivables and other non-current assets	1,739	1,795	(56)
Deferred tax assets	527	513	14
	<b>3,261</b>	<b>3,409</b>	<b>(148)</b>
<b>Total Non-current assets</b> (a)	<b>27,798</b>	<b>28,477</b>	<b>(679)</b>
<b>Current assets</b>			
Inventories	223	297	(74)
Trade and miscellaneous receivables and other current assets	4,115	4,146	(31)
Current income tax receivables	113	124	(11)
<b>Current financial assets</b>			
Current financial receivables arising from lease contracts	32	44	(12)
Securities other than investments, other financial receivables and other current financial assets	2,275	1,651	624
Cash and cash equivalents	2,227	2,924	(697)
	4,534	4,619	(85)
<b>Current assets sub-total</b>	<b>8,985</b>	<b>9,186</b>	<b>(201)</b>
<b>Discontinued operations /Non-current assets held for sale</b>			
of a financial nature	117	—	117
of a non-financial nature	1,053	—	1,053
	<b>1,170</b>	<b>—</b>	<b>1,170</b>
<b>Total Current assets</b> (b)	<b>10,155</b>	<b>9,186</b>	<b>969</b>
<b>Total Assets</b> (a+b)	<b>37,953</b>	<b>37,663</b>	<b>290</b>

(million euros)	3/31/2025 (a)	12/31/2024 (b)	Changes (a-b)
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity attributable to owners of the Parent	11,975	11,957	18
Non-controlling interests	1,348	1,404	(56)
<b>Total Equity</b> (c)	<b>13,323</b>	<b>13,361</b>	<b>(38)</b>
<b>Non-current liabilities</b>			
Non-current financial liabilities for financing contracts and others	8,223	8,728	(505)
Non-current financial liabilities for lease contracts	2,481	2,421	60
Employee benefits	194	200	(6)
Deferred tax liabilities	62	61	1
Provisions	464	485	(21)
Miscellaneous payables and other non-current liabilities	777	896	(119)
<b>Total Non-current liabilities</b> (d)	<b>12,201</b>	<b>12,791</b>	<b>(590)</b>
<b>Current liabilities</b>			
Current financial liabilities for financing contracts and others	4,003	3,870	133
Current financial liabilities for lease contracts	490	523	(33)
Trade and miscellaneous payables and other current liabilities	6,886	7,074	(188)
Current income tax payables	44	44	—
<b>Current liabilities sub-total</b>	<b>11,423</b>	<b>11,511</b>	<b>(88)</b>
<b>Liabilities directly associated with Discontinued operations/Non-current assets held for sale</b>			
of a financial nature	594	—	594
of a non-financial nature	412	—	412
	<b>1,006</b>	<b>—</b>	<b>1,006</b>
<b>Total Current Liabilities</b> (e)	<b>12,429</b>	<b>11,511</b>	<b>918</b>
<b>Total Liabilities</b> (f=d+e)	<b>24,630</b>	<b>24,302</b>	<b>328</b>
<b>Total Equity and Liabilities</b> (c+f)	<b>37,953</b>	<b>37,663</b>	<b>290</b>

# TIM GROUP - CONSOLIDATED STATEMENT OF CASH FLOW

(million euros)

	1st Quarter 2025	1st Quarter 2024
<b>Cash flows from operating activities:</b>		
Profit (loss) from continuing operations	(60)	(325)
Adjustments for:		
Depreciation and amortization	735	1,172
Impairment losses (reversals) on non-current assets including investments	—	7
Net change in deferred tax assets and liabilities	(43)	29
Losses (gains) realized on disposals of non-current assets (including investments)	(3)	1
Share of losses (profits) of associates and joint ventures accounted for using the equity method	7	5
Change in employee benefits	12	24
Change in inventories	2	(26)
Change in trade receivables and other net receivables	(10)	148
Change in trade payables	(464)	(558)
Net change in income tax receivables/payables	12	34
Net change in miscellaneous receivables/payables and other assets/liabilities	143	(113)
<b>Cash flows from (used in) operating activities</b>	<b>(a) 331</b>	<b>398</b>
<b>Cash flows from investing activities:</b>		
Purchases of intangible, tangible and rights of use assets on a cash basis	(547)	(1,053)
Contributions for plants received	—	—
Acquisition of control of companies or other businesses, net of cash acquired	—	—
Acquisitions/disposals of other investments	(18)	(8)
Change in financial receivables and other financial assets (excluding hedging and non-hedging derivatives under financial assets)	(1) 4	415
Proceeds from sale that result in a loss of control of subsidiaries or other businesses, net of cash disposed of	—	—
Proceeds from sale/repayments of intangible, tangible and other non-current assets	1	1
<b>Cash flows from (used in) investing activities</b>	<b>(b) (560)</b>	<b>(645)</b>
<b>Cash flows from financing activities:</b>		
Change in current financial liabilities and other	(188)	(86)
Proceeds from non-current financial liabilities (including current portion)	—	—
Repayments of non-current financial liabilities (including current portion)	(199)	(1,297)
Changes in hedging and non-hedging derivatives	5	2
Share capital proceeds/reimbursements (including subsidiaries)	—	—
Dividends paid	(35)	(39)
Changes in ownership interests in subsidiaries	(2)	(1)
<b>Cash flows from (used in) financing activities</b>	<b>(c) (419)</b>	<b>(1,421)</b>
<b>Cash flows from (used in) Discontinued operations/Non-current assets held for sale</b>	<b>(d) (33)</b>	<b>45</b>
<b>Aggregate cash flows</b>	<b>(e=a+b+c+d) (681)</b>	<b>(1,623)</b>
<b>Net cash and cash equivalents at beginning of the period</b>	<b>(f) 2,924</b>	<b>2,912</b>
Net foreign exchange differences on net cash and cash equivalents	(g) 17	(4)
<b>Net cash and cash equivalents at end of the period</b>	<b>(h=e+f+g) 2,260</b>	<b>1,285</b>

(1) This item includes investments in marketable securities amounting to 564 million euros for the first quarter of 2025 (610 million euros for the first quarter of 2024) and redemptions of marketable securities amounting to 562 million euros for the first quarter of 2025 (747 million euros for the first quarter of 2024), relating to TIM S.A. and Telecom Italia Finance S.A.

### Purchases of intangible, tangible and rights of use assets

(million euros)	1st Quarter 2025	1st Quarter 2024
Purchase of intangible assets	(217)	(248)
Purchase of tangible assets	(234)	(655)
Purchase of right of use assets	(146)	(245)
Total purchases of intangible, tangible and rights of use assets on an accruals basis	(598)	(1,149)
Change in payables arising from purchase of intangible, tangible and rights of use assets	50	96
Total purchases of intangible, tangible and rights of use assets on a cash basis	(547)	(1,053)

### Additional Cash Flow information

(million euros)	1st Quarter 2025	1st Quarter 2024
Income taxes (paid) received	(12)	(7)
Interest expense paid	(324)	(626)
Interest income received	81	122
Dividends received	—	—

### Analysis of Net Cash and Cash Equivalents

(million euros)	1st Quarter 2025	1st Quarter 2024
<b>Net cash and cash equivalents at beginning of the period:</b>		
Cash and cash equivalents	2,914	2,835
Bank overdrafts repayable on demand	—	—
Cash and cash equivalents - from Discontinued operations/Non-current assets held for sale	10	77
Bank overdrafts repayable on demand - from Discontinued operations/Non-current assets held for sale	—	—
	<b>2,924</b>	<b>2,912</b>
<b>Net cash and cash equivalents at end of the period:</b>		
Cash and cash equivalents	2,227	1,215
Bank overdrafts repayable on demand	—	—
Cash and cash equivalents - from Discontinued operations/Non-current assets held for sale	33	70
Bank overdrafts repayable on demand - from Discontinued operations/Non-current assets held for sale	—	—
	<b>2,260</b>	<b>1,285</b>

# TIM GROUP - CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Changes from January 1, 2024 to March 31, 2024

(million euros)	Equity attributable to owners of the Parent								Total	Non-controlling interests	Total Equity
	Share capital	Additional paid-in capital	Reserve for financial assets measured at fair value through other comprehensive income	Reserve for hedging instruments	Reserve for exchange differences on translating foreign operations	Reserve for remeasurements of employee defined benefit plans (IAS 19)	Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	Other reserves and retained earnings (accumulated losses), including profit (loss) for the period			
<b>Balance at December 31, 2023</b>	11,620	575	(22)	(80)	(1,959)	(79)	—	3,591	13,646	3,867	17,513
<b>Changes in equity during the period:</b>											
Dividends approved								—	—	(94)	(94)
Comprehensive income (loss) for the period			15	(40)	(24)			(400)	(449)	43	(406)
LTI granting of treasury shares	4							(4)	—		—
Other changes									—	(6)	(6)
<b>Balance at March 31, 2024</b>	11,624	575	(7)	(120)	(1,983)	(79)	—	3,187	13,197	3,810	17,007

Changes from January 1, 2025 to March 31, 2025

(million euros)	Equity attributable to owners of the Parent								Total	Non-controlling interests	Total Equity
	Share capital	Additional paid-in capital	Reserve for financial assets measured at fair value through other comprehensive income	Reserve for hedging instruments	Reserve for exchange differences on translating foreign operations	Reserve for remeasurements of employee defined benefit plans (IAS 19)	Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	Other reserves and retained earnings (accumulated losses), including profit (loss) for the period			
<b>Balance at December 31, 2024</b>	11,624	—	(6)	(76)	(2,439)	(66)	—	2,920	11,957	1,404	13,361
<b>Changes in equity during the period:</b>											
Dividends approved									—	(152)	(152)
Comprehensive income (loss) for the period			4	57	85			(124)	22	95	117
Other changes								(4)	(4)	1	(3)
<b>Balance at March 31, 2025</b>	11,624	—	(2)	(19)	(2,354)	(66)	—	2,792	11,975	1,348	13,323



## TIM GROUP - NET FINANCIAL DEBT

(million euros)	3/31/2025 (a)	12/31/2024 (b)	Change (a-b)
<b>Non-current financial liabilities</b>			
Bonds	7,065	7,527	(462)
Amounts due to banks, other financial payables and liabilities	1,158	1,201	(43)
Non-current financial liabilities for lease contracts	2,481	2,421	60
	<b>10,704</b>	<b>11,149</b>	<b>(445)</b>
<b>Current financial liabilities (*)</b>			
Bonds	2,714	2,401	313
Amounts due to banks, other financial payables and liabilities	1,289	1,469	(180)
Current financial liabilities for lease contracts	490	523	(33)
	<b>4,493</b>	<b>4,393</b>	<b>100</b>
Financial liabilities directly associated with Discontinued operations/Non-current assets held for sale	594	—	594
<b>Total Gross financial debt</b>	<b>15,791</b>	<b>15,542</b>	<b>249</b>
<b>Non-current financial assets</b>			
Securities other than investments	—	—	—
Non-current financial receivables arising from lease contracts	(37)	(40)	3
Financial receivables and other non-current financial assets	(548)	(646)	98
	<b>(585)</b>	<b>(686)</b>	<b>101</b>
<b>Current financial assets</b>			
Securities other than investments	(1,558)	(1,539)	(19)
Current financial receivables arising from lease contracts	(32)	(44)	12
Financial receivables and other current financial assets	(717)	(112)	(605)
Cash and cash equivalents	(2,227)	(2,924)	697
	<b>(4,534)</b>	<b>(4,619)</b>	<b>85</b>
Financial assets relating to Discontinued operations/Non-current assets held for sale	(117)	—	(117)
<b>Total financial assets</b>	<b>(5,236)</b>	<b>(5,305)</b>	<b>69</b>
<b>Net financial debt carrying amount</b>	<b>10,555</b>	<b>10,237</b>	<b>318</b>
Reversal of fair value measurement of derivatives and related financial liabilities/assets	(109)	(111)	2
<b>Adjusted Net Financial Debt</b>	<b>10,446</b>	<b>10,126</b>	<b>320</b>
Breakdown as follows:			
<b>Total adjusted gross financial debt</b>	<b>15,477</b>	<b>15,189</b>	<b>288</b>
<b>Total adjusted financial assets</b>	<b>(5,031)</b>	<b>(5,063)</b>	<b>32</b>
(*) of which current portion of medium/long-term debt:			
Bonds	2,714	2,401	313
Amounts due to banks, other financial payables and liabilities	1,000	991	9
Current financial liabilities for lease contracts	471	474	(3)

## TIM GROUP - CHANGE IN ADJUSTED NET FINANCIAL DEBT

(million euros)	1st Quarter 2025 (a)	1st Quarter 2024 (b)	Change (a-b)
EBITDA	941	1,400	(459)
Capital expenditures on an accrual basis	(457)	(913)	456
Change in net operating working capital:	(348)	(528)	180
Change in inventories	2	(26)	28
Change in trade receivables and other net receivables	(10)	148	(158)
Change in trade payables	(554)	(698)	144
Change in payables for mobile telephone licenses/spectrum	—	—	—
Other changes in operating receivables/payables	214	48	166
Change in employee benefits	12	24	(12)
Change in operating provisions and Other changes	(4)	47	(51)
<b>Net Operating Free Cash Flow</b>	<b>144</b>	<b>30</b>	<b>114</b>
% of Revenues	4.4	0.8	3.6pp
Cash flows from sales of investments and other disposals	1	1	—
Share capital increases/reimbursements including incidental expenses	—	—	—
Financial investments	(20)	(9)	(11)
Dividends payment	(35)	(39)	4
Increases in lease contracts	(141)	(235)	94
Finance expenses, income taxes and other net non-operating requirements flow	(207)	(765)	558
<b>Reduction/(Increase) in adjusted net financial debt from continuing operations</b>	<b>(258)</b>	<b>(1,017)</b>	<b>759</b>
Reduction/(Increase) in net financial debt from Discontinued operations/Non-current assets held for sale	(62)	29	(91)
<b>Reduction/(Increase) in adjusted net financial debt</b>	<b>(320)</b>	<b>(988)</b>	<b>668</b>

### Equity Free Cash Flow

(million euros)	1st Quarter 2025	1st Quarter 2024	Change
<b>Reduction/(Increase) in adjusted net financial debt</b>	<b>(320)</b>	<b>(988)</b>	<b>668</b>
Impact for finance leases (new lease operations and/or renewals and/or extensions (-)/any terminations/early extinguishing of leases (+))	176	150	26
Payment of TLC licenses and for the use of frequencies	—	—	—
Financial impact of acquisitions and/or disposals of investments	20	9	11
Dividend payment and Change in Equity	35	39	(4)
<b>Equity Free Cash Flow</b>	<b>(89)</b>	<b>(790)</b>	<b>701</b>

## TIM GROUP - INFORMATION BY OPERATING SEGMENT

### Domestic

(million euros)		1st Quarter 2025	1st Quarter 2024	Changes (a-b)	
		(a)	(b)	absolute	%
Revenues		2,245	2,639	(394)	(14.9)
EBITDA		445	867	(422)	(48.7)
% of Revenues		19.8	32.9		(13.1)pp
EBIT		(5)	10	(15)	—
% of Revenues		(0.2)	0.4		(0.6)pp
Headcount at period end (number) (*)		17,087	(*)17,751	(664)	(3.7)

(\*) Includes agency contract workers: 91 as of March 31, 2025 (63 as of December 31, 2024).

(\*) The headcount is current at December 31, 2024.

### Brazil

	(million euros)		(million Brazilian reais)		Changes	
	1st Quarter 2025	1st Quarter 2024	1st Quarter 2025	1st Quarter 2024	absolute	%
	(a)	(b)	(c)	(d)	(c-d)	(c-d)/d
Revenues	1,038	1,134	6,394	6,096	298	4.9
EBITDA	495	535	3,052	2,876	176	6.1
% of Revenues	47.7	47.2	47.7	47.2		0.5pp
EBIT	214	211	1,318	1,135	183	16.1
% of Revenues	20.6	18.6	20.6	18.6		2.0pp
Headcount at period end (number)			9,182	(*)9,123	59	0.6

(\*) The headcount is current at December 31, 2024.

## TIM GROUP - HEADCOUNT

### Average salaried workforce

(equivalent number)	1st Quarter 2025 (a)	1st Quarter 2024 (b)	Change (a-b)
Average salaried workforce – Italy	14,228	33,251	(19,023)
Average salaried workforce – Outside Italy	8,802	8,925	(123)
<b>Total average salaried workforce</b>	<b>23,030</b>	<b>42,176</b>	<b>(19,146)</b>
Discontinued Operations - Sparkle	623	639	(16)
Total average salaried workforce - including Discontinued Operations <sup>(1)</sup>	<b>23,653</b>	<b>42,815</b>	<b>(19,162)</b>

<sup>(1)</sup> Includes agency contract workers: 54 (average) in Italy in the first quarter of 2025; 4 (average) in Italy in the first quarter of 2024.

### Headcount at period end

(number)	3/31/2025 (a)	12/31/2024 (b)	Change (a-b)
Headcount – Italy	17,045	17,521	(476)
Headcount – Outside Italy	9,237	9,366	(129)
<b>Total headcount at period end</b>	<b>26,282</b>	<b>26,887</b>	<b>(605)</b>
Discontinued Operations - Sparkle	677	—	677
Total headcount at period end - including Discontinued Operations <sup>(1)</sup>	<b>26,959</b>	<b>26,887</b>	<b>72</b>

<sup>(1)</sup> Includes agency contract workers: 91 in Italy as of March 31, 2025; 63 in Italy as of December 31, 2024.

### Headcount at period end – Breakdown by Business Unit

(number)	3/31/2025 (a)	12/31/2024 (b)	Change (a-b)
Domestic	17,087	17,751	(664)
Brazil	9,182	9,123	59
Other operations	13	13	—
<b>Total</b>	<b>26,282</b>	<b>26,887</b>	<b>(605)</b>

## TIM GROUP – EFFECTS OF NON-RECURRING EVENTS AND TRANSACTIONS ON EACH ITEM OF THE SEPARATE CONSOLIDATED INCOME STATEMENTS

In accordance with Consob Communication No. DME/RM/9081707 of September 16, 2009, the following information is provided about the impact of non-recurring events and transactions on the individual items of the Separate Consolidated Income Statements:

(million euros)	1st Quarter 2025	1st Quarter 2024
<b>Acquisition of goods and services, Change in inventories:</b>		
Acquisition of goods and services - Expenses related to agreements and the development of non-recurring projects and other expenses	(7)	(15)
<b>Employee benefits expenses:</b>		
Charges connected to corporate reorganization/restructuring and other costs	(31)	(52)
<b>Other operating expenses:</b>		
Expenses from regulatory litigation and sanctions and contingencies, other provisions and expenses	(1)	(12)
<b>Impact on Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)</b>	<b>(39)</b>	<b>(79)</b>
<b>Gains (losses) on disposals of non-current assets:</b>		
Gains on disposals of non-current assets	1	—
<b>Impact on Operating profit (loss) (EBIT)</b>	<b>(38)</b>	<b>(79)</b>
<b>Finance income:</b>		
Other finance income	—	(2)
<b>Finance expenses:</b>		
Other finance expenses	(7)	(11)
<b>Impact on profit (loss) before tax from continuing operations</b>	<b>(45)</b>	<b>(92)</b>
Income tax expense on non-recurring items	1	—
<b>Income (expense) relating to Discontinued operations / Non-current assets held for sale</b>	<b>(35)</b>	<b>(1)</b>
<b>Impact on profit (loss) for the period</b>	<b>(79)</b>	<b>(93)</b>

# TIM GROUP - DEBT STRUCTURE, BOND ISSUES AND MATURING BONDS

## Revolving Credit Facility

The following table shows committed credit lines<sup>(\*)</sup>:

(billion euros)	3/31/2025		12/31/2024	
	Agreed	Drawn down	Agreed	Drawn down
Revolving Credit Facility – April 2030	3.0	—	4.0	—
<b>Total</b>	<b>3.0</b>	<b>—</b>	<b>4.0</b>	<b>—</b>

(\*) In accordance with the contract signed, the Banks have committed to make the funds available on demand (with at least 3 days' notice). As this is a "Committed" line, the banks have no mechanisms in place not to honor the request for funds made by the Company, without prejudice to the market standard early mandatory cancellation clauses (Natural contract expiry, Change in control, Borrower illegality, Events of default each as defined in the contract).

On March 31, 2025, TIM signed an agreement to amend the existing Revolving Credit Facility, effective April 4, 2025, extending its maturity to April 4, 2030 and reducing the amount from 4 billion euros to 3 billion euros.

## Bonds

The change in bonds during the first quarter of 2025 was as follows:

(millions of original currency)	Currency	Amount	Repayment date
<b>Repayments</b>			
TIM Brasil 5,000 million BRL CDI+2.3%	BRL	294	1/27/2025

The nominal redemption value of bonds maturing in the 18 months following March 31, 2025 issued by TIM S.p.A., TIM Brasil and TIM S.A. is 3,423 million euros, as detailed below:

TIM S.p.A:

- 1,000 million euros, maturing on April 15, 2025;
- 1,000 million euros, maturing on September 30, 2025;
- 375 million euros, due on January 28, 2026;
- 678 million euros, maturing on May 25, 2026;

Brazil BU:

- 1,765 million reais (equivalent to 284 million euros as of 3/31/25), divided into quarterly maturities starting in April 2025;
- 533 million reais (equivalent to 86 million euros as of 3/31/25), maturity June 2026.

The bonds issued by TIM S.p.A., Telecom Italia Finance S.A. and Telecom Italia Capital S.A. do not contain financial covenants of any kind (e.g. Debt/EBITDA ratio, EBITDA/Interest, etc.) or clauses that would entail the automatic early repayment of loans in the event of non-insolvency events of the TIM Group; moreover, the repayment of bonds and the payment of interest are not backed by specific guarantees, nor are there any commitments to issue future guarantees, with the exception of the full and unconditional guarantees granted by TIM S.p.A. for bonds issued by Telecom Italia Finance S.A. and Telecom Italia Capital S.A..

Since these are mainly transactions placed with institutional investors on the main global capital markets (Euromarket and USA), the terms governing the loans are in line with the market practice for similar transactions carried out on the same markets.

The documentation concerning the loans taken out by TIM contain the usual other types of covenants, including the commitment not to pledge the Company's assets as collateral for loans (negative pledge) and the commitment not to change the business purpose or sell the assets of the Company unless specific conditions exist (e.g. the sale takes place at fair market value). Covenants with basically the same content can be found in the export credit loan agreement.

In the loan agreements, TIM is required to provide notification of change of control. Events constituting a change of control and the applicable consequences – including, at the discretion of the investors, the establishment of guarantees or the early repayment of the amount paid in cash and the cancellation of the commitment in the absence of agreements to the contrary – are specifically identified in each agreement.

In addition, the outstanding loans generally contain a commitment by TIM, any breach of which constitutes an Event of Default, not to implement mergers, demergers or transfers of business, involving entities outside the Group, except where certain conditions exist. Such an Event of Default may entail, upon request of the Lender, the early repayment of the drawn amounts and/or the annulment of the undrawn commitment.

On May 19, 2021 – specifically with regard to the loans taken out by TIM with the European Investment Bank ("EIB") – TIM took out a loan of 230 million euros to support national digitalization projects (for which early repayment was made in full on November 15, 2024) and extended the loan taken out in 2019 (initial for 350 million euros) by an additional 120 million euros.

In addition, on May 5, 2023, TIM took out a new loan with the EIB for 360 million euros, partially guaranteed by SACE.

Therefore, at March 31, 2025 the nominal total of outstanding loans with the EIB was 830 million euros.

Loans taken out with the EIB contain the following covenants and commitments, among others:

- if the Company is subject to a merger, demerger or transfer of a business unit outside the TIM Group, or disposes of, divests or transfers assets or business units (with the exception of certain disposals expressly permitted), it must immediately notify the EIB, which will have the right to request the provision of guarantees or the amendment of the loan agreement, or the early repayment of the loan (if a merger and demerger transaction outside the TIM Group jeopardizes the execution or operation of the Project or is detrimental to the EIB in its capacity as creditor);
- TIM has undertaken to ensure that, for the entire duration of the loan, the total financial debt of the companies belonging to the TIM Group other than TIM, and except where such debt is fully and irrevocably guaranteed by TIM, this will be less than 35% (thirty-five per cent) of the total financial debt of the TIM Group;
- "Clause for inclusion", where, if TIM undertakes to maintain financial parameters in other loan agreements (and also certain more stringent clauses, such as cross defaults and commitments to limit the sale of assets) that are not present or are more stringent than those granted to the EIB, the latter will have the right to request, if it considers in its reasonable opinion that such changes may have negative consequences on TIM's financial capacity, the provision of guarantees or the amendment of the loan agreement to provide for an equivalent provision in favor of the EIB.

Some contracts for outstanding loans granted to certain TIM Group companies as at March 31, 2025, contain obligations to comply with certain financial ratios, as well as the usual other covenants, under penalty of a request for the early repayment of the loan.

Finally, as at March 31, 2025, no covenant, negative pledge or other clause relating to the aforementioned debt position had in any way been breached or violated. nor are any difficulties in complying with the covenants expected in the near future.

## TIM GROUP - DISPUTES AND PENDING LEGAL ACTIONS

A description is provided below of the most significant judicial, arbitration and tax disputes in which TIM Group companies are involved at March 31, 2025, as well as those that came to an end during the period.

The TIM Group has posted liabilities totaling 327 million euros for those disputes described below where the risk of losing the case has been considered probable.

It should be noted that for some disputes described below, on the basis of the information available at the closing date of this Financial Disclosure and with particular reference to the complexity of the proceedings, to their progress, and to elements of uncertainty of a technical-trial nature, it was not possible to make a reliable estimate of the size and/or times of possible payments, if any. Moreover, in those cases in which disclosure of information about a dispute could seriously jeopardize the position of TIM or its subsidiaries, only the general nature of the dispute is described.

Lastly, as regards the proceedings with the Antitrust Authority, please note that based on Article 15, subsection 1 of Italian Law 287/1990 ("Antitrust Regulations"), the Authority has the right to impose an administrative sanction calculated on the turnover of the Group in cases of breaches considered serious.

### (a) Significant disputes and pending legal actions

There had been no significant developments in the following pending litigations and legal actions since those disclosed in the 2024 Annual Report:

- Colt Technology Services, COMM 3000, Eutelia and Clouditalia Telecomunicazioni (related to Antitrust case A428);
- 28-day billing;
- Antitrust case I820;
- Antitrust case I857;
- Wind Tre S.p.A. – I857;
- Antitrust case I874;
- Universal Service;
- Dispute relating to "Adjustments on license fees" for the years 1994-1998;
- Brazil - Opportunity arbitration;
- Iliad (restrictions on duration and termination costs);
- Fastweb (Ethernet ATM migration).

### International tax and regulatory disputes

At March 31, 2025, companies belonging to the Brazil Business Unit were involved in tax or regulatory disputes, the outcome of which is estimated as a possible loss totaling around 22.7 billion reais (22.3 billion reais at December 31, 2024), corresponding to approximately 3.7 billion euros at March 31, 2025.

The main types of litigation are listed below, classified according to the tax to which they refer.

#### Federal taxes

In relation to the federal level of taxation, the following disputes should be noted:

- disallowance of the tax effects of the merger between the companies of the TIM Brasil Group;
- denial of the SUDENE regional tax benefit, due to alleged irregularities in the management and reporting of the benefit itself;
- challenges regarding offsetting against previous tax losses;
- further challenges regarding the tax deductibility of the amortization of goodwill;
- imposition of income tax on certain types of exchange rate differences;
- imposition of withholding taxes on certain types of payments to foreign entities (for example, payments for international roaming);
- further challenges regarding offsets made between taxes payable and group company credit positions. In this respect, during the third and fourth quarters of 2024, an appeal was filed in relation to a dispute regarding the use of PIS and COFINS credits, deriving from the exclusion of ICMS from the respective calculation bases, in offsetting against the taxes due. The amount in question, classified as a possible risk, amounts to about 1.6 billion reais.

Overall, the risk for these cases, considered to be possible, amounts to 5 billion reais (5.1 billion reais at December 31, 2024).



## State taxes

Within the scope of the state levy, there are numerous challenges regarding ICMS, and in particular:

- challenges concerning the reduction of the tax base due to discounts granted to customers, as well as challenges regarding the use of tax credits declared by group companies, with respect to the return of loaned telephone handsets, and following the detection of contract frauds to the detriment of the companies;
- subjection of some fees owed to group companies and classified by them as fees for services other than telecommunications to ICMS;
- challenges over the use of the "PRO-DF" tax benefit originally granted by some states, and subsequently declared unconstitutional (the challenge refers to the actual credit due to ICMS, declared by TIM Cellular, now incorporated into TIM S.A., on the basis of the aforementioned tax benefits);
- challenges relating to the use of ICMS credits claimed by Group companies as a result of the acquisition of property, plant and equipment, and in relation to the supply of electricity to the companies, as well as in application of the provisions on acting as a withholding agent;
- fines imposed on group companies for irregularities in tax return compliance;
- challenges of ICMS credits in relation to the tax substitution procedure applicable when equipment is bought and distributed in different states;
- challenges of ICMS credits deriving from the "special credit" recognized by the company to its prepaid customers, against subsequent top-ups.

Overall, the risk for these cases, considered to be possible, amounts to 11.6 billion reais (11.1 billion reais at December 31, 2024).

## Municipal taxes

Among disputes classified with a "possible" degree of risk, there are some relating to municipal taxes for a total amounting to around 1.9 billion reais (around 1.9 billion reais at December 31, 2024).

## FUST and FUNTTEL

The main challenges about contributions to the regulatory body (Anatel), and in particular in terms of FUST and FUNTTEL, concern whether or not interconnection revenues should be subject to these contributions.

Overall, the risk for these cases, considered to be possible, amounts to 4.2 billion reais (4.2 billion reais at December 31, 2024).

## Golden Power Case

In August 2017 the Prime Minister's office brought proceedings against TIM (as well as Vivendi) in order to verify the fact that TIM has an obligation to notify, pursuant to the "Golden Power" law, Vivendi's acquisition of corporate control of TIM and the strategic assets it holds. In September 2017, the proceedings in question concluded by affirming that this obligation did exist for TIM with effect from May 4, 2017 (the date of the Shareholders' Meeting that renewed TIM's corporate boards).

As a result of this decision by the Presidency of the Council of Ministers, new and separate administrative proceedings started for the imposition on TIM of the financial penalty laid down by the Golden Power law for non-compliance with the aforementioned obligation to notify. These proceedings ended on May 8, 2018 with the imposition of a financial penalty of 74.3 million euros.

The Presidency of the Council of Ministers also exercised Golden Power under the decrees of October 16, 2017 and November 2, 2017. The Company, is convinced that it has the legal arguments to demonstrate that it was under no obligation to notify the control exercised over it by Vivendi, filed separate extraordinary appeals to the President of the Republic to request the abrogation of the order of September 28, 2017 for assessment of the Special Powers Decree of October 16, 2017, and the Special Powers Decree of November 2, 2017, and before the Lazio Regional Administrative Court (TAR) against the aforementioned order of May 8, 2018, which imposed a financial penalty, requesting its precautionary suspension. As regards the appeal to the Lazio Regional Administrative Court (TAR) against the provision of May 8, 2018, which imposed the financial penalty, the TAR, in upholding in July 2018 the interim petition lodged by the Company, has suspended payment of the penalty. Subsequently, in a non-definitive ruling dated May 2019, the Lazio Regional Administrative Court (TAR), in view of the "originality" of the distinction in proceedings between the assessment notice of September 28, 2017 and the penalty-imposing decree of May 8, 2018: (i) accepted TIM's request for provisional measures to suspend the fine conditional on the offer of the guarantee; (ii) granted the suspension of the procedure to wait for the final judgment in the (injurious) case pending before the President of the Republic against the assessment notice of September 28, 2017; (iii) rejected the procedural objections raised by the defendant administrations.

It should also be noted that in May 2018 a guarantee bond for 74.3 million euros was issued in favor of the Presidency of the Council. TIM had been requested to submit such a bond for its application to Lazio TAR for precautionary suspension of the collection of the fine imposed for alleged breach of Art. 2 of Decree Law 21 of March 15, 2012 (the "Golden Power" law). The guarantee bond was subsequently renewed up to November 30, 2025.

On September 13, 2023, TIM was notified that more than five years had elapsed since the appeal was filed, in accordance with Article 82 of the Code of Civil Procedure. TIM therefore requested that a public hearing be held to discuss the appeal. The public hearing was scheduled for January 10, 2024. Following the hearing, by way of order 709 of January 15, 2024, the Regional Administrative Court upheld the suspension of the proceedings, as previously dictated by non-final judgment 6310 of May 23, 2019, and upheld the suspension of the enforcement of the measure under the conditions dictated by that ruling, all of which pending the decision in the extraordinary proceedings against the assessment notice of September 28, 2017.

In Opinion no. 1259/2024, rendered in the extraordinary proceeding against the assessment notice of September 28, 2017, the Council of State agreed with the opinion expressed by the Lazio Regional Administrative Court in its non-final judgment of May 2019, finding the appeal inadmissible because the contested notice does not qualify as a measure but qualifies as a sub-procedural act forming part of the sanctioning procedure (appealed to the Lazio Regional Administrative Court). Hence, on December 5, 2024, TIM applied to the Lazio Regional Administrative Court for a precautionary measure to adjourn the proceedings against the sanctioning decree, subject to the possibility of a further suspension pending the decision of the Council of State on the extraordinary proceedings against the still pending Special Powers Decrees, and/or pending the decree of the Presidency of the Republic to implement the aforementioned Council of State Opinion no. 1259/2024. The hearing before the Regional Administrative Court was set for March 19, 2025. On conclusion of the hearing, the Bench retired to consider whether to suspend the case or to render judgment. Furthermore, TIM appealed before the Lazio TAR and then appealed before the Council of State against the provision with which Consob, on September 13, 2017, affirmed Vivendi's control over TIM. In December 2020, the Council of State issued a final judgment upholding TIM's appeal and canceling the provision by Consob, a significant premise to the entire subsequent proceedings of the Presidency of the Council in relation to the obligation to Golden Power notification as described above. On June 14, 2021, Consob submitted an extraordinary appeal to the Court of Cassation on grounds of jurisdiction; TIM filed an appearance, objecting that the appeal is unlawful and inadmissible. Following the hearing in chambers held on October 11, 2022, on January 24, 2023, the order was published whereby the Court of Cassation declared that Consob's petition was unacceptable, consequently ordering it to pay the dispute expenses.

## Antitrust case A514

In June 2017 AGCM (the Italian Competition Authority) started proceedings A514 against TIM, to ascertain a possible abuse of its dominant market position in breach of article 102 of the "Treaty on the Functioning of the European Union". The proceedings were started based on some complaints filed in May and June 2017, by Infratel, Enel, Open Fiber, Vodafone and Wind Tre, and concerns a presumed abuse of TIM's dominant position in the market for wholesale access services and for retail services using the Broadband and Ultrabroadband fixed network. In particular, the AGCM (the Italian Competition Authority) hypothesized that TIM had adopted conduct aimed at: (i) slowing and hindering the course of the Infratel tender processes so as to delay, or render less remunerative the entry of another operator in the wholesale market; (ii) pre-emptively securing customers on the retail market for Ultrabroadband services by means of commercial policies designed to restrict the space of customer contendability remaining for the competitor operators.

After the start of the proceedings, the Authority's officials carried out an inspection at some of TIM's offices in the month of July 2017. On November 2, 2017, TIM filed a defense brief in which, in support of the correctness of its actions, it challenged all the arguments that the conduct it had allegedly engaged in, and which was the subject of the case, was unlawful.

On February 14, 2018, AGCM (the Italian Competition Authority) resolved to extend the scope of the case to investigate further behavior concerning TIM's wholesale pricing strategy on the market for wholesale access to Broadband and Ultrabroadband, and the use of the confidential information of customers of the alternative operators.

On July 5, 2018 TIM filed proposed undertakings which, if accepted by the Authority, would close the investigation without any offence being established or sanction being administered. The undertakings were considered as admissible by the Authority, that market tested them in August and September.

On October 30, 2018, TIM replied to observations made by third parties and modified its proposed undertakings. With its decision notified on December 4, 2018, AGCM (the Italian Competition Authority) once and for all rejected the proposed series of undertakings as it considered them unsuitable in light of the objections raised.

On March 4, 2019, TIM requested AGCM (the Italian Competition Authority) for an extension of the deadline for closing the proceedings (initially set for May 31, 2019).

On April 10, 2019, AGCM (the Italian Competition Authority) resolved to extend the deadline for conclusion of the proceedings until September 30, 2019. On May 17, 2019, AGCM (the Italian Competition Authority) notified TIM of the results of the investigation (CRI). In the CRI, AGCM (the Italian Competition Authority) essentially confirmed the case for the prosecution outlined in the start-up and extension of the proceedings orders.

On June 12, 2019 AGCM (the Italian Competition Authority) extended the deadline for deposit of TIM's final defence to September 20, 2019 and set the final hearing for September 25, 2019.

On September 18, 2019, AGCM (the Italian Competition Authority) resolved to further extend the deadline for conclusion of the proceedings, which were scheduled for February 28, 2020.

On March 6, 2020, TIM was notified of the decision to close the investigation: AGCM (the Italian Competition Authority) ruled that TIM had abused its dominant position, finding that TIM had put in place an anticompetitive strategy designed to hinder the competitive development of investment in Ultrabroadband network infrastructure. The fine imposed on TIM for the anti-competitive offence is 116,099,937.60 euros.

On June 25, 2020 TIM sent AGCM (the Italian Competition Authority) the so-called compliance report as ordered in the final provision.

In May 2021, the Company in any case paid the fine.

TIM appealed the aforementioned fine before the Lazio Regional Administrative Court (TAR). By judgment 1963/2022 of February 28, 2022, TIM's appeal was rejected; TIM has appealed to the Council of State against the decision of the regional administrative court.

In August 2022, Irideos notified a deed of intervention ad opponendum with respect to TIM's principal appeal.

The related hearing for oral discussion was scheduled for May 25, 2023. At the end of the hearing, the Council of State ordered a report from a court-appointed expert on three issues regarding the profitability of the investment in "white areas" with low population density. On October 11, 2023, the court-appointed experts

were sworn-in in the Council of State and requested an extension to the completion deadlines. Under the new deadlines granted by the Council of State, the expert report was filed in May 2024.

At the public hearing on October 10, 2024, the case was reserved for decision; Open Fiber requested that the operative part be published in advance. On October 25, 2024, the Council of State published the operative part of the judgment, in which it dismissed the motions (including preliminary motions) of the parties and partially upheld the appeal and, partially reforming of the appealed judgment, upheld the appeal at first instance only insofar as the measurement of the penalty imposed, which is reduced by 25%; it dismissed all other parts of the appeal and upheld the contested order from all other counterclaims. On November 13, 2024, the judgment was published and TIM initiated the necessary procedures to obtain partial restitution of the penalty in the amount of 29,024,984.40 euros, plus statutory interest, from the date of payment until the date of actual restitution. On February 27, 2025, AGCM notified the Ministry of Enterprises and Made in Italy of the clearance for payment to TIM of the aforementioned amount following the Authority's redetermination at 87,074,953.20 euros of the penalty imposed on TIM for the conduct ascertained in Order No. 28162 of February 25, 2020. At the request of TIM, MIMIT has repaid the aforementioned sum of 29,024,984.40 euros and related interest equal to 2,664,864.94 euros.

## Open Fiber

In March 2020, Open Fiber (OF) sued TIM before the Court of Milan, claiming damages of 1.5 billion euros for alleged abuse of an exclusive and dominant position in relation to OF. The alleged actions consist of: (i) preemptive investments in FTTC networks in white areas; (ii) initiating specious legal action to obstruct Infratel tenders; (iii) spurious repricing of certain wholesale services; (iv) commercial lock-in offers on the retail market; (v) false disclosure to AGCOM in connection with the approval of a wholesale offer and spreading rumors about TIM being interested in acquiring OF; (vi) discriminatory access conditions to TIM passive infrastructure. TIM filed an appearance, contesting the arguments of OF. Enel S.p.A. intervened in the proceedings, asking that TIM be ordered to compensate all damages suffered and being suffered by Enel and OF, without, however, quantifying such. During the course of proceedings, Open Fiber redetermined the damage allegedly suffered, taking it to 2.6 billion euros plus interest and monetary revaluation. Open Fiber has also clarified that it believes such damages are still to be suffered. Enel then quantified the damages allegedly suffered as approximately 228 million euros, plus interest. On October 19, 2022, the hearing was held for admission of the evidence, after which the judge reserved the right to deliberate. By order of July 17, 2023, the Court of Milan lifted the

reservation and deferred the hearing for delivery of the verdict until April 3, 2024. At the hearing of April 3, the Judge ordered that Court obtain the expert witness report rendered in the appeal proceedings brought by TIM before the Council of State against the unfavorable ruling of the Regional Administrative Court relating to fines imposed in relation to case A514. The case was then adjourned to be heard on June 12, 2024, with the Judge reserving the right to deliberate.

By order served on July 5, it was deemed fit – in order to adjudicate whether to stay the proceedings as requested by TIM – to invite the Parties to make their closing arguments. For this purpose, a hearing was set for September 18, 2024, with the Parties ordered to make their submissions in writing and invited to waive the time limits for the filing of closing briefs. This hearing was replaced by the filing of written notes only. The Court of Milan, in accepting the motion of TIM, ordered to stay the proceedings until the proceedings before the Council of State are concluded.

Following the publication of the Council of State's ruling on November 13, 2024, Open Fiber applied for the case to be resumed on November 18, 2024, and simultaneously applied for a hearing to be set. The resumptive hearing was scheduled for May 20, 2025.

## Irideos

In January 2022, Irideos summonsed TIM to the Court of Rome, making a claim for damages allegedly suffered as a consequence of the unlawful conduct of TIM, as sanctioned by AGCM (the Italian Competition Authority), with the provision that concluded case A514 ("follow-on claim"). The compensation claim comes to 23,204,079.87 euros for damages caused by the anti-competitive behavior of TIM from 2017 to 2019 (with effects also in subsequent years) on the market for services of wholesale access to the Broadband and Ultrabroadband fixed network (the "wholesale market") and on the market for retail telecommunications services on the Broadband and Ultrabroadband fixed network (the "retail market"). TIM filed an appearance, contesting the opposing party's arguments. At the hearing held on June 1, 2022, the investigating judge (i) assigned the parties time for depositing the briefs with terms running from February 15, 2023 and (ii) deferred the case to the hearing of June 7, 2023. The hearing for the taking of evidence was set for October 5, 2023. The Judge, having taken note of Irideos' request to defer the hearing and motivated by the judgment pending in case A514 before the Council of State, deferred the hearing of the parties until October 10, 2024, which was further postponed to March 13, 2025. On that date, the judge ordered a further postponement, scheduling a new hearing for October 22, 2025.

## Antitrust Case I850

By decision given on December 15, 2020, AGCM (the Italian Competition Authority) started an investigation in regard to the company Telecom Italia S.p.A., Fastweb S.p.A., Teemo Bidco S.r.l., FiberCop S.p.A., Tiscali Italia S.p.A. and KKR & Co. Inc., to ascertain the existence of any breaches of article 101 of the TFEU in relation to the coinvestment offer.

More specifically, the investigation regards the contracts governing the establishment and operation of FiberCop and the supply agreements with Fastweb and Tiscali. AGCM (the Italian Competition Authority) intends to verify that such agreements do not hinder competition between operators in the medium and long-term and assure the rapid modernization of the country's fixed telecommunications infrastructures.

On August 6, 2021, TIM submitted a proposal of undertakings to AGCM (the Italian Competition Authority) in order to resolve the competition concerns subject of the investigation and close the proceedings without any sanction being applied.

On September 7, 2021, AGCM (the Italian Competition Authority) judged these commitments to not be clearly unfounded and ruled publication on the Authority's website from September 13, 2021; thus market testing

began and was completed by October 13, 2021, the date by which all subjects so wishing submitted their observations to AGCM in respect of the relevant commitments.

On December 14, 2021 AGCM (the Italian Competition Authority) extended the deadline for the conclusion of the proceedings, initially set for December 31, 2021, to February 15, 2022.

Precisely during the meeting held on February 15, 2022, AGCM (the Italian Competition Authority) finally resolved to approve the commitments insofar as they were considered suitable to eliminate the alleged anti-competition aspects investigated.

As envisaged by the final ruling, on April 22, 2022, TIM sent AGCM (the Italian Competition Authority) a first report on the measures taken to fulfill the commitments made.

On May 11, 2022, AGCM (the Italian Competition Authority) notified TIM of its acknowledgment of the measures presented in such report.

On January 31, 2023 TIM sent AGCM (the Italian Competition Authority) a second report on the implementation of the undertakings given.

On January 30, 2024, TIM sent AGCM (the Italian Competition Authority) the required annual report on the implementation of the undertakings given.

By petition notified in April 2022, Open Fiber challenged the above AGCM (the Italian Competition Authority) provision no. 3002, whereby the proceedings were closed, before the regional administrative court of Lazio; the petitioner believes that the commitments, made mandatory by the closure, are not sufficient to remove the anti-competitive aspects identified at the start of proceedings.

Upon completion of the interim hearing of last June 1, 2022, the regional administrative court rejected the request and scheduled the merits hearing for January 26, 2023. At the January 26 hearing, after extensive discussion, the judge reserved the right to deliberate. By judgment of April 14, 2023, the Regional Administrative Court rejected as unfounded the appeal of Open Fiber, which on July 10, 2023, appealed the Regional Administrative Court's judgment to the Council of State.

The Council of State set a hearing to discuss this appeal on November 14, 2024, since postponed to April 10, 2025 due to the appellant's indication that the AGCM might intervene, which could cause the interest in the appeal of first instance to be extinguished. At the hearing of April 10, 2025, the case was reserved for decision.

On December 17, 2024, AGCM – accepting the claims of TIM and FiberCop – ruled to revoke the commitments that were made binding by the Authority in Resolution no. 30002 of February 15, 2022 as part of these proceedings.

The Authority holds that, as of July 1, 2024, the antitrust concerns that existed under the initial hypothesis of an agreement restricting competition have been extinguished following the unbundling of TIM's fixed network infrastructure.

Open Fiver, Fastweb and Iliad appealed the order revoking the commitments referred to in Resolution no. 30002 of February 15, 2022, to the regional administrative court of Lazio.

## **Iliad (winback)**

By writ of summons served during the first quarter of 2020, Iliad Italia S.p.A. sued TIM before the Court of Milan for alleged anti-competitive conduct, including through the Kena Mobile brand, which was allegedly aimed at hindering its entry to and consolidation in the mobile phone market in Italy, seeking damages of at least 71.4 million euros.

TIM filed an appearance, fully disputing the requests of Iliad Italia S.p.A.; and, in turn, submitting a counterclaim in accordance with Art. 2598 of the Italian Civil Code, with reference to the denigration implemented by Iliad Italia S.p.A. in regard to TIM and formulating a symmetrical claim for damages. In the first preliminary brief, Iliad updated its claim for damages, taking it to 242.8 million euros, and later to 292.8 million euros.

The proceedings ended in a judgment of September 25, 2023, which did not award Iliad any damages; TIM's counterclaim was declared inadmissible.

In its notice of appeal served on December 15, 2023, Iliad requested that the first-instance judgment be partially overturned, requesting, among other things, that TIM be ordered to pay full compensation of not less than 292.8 million euros for the pecuniary and non-pecuniary damage suffered by Iliad.

On April 17, 2024, TIM entered an appearance in court and lodged a counterappeal. At the hearing of May 8, 2024, the Judge reserved the right to decide on the preliminary applications. The Judge, in an order of May 29, 2024 rendering the judgment that had been reserved at the hearing of May 8, 2024, having found that the appellant in its appeal had once again offered as evidence part of the documents offered in the first instance solely on a USB stick and that said USB stick could still not be consulted in that it was protected by a password that had not been communicated, ruled that the password must be obtained and the USB stick accessed as a result in the adversarial proceedings between the parties, thus postponing the hearing of the parties until September 11, 2024. At the hearing of September 11, 2024, the Judge reserved the right to decide on the preliminary requests.

In an order of October 14, 2024, a hearing was set for April 30, 2025 for case to be remitted for decision. At the hearing on April 30, 2025, the investigating councillor, after acknowledging the filing of the final briefs, referred the case to the Board for decision. The judgment is now awaited.

## **Iliad (INWIT)**

By writ of summons served in July 2022, Iliad Italia S.p.A. summonsed Telecom, Vodafone and Infrastrutture Wireless Italiane S.p.A. ("INWIT") before the Court of Milan to assess the alleged unlawful conduct of INWIT, Telecom and Vodafone, consisting of refusal to allow Iliad to upgrade its mobile telephone transmission systems installed on INWIT-owned infrastructures. As a result of this conduct, Iliad has asked that Telecom be

ordered, together with INWIT and Vodafone, to compensate the damages allegedly suffered, which it has reserved the right to quantify during the course of proceedings. The initial hearing took place on April 5, 2023, with the Judge reserving judgment on the objection as to the invalidity of the writ of summons brought by TIM. The initial hearing was deferred to October 11, 2023, following the admittance of the objection as to the invalidity of the writ of summons brought by TIM. At the hearing, the Judge set three dates for the exchange of pleadings between the parties: November 10, 2023, December 11, 2023, and January 2, 2024. At the end of the hearing of September 24, 2024 concerning the admission of evidence, the Judge adjourned the discussion of the same to the hearing on January 21, 2025. At the hearing of January 21, 2025, the parties requested, by mutual agreement, for the case to be postponed; A new hearing is scheduled for September 23, 2025.

## **VAS (Value Added Services) - Seizure by the Public Prosecutor's Office of Milan**

On April 24, 2024, the hearing was heard before the Court of Review of Milan. The Court of Review was called upon to rule on the appeal lodged by TIM against the seizure order made against it by the investigating judge of the Court of Milan.

After hearing the case, the Court of Review upheld the appeal, entering a decision on April 26, 2024 which:

- ordered the seizure order for 248,941,282.30 euros against TIM to be quashed; and
- ordered everything previously seized from TIM to be returned.

In particular, the events that led to the seizure by the Milan Public Prosecutor's Office are summarized below.

On February 29, 2024, TIM had been notified of a seizure order issued on February 8, 2024 by the Judge for Preliminary Investigations of Milan, which had ordered the preventive seizure of the sums held in the current accounts in the Company's name, for a total amount of 248,941,282.30 euros.

The measure concerned an alleged computer fraud (Article 640-ter of the Criminal Code) in the field of the so-called "VAS" (i.e. Value Added Services) provided by third-party companies called CSPs (i.e. "Content Service Provider").

TIM is not under investigation in the proceedings in question, and that the offence in dispute is not among those that, pursuant to Legislative Decree no. 231 of 2001, could theoretically constitute a prerequisite for administrative offences, attributable to the Company.

With specific reference to TIM, evidence of a possible fraudulent phenomenon in the sector emerged only in 2019, due to the significant number of disavowals of VAS services recorded in that year.

During that period, the Company reported these events to the Public Prosecutor's Office of Rome, in whose proceedings, currently being dismissed, the Company's role as a victim of the crime was confirmed.

In addition, the Company promptly carried out all the necessary actions aimed at neutralizing the phenomenon of illicit activations of VAS services.

On March 10, 2025, the Public Prosecutor's Office of Milan gave notice that it had concluded its inquiries and that TIM was not under investigation pursuant to Legislative Decree no. 231 of 2001.

## **b) Other information**

### **Vivendi S.E.**

On December 15, 2023, TIM S.p.A. was served an ordinary writ of summons from the shareholder Vivendi, contesting the legitimacy of the board resolution of November 5, 2023 approving the sale of TIM's fixed network assets and the investments held in FiberCop S.p.A. and Telenergia S.r.l. ("NetCo") by Optics BidCo S.p.A. (a subsidiary of KKR). Vivendi did not make any application for precautionary injunction, nor did it request an urgent halt to executing the resolution and the consequent negotiations. The Company appeared in the proceedings to contest the merits of the arguments and requests made by Vivendi, confirming the legitimacy of the resolutions adopted by the Board of Directors and the agreements signed with Optics BidCo.

The Court of Milan, in its ruling of January 14, 2025, declared the application brought by Vivendi to be inadmissible due to a lack of interest in the action and a lack of standing, and ordered the plaintiff to pay TIM costs of approximately 40,000 euros. Vivendi appealed the judgment by writ of summons served on February 13, 2025. The first appearance hearing, originally scheduled for July 10, 2025, was postponed ex officio by the Court of Appeal until September 10, 2025; Therefore, TIM will have until July 21, 2025 to enter an appearance.



## TIM GROUP - ALTERNATIVE PERFORMANCE MEASURES

In addition to the conventional financial performance measures established by IFRS Accounting Standards, the TIM Group uses certain alternative performance measures in its internal presentations (business plan) and in external presentations (to analysts and investors) for the purposes of enabling a better understanding of the performance of its operations and its financial position. These measures in fact represent a useful unit of measurement for assessing the operating performance of the Group (as a whole and at Business Unit level).

Such measures, which are presented in the periodical financial reports (annual and interim), should, however, not be considered as a substitute for those required by IFRS Accounting Standards. As these measurements are not defined by the IFRS Accounting Standards, their calculation may differ from the alternative indicators published by other companies. This is why comparability between companies may be limited.

The alternative performance measures normally used are described below:

- **EBITDA:** this measure is used by TIM as the financial target, in addition to the **EBIT**. These measures are calculated as follows:

<b>Profit (loss) before tax from continuing operations</b>
+ Finance expenses
- Finance income
+/- Other expense (income) from investments
+/- Share of losses (profits) of associates and joint ventures accounted for using the equity method
<b>EBIT – Operating profit</b>
+/- Impairment losses (reversals) of non-current assets
+/- c) Capital losses (gains) from non-current assets
+ Depreciation and amortization
<b>EBITDA – Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets</b>

- In this document, following the NetCo disposal transaction of July 1, 2024, in order to provide a better understanding of the business's performance, organic economic and financial information relating to the operating performance in the first quarter of 2024 is presented below, restated based on operating data. Such organic information is prepared by simulating the separation operation of the fixed network, with the creation of the NetCo component and the consequent definition of the new TIM Group perimeter, as it had occurred at the start of the reference period (January 1). Therefore, for all organic data the like-for-like definition is used to highlight both organic information (Brazil Business Unit) and organic information as reconstructed above (TIM S.p.A, Domestic Business Unit, TIM Group), simulating for the first quarter of 2024, the impact of the relationship between TIM and NetCo/FiberCop, regulated by the Master Service Agreement (MSA).
- **Organic change and impact of non-recurring items on revenues, EBITDA and EBIT:** these measures express changes (amount and/or percentage) in Revenues, EBITDA and EBIT, excluding, where applicable, the effects of the change in the scope of consolidation, the exchange differences and the non-recurring events and transactions. The TIM Group presents a reconciliation between the “accounting or reported” figures and the “organic excluding the non-recurring items”.
- **EBITDA margin and EBIT margin:** TIM believes that these margins represent useful indicator of the ability of the Group (as a whole and at Business Unit level) to generate profits from its revenues. In fact, EBITDA margin and EBIT margin measure the operating performance of an entity by analyzing the percentage of revenues that are converted into EBITDA and EBIT, respectively.
- **Net financial debt:** TIM believes that the Net Financial Debt represents an accurate indicator of its ability to meet its financial obligations. It is represented by Gross Financial Debt less Cash and Cash Equivalents and other Financial Assets. The TIM Group presents a table showing the amounts taken from the statements of financial position and used to calculate the Net Financial Debt of the Group.

To provide a better representation of the true performance of Net Financial Debt, in addition to the usual indicator (renamed “Net financial debt carrying amount”), the TIM Group reports a measure called “Adjusted net financial debt”, which neutralizes the effects caused by the volatility of financial markets. Given that some components of the fair value measurement of derivatives (contracts for setting the exchange and interest rate for contractual flows) and of derivatives embedded in other financial instruments do not result in actual monetary settlement, the Adjusted net financial debt excludes these purely accounting and non-monetary effects (including the effects of IFRS 13 – Fair Value Measurement) from the measurement of derivatives and related financial assets/liabilities.

Net financial debt is calculated as follows:

+	Non-current financial liabilities
+	Current financial liabilities
+	Financial liabilities directly related to discontinued operations / held-for-sale non-current assets
<b>A)</b>	<b>Gross financial debt</b>
+	Non-current financial assets
+	Current financial assets
+	Financial assets included within discontinued operations / held-for-sale non-current assets
<b>B)</b>	<b>Financial assets</b>
<b>C=(A - B)</b>	<b>Net financial debt carrying amount</b>
<b>D)</b>	<b>Reversal of fair value measurement of derivatives and related financial liabilities/assets</b>
<b>E=(C + D)</b>	<b>Adjusted Net Financial Debt</b>

- **Equity Free Cash Flow (EFCF):** this financial measure represents the free cash flow available for the remuneration of own capital, to repay debt and to cover any financial investments and payments of licenses and frequencies. In particular, the indicator highlights the change in adjusted net financial debt without considering the impacts of payment of dividends, changes in equity, acquisitions/disposals of equity investments, outlay for the purchase of licenses and frequencies, increases/decreases of finance lease liabilities payable (new lease operations, renewals and/or extensions, cancellations/early extinguishing of leases).

The Equity Free Cash Flow measure is calculated as follows:

	Reduction/(Increase) in adjusted net financial debt from continuing operations
+/-	Impact for finance leases (new lease operations and/or renewals and/or extensions (-)/any terminations/early extinguishing of leases (+))
-	Payment of TLC licenses and for the use of frequencies
+/-	Financial impact of acquisitions and/or disposals of investments
-	Dividend payment and Change in Equity
	Equity Free Cash Flow

- **Capital expenditures (net of TLC licenses):** this financial measure represents the capital expenditures made net of investments for competence relating to TLC licenses for the use of frequencies.
- **Operating Free Cash Flow (OFCF) and Operating Free Cash Flow (net of licenses):** these financial measures represent the cash flow available to repay the debt (including lease payables) and cover any financial investments and, in the case of OFCF, payments of licenses and frequencies.

Operating Free Cash Flow and Operating Free Cash Flow (net of licenses) are calculated as follows:

	<b>EBITDA</b>
-	Capital expenditures on an accrual basis
+/-	Change in net operating working capital (Change in inventories, Change in trade receivables and other net receivables, Change in trade payables, Change in payables for mobile telephone licenses/spectrum, Other changes in operating receivables/payables, Change in employee benefits, Change in operating provisions and other changes)
	<b>Operating Free Cash Flow</b>
-	Payment of TLC licenses and for the use of frequencies
	<b>Operating Free Cash Flow (net of licenses)</b>

## Alternative performance measures after lease

Following the adoption of IFRS 16, the TIM Group presents the following additional alternative performance measures:

- **EBITDA After Lease ("EBITDA-AL"),** calculated by adjusting the Organic EBITDA, net of the non-recurring items, from the amounts connected with the accounting treatment of the lease contracts;
- **Adjusted Net Financial Debt After Lease,** calculated by excluding from the adjusted net financial debt the net liabilities related to the accounting treatment of lease contracts. TIM believes that the Adjusted net financial debt After Lease represents an indicator of the ability to meet its financial obligations;
- **Equity Free Cash Flow After Lease,** calculated by excluding from the Equity Free Cash Flow the amounts related to lease payments. In particular, this measure is calculated as follows:

+	Equity Free Cash Flow
-	Principal share of lease payments

This measure is a useful indicator of the ability to generate Free Cash Flow.