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March 11, 2026

***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 Separate Consolidated Income Statements, Consolidated Comprehensive Income Statements, Consolidated Statements of Financial Position and Consolidated Statements of Cash Flows, as well as the Net Financial Debt of the TIM Group and the Parent Company TIM S.p.A., presented below, are those shown in the Report on Operations included in TIM's Annual Financial Report for the year ended December 31, 2025. However, these schedules, as well as Net Financial Debt, are consistent with those included in TIM's Consolidated and Separate Financial Statements for the year ended December 31, 2025.

The accounting policies and consolidation principles adopted are consistent with those applied for the TIM Group Consolidated Financial Statements and the TIM S.p.A. Separate 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.

In this regard, it should be noted that the audit of the Consolidated Financial Statements and Separate Financial Statements of TIM S.p.A. for the year ended December 31, 2025, as well as the verification of the consistency of the Report on Operations for 2025 with the related Consolidated Financial Statements and Separate Financial Statements of TIM S.p.A., has not yet been completed.

TIM GROUP - SEPARATE CONSOLIDATED INCOME STATEMENTS

(million euros)

	2025	2024	Changes (a-b)	
	(a)	(b)	absolute	%
Revenues	13,734	13,653	81	0.6
Other income	1,254	231	1,023	—
Total operating revenues and other income	14,988	13,884	1,104	8.0
Acquisition of goods and services	(8,647)	(7,391)	(1,256)	(17.0)
Employee benefits expenses	(1,474)	(1,414)	(60)	(4.2)
Other operating expenses	(580)	(638)	58	9.1
Change in inventories	12	11	1	9.1
Internally generated assets	267	292	(25)	(8.6)
Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	4,566	4,744	(178)	(3.8)
Depreciation and amortization	(2,938)	(3,063)	125	4.1
Gains (losses) on disposals of non-current assets	5	2	3	—
Impairment reversals (losses) on non-current assets	(69)	(14)	(55)	—
Operating profit (loss) (EBIT)	1,564	1,669	(105)	(6.3)
Share of losses (profits) of associates and joint ventures accounted for using the equity method	(23)	(20)	(3)	(15.0)
Other income (expenses) from investments	67	75	(8)	(10.7)
Finance income	938	1,053	(115)	(10.9)
Finance expenses	(1,839)	(2,365)	526	22.2
Profit (loss) before tax from continuing operations	707	412	295	71.6
Income tax expense	(112)	(178)	66	37.1
Profit (loss) from continuing operations	595	234	361	—
Profit (loss) from Discontinued operations / Non current assets held for sale	(76)	(598)	522	87.3
Profit (loss) for the year	519	(364)	883	—
Attributable to:				
Owners of the Parent	297	(610)	907	—
Non-controlling interests	222	246	(24)	(9.8)

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 year as shown in the Separate Consolidated Income Statement and all non-owner changes in equity.

(million euros)

	2025	2024
Profit (loss) for the year	519	(364)
Other components of the Consolidated Statement of Comprehensive Income		
Other components that will not be reclassified subsequently to Separate Consolidated Income Statement		
Financial assets measured at fair value through other comprehensive income:		
Profit (loss) from fair value adjustments	(16)	9
Income tax effect	—	—
(b)	(16)	9
Remeasurements of employee defined benefit plans (IAS 19):		
Actuarial gains (losses)	4	13
Income tax effect	—	—
(c)	4	13
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method:		
Profit (loss)	—	—
Income tax effect	—	—
(d)	—	—
Total other components that will not be reclassified subsequently to Separate Consolidated Income Statement	(e=b+c+d)	22
Other components that will be reclassified subsequently to Separate Consolidated Income Statement		
Financial assets measured at fair value through other comprehensive income:		
Profit (loss) from fair value adjustments	45	10
Loss (profit) transferred to Separate Consolidated Income Statement	(18)	(3)
Income tax effect	—	—
(f)	27	7
Hedging instruments:		
Profit (loss) from fair value adjustments	(177)	(127)
Loss (profit) transferred to Separate Consolidated Income Statement	238	132
Income tax effect	(15)	(1)
(g)	46	4
Exchange differences on translating foreign operations:		
Profit (loss) on translating foreign operations	(23)	(760)
Loss (profit) on translating foreign operations transferred to Separate Consolidated Income Statement	—	—
Income tax effect	—	—
(h)	(23)	(760)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method:		
Profit (loss)	—	—
Loss (profit) transferred to Separate Consolidated Income Statement	—	—
Income tax effect	—	—
(i)	—	—
Total other components that will be reclassified subsequently to Separate Consolidated Income Statement	(k=f+g+h+i)	50
Total other components of the Consolidated Statements of Comprehensive Income	(m=e+k)	72
Total comprehensive income (loss) for the year	(a+m)	(1,091)
Attributable to:		
Owners of the Parent	306	(1,057)
Non-controlling interests	251	(34)

TIM GROUP - CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In application of IFRS 5, the Balance Sheet as at 12.31.2024 coincides with what was published in the 2024 Statements of Financial Position; only in the balance sheet balances as at 12.31.2025 is the Telecom Italia Sparkle group reclassified among the Assets held for sale (Discontinued Operations).

(million euros)

	12/31/2025 (a)	12/31/2024 (b)	Changes (a-b)
Assets			
Non-current assets			
Intangible assets			
Goodwill	11,025	11,030	(5)
Intangible assets with a finite useful life	5,445	6,011	(566)
	16,470	17,041	(571)
Tangible assets			
Property, plant and equipment owned	4,114	4,560	(446)
Rights of use assets	3,240	3,467	(227)
Other non-current assets			
Investments in associates and joint ventures accounted for using the equity method	241	265	(24)
Other investments	120	150	(30)
Non-current financial receivables arising from lease contracts	34	40	(6)
Other non-current financial assets	397	646	(249)
Miscellaneous receivables and other non-current assets	1,110	1,795	(685)
Deferred tax assets	510	513	(3)
	2,412	3,409	(997)
Total Non-current assets	(a) 26,236	28,477	(2,241)
Current assets			
Inventories	235	297	(62)
Trade and miscellaneous receivables and other current assets	5,317	4,146	1,171
Current income tax receivables	89	124	(35)
Current financial assets			
<i>Current financial receivables arising from lease contracts</i>	44	44	—
<i>Securities other than investments, other financial receivables and other current financial assets</i>	1,538	1,651	(113)
<i>Cash and cash equivalents</i>	2,048	2,924	(876)
	3,630	4,619	(989)
Current assets sub-total	9,271	9,186	85
Discontinued operations /Non-current assets held for sale			
of a financial nature	162	—	162
of a non-financial nature	1,065	—	1,065
	1,227	—	1,227
Total Current assets	(b) 10,498	9,186	1,312
Total Assets	(a+b) 36,734	37,663	(929)

(million euros)

	12/31/2025 (a)	12/31/2024 (b)	Changes (a-b)
Equity and Liabilities			
Equity			
Equity attributable to owners of the Parent	12,219	11,957	262
Non-controlling interests	1,236	1,404	(168)
Total Equity (c)	13,455	13,361	94
Non-current liabilities			
Non-current financial liabilities for financing contracts and others	7,991	8,728	(737)
Non-current financial liabilities for lease contracts	2,476	2,421	55
Employee benefits	188	200	(12)
Deferred tax liabilities	55	61	(6)
Provisions	439	485	(46)
Miscellaneous payables and other non-current liabilities	612	896	(284)
Total Non-current liabilities (d)	11,761	12,791	(1,030)
Current liabilities			
Current financial liabilities for financing contracts and others	3,027	3,870	(843)
Current financial liabilities for lease contracts	515	523	(8)
Trade and miscellaneous payables and other current liabilities	7,317	7,074	243
Current income tax payables	63	44	19
Current liabilities sub-total	10,922	11,511	(589)
Liabilities directly associated with Discontinued operations/Non-current assets held for sale			
of a financial nature	89	—	89
of a non-financial nature	507	—	507
	596	—	596
Total Current Liabilities (e)	11,518	11,511	7
Total Liabilities (f=d+e)	23,279	24,302	(1,023)
Total Equity and Liabilities (c+f)	36,734	37,663	(929)

TIM GROUP - CONSOLIDATED STATEMENT OF CASH FLOW

(million euros)

	2025	2024
Cash flows from operating activities:		
Profit (loss) from continuing operations	595	234
Adjustments for:		
Depreciation and amortization	2,938	3,063
Impairment losses (reversals) on non-current assets including investments	69	14
Net change in deferred tax assets and liabilities	(40)	88
Losses (gains) realized on disposals of non-current assets (including investments)	(4)	(73)
Share of losses (profits) of associates and joint ventures accounted for using the equity method	23	20
Change in employee benefits	(9)	(12)
Change in inventories	(12)	(10)
Change in trade receivables and other net receivables	(232)	114
Change in trade payables	(98)	(70)
Net change in income tax receivables/payables	51	73
Net change in miscellaneous receivables/payables and other assets/liabilities	(743)	(264)
Cash flows from (used in) operating activities	(a) 2,538	3,177
Cash flows from investing activities:		
Purchases of intangible, tangible and rights of use assets on a cash basis	(1,531)	(1,873)
Contributions for plants received	1	7
Acquisition of control of companies or other businesses, net of cash acquired	(1)	(4)
Acquisitions/disposals of other investments	(23)	(34)
Change in financial receivables and other financial assets (excluding hedging and non-hedging derivatives under financial assets)	(1) 81	2,864
Proceeds from sale that result in a loss of control of subsidiaries or other businesses, net of cash disposed of	—	4,169
Proceeds from sale/repayments of intangible, tangible and other non-current assets	95	278
Cash flows from (used in) investing activities	(b) (1,378)	5,407
Cash flows from financing activities:		
Change in current financial liabilities and other	1,103	(800)
Proceeds from non-current financial liabilities (including current portion)	1,542	1,886
Repayments of non-current financial liabilities (including current portion)	(4,369)	(8,426)
Changes in hedging and non-hedging derivatives	91	320
Consideration received from the sale of equity instruments	3	—
Share capital proceeds/reimbursements (including subsidiaries)	—	—
Dividends paid	(273)	(159)
Changes in ownership interests in subsidiaries	(119)	(8)
Cash flows from (used in) financing activities	(c) (2,022)	(7,187)
Cash flows from (used in) Discontinued operations/Non-current assets held for sale	(d) 50	(1,283)
Aggregate cash flows	(e=a+b+c+d) (812)	114
Net cash and cash equivalents at beginning of the year	(f) 2,924	2,912
Net foreign exchange differences on net cash and cash equivalents	(g) (8)	(102)
Net cash and cash equivalents at end of the year	(h=e+f+g) 2,104	2,924

(1) The item includes investments in marketable securities for 1,939 million euros in 2025 (2,295 million euros in 2024) and redemptions of marketable securities for 2,332 million euros in 2025 (2,673 million in 2024) relating to TIM S.A. and Telecom Italia Finance S.A..

Purchases of intangible, tangible and rights of use assets

(million euros)	2025	2024
Purchase of intangible assets	(825)	(832)
Purchase of tangible assets	(1,024)	(1,139)
Purchase of right of use assets	(652)	(779)
Total purchases of intangible, tangible and rights of use assets on an accruals basis	(2,501)	(2,750)
Change in payables arising from purchase of intangible, tangible and rights of use assets	970	877
Total purchases of intangible, tangible and rights of use assets on a cash basis	(1,531)	(1,873)

Additional Cash Flow information

(million euros)	2025	2024
Income taxes (paid) received	(78)	(31)
Interest expense paid	(1,105)	(1,838)
Interest income received	364	582
Dividends received	2	19

Analysis of Net Cash and Cash Equivalents

(million euros)	2025	2024
Net cash and cash equivalents at beginning of the year:		
Cash and cash equivalents	2,924	2,912
Bank overdrafts repayable on demand	—	—
	2,924	2,912
Net cash and cash equivalents at end of the year:		
Cash and cash equivalents	2,104	2,924
Bank overdrafts repayable on demand	—	—
	2,104	2,924

TIM GROUP - NET FINANCIAL DEBT

(million euros)

	12/31/2025 (a)	12/31/2024 (b)	Change (a-b)
Non-current financial liabilities			
Bonds	6,918	7,527	(609)
Amounts due to banks, other financial payables and liabilities	1,073	1,201	(128)
Non-current financial liabilities for lease contracts	2,476	2,421	55
	10,467	11,149	(682)
Current financial liabilities (*)			
Bonds	1,188	2,401	(1,213)
Amounts due to banks, other financial payables and liabilities	1,839	1,469	370
Current financial liabilities for lease contracts	515	523	(8)
	3,542	4,393	(851)
Financial liabilities directly associated with Discontinued operations/Non-current assets held for sale	89	—	89
Total Gross financial debt	14,098	15,542	(1,444)
Non-current financial assets			
Securities other than investments	(1)	—	(1)
Non-current financial receivables arising from lease contracts	(34)	(40)	6
Financial receivables and other non-current financial assets	(396)	(646)	250
	(431)	(686)	255
Current financial assets			
Securities other than investments	(1,370)	(1,539)	169
Current financial receivables arising from lease contracts	(44)	(44)	—
Financial receivables and other current financial assets	(168)	(112)	(56)
Cash and cash equivalents	(2,048)	(2,924)	876
	(3,630)	(4,619)	989
Financial assets relating to Discontinued operations/Non-current assets held for sale	(162)	—	(162)
Total financial assets	(4,223)	(5,305)	1,082
Net financial debt carrying amount	9,875	10,237	(362)
Reversal of fair value measurement of derivatives and related financial liabilities/assets	(97)	(111)	14
Adjusted Net Financial Debt	9,778	10,126	(348)
Breakdown as follows:			
Total adjusted gross financial debt	13,839	15,189	(1,350)
Total adjusted financial assets	(4,061)	(5,063)	1,002
(*) of which current portion of medium/long-term debt:			
Bonds	1,188	2,401	(1,213)
Amounts due to banks, other financial payables and liabilities	196	991	(795)
Current financial liabilities for lease contracts	487	474	13

TIM GROUP - CHANGE IN ADJUSTED NET FINANCIAL DEBT

(million euros)

	2025 (a)	2024 (b)	Change (a-b)
EBITDA	4,566	4,744	(178)
Capital expenditures on an accrual basis	(1,903)	(2,032)	129
Change in net operating working capital:	(762)	(41)	(721)
<i>Change in inventories</i>	(12)	(10)	(2)
<i>Change in trade receivables and other net receivables</i>	(232)	114	(346)
<i>Change in trade payables</i>	274	114	160
<i>Change in payables for mobile telephone licenses/spectrum</i>	—	(24)	24
<i>Other changes in operating receivables/payables</i>	(792)	(235)	(557)
Change in employee benefits	(9)	(12)	3
Change in operating provisions and Other changes	18	(91)	109
Net Operating Free Cash Flow	1,910	2,568	(658)
<i>% of Revenues</i>	<i>13.9</i>	<i>18.8</i>	<i>(4.9)pp</i>
Cash flows from sales of investments and other disposals	95	278	(183)
Share capital increases/reimbursements including incidental expenses	3	—	3
Financial investments	(142)	(46)	(96)
Dividends payment	(273)	(159)	(114)
Increases in lease contracts	(598)	(718)	120
Finance expenses, income taxes and other net non-operating requirements flow	(625)	(432)	(193)
Impact on NFP of NetCo sale	—	15,321	(15,321)
Reduction/(Increase) in adjusted net financial debt from continuing operations	370	16,812	(16,442)
Reduction/(Increase) in net financial debt from Discontinued operations/Non-current assets held for sale	(22)	(1,282)	1,260
Reduction/(Increase) in adjusted net financial debt	348	15,530	(15,182)

Equity Free Cash Flow

(million euros)

	2025	2024	Change
Reduction/(Increase) in adjusted net financial debt	348	15,530	(15,182)
Impact for finance leases (new lease operations and/or renewals and/or extensions (-)/any terminations/early extinguishing of leases (+))	448	77	371
Payment of TLC licenses and for the use of frequencies	—	24	(24)
Financial impact of acquisitions and/or disposals of investments	54	(15,547)	15,601
Dividend payment and Change in Equity	270	159	111
Equity Free Cash Flow	1,120	243	877

TIM GROUP - HEADCOUNT

Average salaried workforce

(equivalent number)	2025 (a)	2024 (b)	Change (a-b)
Average salaried workforce – Italy	13,870	14,312	(442)
Average salaried workforce – Outside Italy	8,540	8,809	(269)
Total average salaried workforce	22,410	23,121	(711)
Discontinued Operations	618	9,720	(9,102)
Total average salaried workforce - including Discontinued Operations ⁽¹⁾	23,028	32,841	(9,813)

⁽¹⁾ Includes agency contract workers: 76 average salaried staff in Italy in 2025; 18 average salaried staff in Italy in 2024.

Headcount at year end

(number)	12/31/2025 (a)	12/31/2024 (b)	Change (a-b)
Headcount – Italy	16,847	17,521	(674)
Headcount – Outside Italy	8,755	9,366	(611)
Total headcount at year end	25,602	26,887	(1,285)
Discontinued Operations	696	—	696
Total headcount at year end - including Discontinued Operations ⁽¹⁾	26,298	26,887	(589)

⁽¹⁾ Includes agency contract workers: 121 in Italy as of December 31, 2025; 63 in Italy as of December 31, 2024.

Headcount at year end – Breakdown by Business Unit

(number)	12/31/2025 (a)	12/31/2024 (b)	Change (a-b)
Domestic	16,887	17,751	(864)
Brazil	8,702	9,123	(421)
Other operations	13	13	—
Total	25,602	26,887	(1,285)

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)	2025	2024
Other income:		
1998 License fee - compensation for damages	973	
Other	16	55
Acquisition of goods and services, Change in inventories:		
Deferred contract costs of the fixed network - transition from 8 years to 4 years of the recognition period in the income statement	(589)	
Other costs and charges	(46)	(23)
Employee benefits expenses:		
Deferred contract costs of the fixed network - transition from 8 years to 4 years of the recognition period in the income statement	(39)	
Charges connected to corporate reorganization/restructuring and other costs	(84)	(85)
Other operating expenses:		
Expenses from regulatory litigation and sanctions and contingencies, other provisions and expenses	(18)	(44)
Impact on Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	213	(97)
Gains (losses) on disposals of non-current assets:		
Gains on disposals of non-current assets	—	3
Impact on Operating profit (loss) (EBIT)	213	(94)
Other income (expenses) from investments:		
Other (expenses)/income from corporate operations	—	68
Finance income:		
1998 License fee - legal interest	38	
Other finance income	—	1
Finance expenses:		
Other finance expenses	(14)	(96)
Impact on profit (loss) before tax from continuing operations	237	(121)
Income tax expense on non-recurring items	(4)	26
Income (expense) relating to Discontinued operations / Non current assets held for sale	(166)	83
Impact on Profit (loss) for the year	67	(12)

TIM GROUP - DEBT STRUCTURE, BOND ISSUES AND MATURING BONDS

Revolving Credit Facility and Term Credit Facility

The following table shows committed credit lines:

(billion euros)

	12/31/2025		12/31/2024	
	Agreed	Drawn down	Agreed	Drawn down
Revolving Credit Facility – April 2030 (*)	3.000	—	4.000	—
Term Credit Facility – July 2030	0.750	0.015	—	—
Total	3.750	0.015	4.000	—

(*) 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.

On July 22, 2025, TIM signed a new Term Credit Facility with a pool of leading national and international banks for an amount of 750 million euros and maturing on July 22, 2030, partially guaranteed by SACE (pursuant to Law no. 213 of December 30, 2023, and subsequent amendments). As of December 31, 2025, the drawn amount was 15 million euros. Subsequently, on January 20, 2026, the line was fully drawn down.

Bonds

The change in bonds during 2025 was as follows:

(millions of original currency)

	Currency	Amount	Issue date
New issues			
TIM Brasil 2,791.7 million BRL CDI+0.70%	BRL	2,791.7	7/23/2025
TIM Brasil 2,208.3 million BRL CDI+0.85%	BRL	2,208.3	7/23/2025
TIM S.p.A. 500 million euros 3.625%	EUR	500	9/30/2025
TIM Brasil 1,400 million BRL CDI+0.35%	BRL	1,400	12/22/2025

(millions of original currency)

	Currency	Amount	Repayment date
Repayments			
TIM Brasil 5,000 million BRL CDI+2.3%	BRL	294	1/27/2025
TIM S.p.A. 1,000 million euros 2.750%	EUR	1,000	4/15/2025
TIM Brasil 5,000 million BRL CDI+2.3%	BRL	294	4/25/2025
TIM Brasil 5,000 million BRL CDI+2.3%	BRL	3,824	7/25/2025
TIM S.p.A. 1,000 million euros 3.000%	EUR	1,000	9/30/2025
TIM S.p.A. 375 million euros 2.875% ⁽¹⁾	EUR	375	11/24/2025

⁽¹⁾ On October 24, 2025, TIM notified the full early repayment of the 375 million euro bond maturing on January 28, 2026, following the exercise of Clause 7.4 (Redemption at the option of the Issuer – so-called Issuer Maturity Par Call) of the terms and conditions applicable to the Notes. This redemption was made on November 24, 2025 at a redemption price equal to 100% of the principal amount of the bonds.

The nominal redemption value of bonds maturing in the 18 months following December 31, 2025 issued by TIM S.p.A., TIM S.A. and TIM Brasil is 1,060 million euros, as detailed below:

- TIM S.p.A. 678 million euros, maturing on May 25, 2026;
- TIM S.A. 1,067 million reais (equal to 165 million euros at 12/31/2025), maturity June 2026 and June 2027;
- TIM Brasil 1,400 million reais (equal to 217 million euros at 12/31/2025), maturing on December 15, 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.

In particular, with reference to the financing taken out by TIM with the European Investment Bank (“EIB”), on May 5, 2023, TIM signed a loan for an amount of 360 million euros, initially partially guaranteed by SACE. This guarantee was definitively terminated on June 27, 2025. As of December 31, 2025, this loan is the only one outstanding with the EIB.

The EIB financing includes, among other things, the following covenants and commitments:

- 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 December 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 December 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 S.p.A. - SEPARATE INCOME STATEMENTS

(million euros)

	2025	2024	Changes (a-b)	
	(a)	(b)	absolute	%
Revenues	9,446	9,218	228	2.5
Other income	1,265	233	1,032	—
Total operating revenues and other income	10,711	9,451	1,260	13.3
Acquisition of goods and services	(7,541)	(6,135)	(1,406)	(22.9)
Employee benefits expenses	(991)	(910)	(81)	(8.9)
Other operating expenses	(221)	(234)	13	5.6
Change in inventories	(5)	14	(19)	—
Internally generated assets	116	144	(28)	(19.4)
Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	2,069	2,330	(261)	(11.2)
Depreciation and amortization	(1,611)	(1,647)	36	2.2
Gains (losses) on disposals of non-current assets	(2)	(7)	5	71.4
Impairment reversals (losses) on non-current assets	(69)	(14)	(55)	—
Operating profit (loss) (EBIT)	387	662	(275)	(41.5)
Income (expenses) from investments	152	30	122	—
Finance income	602	1,003	(401)	(40.0)
Finance expenses	(1,133)	(1,940)	807	41.6
Profit (loss) before tax from continuing operations	8	(245)	253	—
Income tax expense	(33)	(31)	(2)	(6.5)
Profit (loss) from continuing operations	(25)	(276)	251	90.9
Profit (loss) from Discontinued operations / Non current assets held for sale	(130)	(966)	836	86.5
Profit (loss) for the year	(155)	(1,242)	1,087	87.5

TIM S.p.A. - STATEMENTS OF COMPREHENSIVE INCOME

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

(million euros)		2025	2024
Profit (loss) for the year	(a)	(155)	(1,242)
Other components of the Statements of Comprehensive Income			
Other components that will not be reclassified subsequently to Separate Income Statements			
Financial assets measured at fair value through other comprehensive income:			
Profit (loss) from fair value adjustments		(16)	9
Income tax effect		—	—
	(b)	(16)	9
Remeasurements of employee defined benefit plans (IAS 19):			
Actuarial gains (losses)		3	13
Income tax effect		—	—
	(c)	3	13
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method:			
Profit (loss)		—	—
Income tax effect		—	—
	(d)	—	—
Total other components that will not be reclassified subsequently to Separate Income Statements	(e=b+c+d)	(13)	22
Other components that will be reclassified subsequently to Separate Income Statements			
Financial assets measured at fair value through other comprehensive income:			
Profit (loss) from fair value adjustments		—	1
Loss (profit) transferred to the Separate Income Statements		—	—
Income tax effect		—	—
	(f)	—	1
Hedging instruments:			
Profit (loss) from fair value adjustments		(14)	253
Loss (profit) transferred to the Separate Income Statements		76	(36)
Income tax effect		(15)	(52)
	(g)	47	165
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method:			
Profit (loss)		—	—
Loss (profit) transferred to the Separate Income Statements		—	—
Income tax effect		—	—
	(h)	—	—
Total other components that will be reclassified subsequently to Separate Income Statements	(i= f+g+h)	47	166
Total other components of the Statements of Comprehensive Income	(k= e+i)	34	188
Total comprehensive income (loss) for the year	(a+k)	(121)	(1,054)

TIM S.p.A. - STATEMENTS OF FINANCIAL POSITION

In application of IFRS 5, the Balance Sheet as at 12.31.2024 coincides with what was published in the 2024 Statements of Financial Position; only in the balance sheet figures as at 12.31.2025 is the shareholding in Telecom Italia Sparkle S.p.A. reclassified among the Assets held for sale (Discontinued Operations).

(million euros)

	12/31/2025 (a)	12/31/2024 (b)	Changes (a-b)
Assets			
Non-current assets			
Intangible assets			
Goodwill	8,814	8,814	—
Intangible assets with a finite useful life	3,504	3,957	(453)
	12,318	12,771	(453)
Tangible assets			
Property, plant and equipment owned	1,668	1,721	(53)
Rights of use assets	1,375	1,513	(138)
Other non-current assets			
Investments	7,221	7,434	(213)
Non-current financial receivables arising from lease contracts	10	14	(4)
Other non-current financial assets	1,075	1,579	(504)
Miscellaneous receivables and other non-current assets	835	1,552	(717)
Deferred tax assets	282	299	(17)
	9,423	10,878	(1,455)
Total Non-current assets	(a) 24,784	26,883	(2,099)
Current assets			
Inventories	143	148	(5)
Trade and miscellaneous receivables and other current assets	4,418	3,139	1,279
Current income tax receivables	34	48	(14)
Current financial assets			
<i>Current financial receivables arising from lease contracts</i>	41	26	15
<i>Securities other than investments, other financial receivables and other current financial assets</i>	379	446	(67)
<i>Cash and cash equivalents</i>	456	820	(364)
	876	1,292	(416)
Current assets sub-total	5,471	4,627	844
Discontinued operations/Non-current assets held for sale			
of a financial nature	—	—	—
of a non-financial nature	591	—	591
	591	—	591
Total Current assets	(b) 6,062	4,627	1,435
Total Assets	(a+b) 30,846	31,510	(664)

(million euros)

	12/31/2025 (a)	12/31/2024 (b)	Changes (a-b)
Equity and liabilities			
Equity			
Share capital issued	11,677	11,677	—
less: Treasury shares	(49)	(53)	4
Share capital	11,628	11,624	4
Additional paid-in capital	—	—	—
Other reserves and retained earnings (accumulated losses), including profit (loss) for the year	361	479	(118)
Total Equity (c)	11,989	12,103	(114)
Non-current liabilities			
Non-current financial liabilities for financing contracts and others	6,647	7,365	(718)
Non-current financial liabilities for lease contracts	556	644	(88)
Employee benefits	159	163	(4)
Deferred tax liabilities	—	—	—
Provisions	191	199	(8)
Miscellaneous payables and other non-current liabilities	472	699	(227)
Total Non-current liabilities (d)	8,025	9,070	(1,045)
Current liabilities			
Current financial liabilities for financing contracts and others	5,112	4,825	287
Current financial liabilities for lease contracts	241	231	10
Trade and miscellaneous payables and other current liabilities	5,462	5,281	181
Current income tax payables	17	—	17
Current liabilities sub-total	10,832	10,337	495
Liabilities directly associated with Discontinued operations/Non-current assets held for sale			
of a financial nature	—	—	—
of a non-financial nature	—	—	—
	—	—	—
Total Current Liabilities (e)	10,832	10,337	495
Total Liabilities (f=d+e)	18,857	19,407	(550)
Total Equity and Liabilities (c+f)	30,846	31,510	(664)

TIM S.p.A. - STATEMENTS OF CASH FLOWS

(million euros)

	2025	2024
Cash flows from operating activities:		
Profit (loss) for the year from continuing operations	(25)	(276)
Adjustments for:		
Depreciation and amortization	1,611	1,647
Impairment losses (reversals) on non-current assets including investments	69	26
Net change in deferred tax assets and liabilities	2	32
Losses (gains) realized on disposals of non-current assets (including investments)	2	(19)
Change in employee benefits	(6)	(10)
Change in inventories	5	(12)
Change in trade receivables and other net receivables	(178)	219
Change in trade payables	(50)	—
Net change in income tax receivables/payables	29	(5)
Net change in miscellaneous receivables/payables and other assets/liabilities	(848)	(193)
Cash flows from (used in) operating activities (a)	611	1,409
Cash flows from investing activities:		
Purchases of intangible, tangible and rights of use assets on a cash basis	(645)	(920)
Contributions for plants received	1	7
Proceeds from sale that result in a loss of control of subsidiaries or other businesses, net of cash disposed of	—	4,169
Acquisitions/disposals of other investments	—	(53)
Change in financial receivables and other financial assets (excluding hedging and non-hedging derivatives under financial assets)	(124)	2,504
Proceeds from sale/repayments of intangible, tangible, rights of use assets and other non-current assets	47	271
Cash flows from (used in) investing activities (b)	(721)	5,978
Cash flows from financing activities:		
Change in current financial liabilities and other	1,012	(246)
Proceeds from non-current financial liabilities (including current portion)	675	2,000
Repayments of non-current financial liabilities (including current portion)	(3,543)	(7,945)
Changes in hedging and non-hedging derivatives	—	(85)
Consideration received from the sale of equity instruments	3	—
Consideration paid for the purchase of equity instruments	—	—
Share capital proceeds/reimbursements	—	—
Dividends paid	—	—
Changes in ownership interests in subsidiaries	—	—
Cash flows from (used in) financing activities (c)	(1,853)	(6,276)
Cash flows from (used in) discontinued operations/non-current assets held for sale (d)	(6)	(1,174)
Aggregate cash flows (e=a+b+c+d)	(1,969)	(63)
Net cash and cash equivalents at beginning of the year (f)	(328)	(265)
Net cash and cash equivalents at end of the year (g=e+f)	(2,297)	(328)

Purchases of intangible, tangible and rights of use assets

(million euros)	2025	2024
Purchase of intangible assets	(466)	(511)
Purchase of tangible assets	(461)	(476)
Purchase of right of use assets	(127)	(248)
Total purchases of intangible, tangible and rights of use assets on an accruals basis	(1,054)	(1,235)
Change in payables arising from purchase of intangible, tangible and rights of use assets	409	315
Total purchases of intangible, tangible and rights of use assets on a cash basis	(645)	(920)

Additional Cash Flow Information

(million euros)	2025	2024
Income taxes (paid) received	(7)	143
Interest expense paid	(829)	(1,597)
Interest income received	340	645
Dividends received	123	15

Analysis of Net Cash and Cash Equivalents

(million euros)	2025	2024
Net cash and cash equivalents at beginning of the year:		
Cash and cash equivalents	820	598
Bank overdrafts repayable on demand	(1,148)	(863)
	(328)	(265)
Net cash and cash equivalents at end of the year:		
Cash and cash equivalents	456	820
Bank overdrafts repayable on demand	(2,753)	(1,148)
	(2,297)	(328)

TIM S.p.A. - NET FINANCIAL DEBT

(million euros)

	12/31/2025 (a)	12/31/2024 (b)	Change (a-b)
Non-current financial liabilities			
Bonds	3,558	4,123	(565)
Amounts due to banks, other financial payables and liabilities	3,089	3,242	(153)
Non-current financial liabilities for lease contracts	556	644	(88)
	7,203	8,009	(806)
Current financial liabilities (1)			
Bonds	770	2,127	(1,357)
Amounts due to banks, other financial payables and liabilities	4,342	2,698	1,644
Non-current financial liabilities for lease contracts	241	231	10
	5,353	5,056	297
Total Gross financial debt	12,556	13,065	(509)
Non-current financial assets			
Non-current financial receivables arising from lease contracts	(10)	(14)	4
Financial receivables and other non-current financial assets	(1,075)	(1,579)	504
	(1,085)	(1,593)	508
Current financial assets			
Securities other than investments	—	—	—
Current financial receivables arising from lease contracts	(41)	(26)	(15)
Financial receivables and other current financial assets	(379)	(446)	67
Cash and cash equivalents	(456)	(820)	364
	(876)	(1,292)	416
Total financial assets	(1,961)	(2,885)	924
Net financial debt carrying amount	10,595	10,180	415
Reversal of fair value measurement of derivatives and related financial liabilities/assets	(188)	(265)	77
Adjusted Net Financial Debt	10,407	9,915	492
Breakdown as follows:			
Total adjusted gross financial debt	12,245	12,702	(457)
Total adjusted financial assets	(1,838)	(2,787)	949
(1) of which current portion of medium/long-term debt:			
Bonds	770	2,127	(1,357)
Amounts due to banks, other financial payables and liabilities	178	1,150	(972)
Non-current financial liabilities for lease contracts	213	205	8

TIM S.p.A. - EFFECTS OF NON-RECURRING EVENTS AND TRANSACTIONS ON EACH ITEM OF THE SEPARATE 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 TIM S.p.A. Separate Income Statements:

(million euros)	2025	2024
Revenues and other income	989	55
1998 License fee - compensation for damages	973	
Other	16	55
Acquisition of goods and services, Change in inventories	(707)	(24)
Deferred contract costs of the fixed network - transition from 8 years to 4 years of the recognition period in the income statement	(671)	
Acquisition of goods and services - Expenses related to agreements and the development of non-recurring projects and other expenses	(36)	(24)
Employee benefits expenses	(122)	(84)
Deferred contract costs of the fixed network - transition from 8 years to 4 years of the recognition period in the income statement	(39)	
Expenses related to corporate reorganization/restructuring and other costs	(83)	(84)
Other operating expenses	(18)	(44)
Expenses related to disputes and regulatory sanctions and potential liabilities related to them, other provisions and charges	(18)	(44)
Impact on Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	142	(97)
Gains (losses) on disposals of non-current assets	1	3
Gains on disposals of non-current assets	1	3
Impact on Operating profit (EBIT)	143	(94)
Income / (expenses) from investments	—	26
Net gain/(loss) on disposal of investments	—	26
Finance income	38	3
1998 License fee - legal interest	38	
Other finance income	—	3
Finance expenses	(15)	(28)
Other finance expenses	(15)	(28)
Impact on profit (loss) before tax from continuing operations	166	(93)
Income tax expense on non-recurring items	(7)	8
Income / (Expenses) relating to Discontinued operations	(15)	123
Impact on profit (loss) for the year	144	38

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:

Profit (loss) before tax from continuing operations	
+	Finance expenses
-	Finance income
+/-	Other expenses/(income) from investments (1)
+/-	Share of losses (profits) of investments in associates and joint ventures accounted for using the equity method (2)
EBIT – Operating profit	
+/-	Impairment losses (reversals) of non-current assets
+/-	Capital losses (gains) from non-current assets
+	Depreciation and amortization
EBITDA - Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets	

(1) Expense/(income) from investments for TIM S.p.A..

(2) Line item in Group consolidated financial statements only.

- In this document, following the sale of NetCo, in order to provide a better understanding of business performance, the organic economic and financial information relating to the performance of operations for the 2024 financial year, reworked on the basis of management information, is presented. 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 six months of 2024, the impact of the relationship between TIM and NetCo/FiberCop, regulated by the Master Service Agreement (MSA) and recording, as from July 1, 2024 (date of disposal), the actual accounting impact of the MSA and the Transitional Services Agreement (TSA).
- **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. The EBITDA margin and EBIT margin measure an entity's operating performance by analyzing the percentages of revenues that become 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
A)	Gross financial debt
+	Non-current financial assets
+	Current financial assets
+	Financial assets included within discontinued operations / held-for-sale non-current assets
B)	Financial assets
C=(A - B)	Net financial debt carrying amount
D)	Reversal of fair value measurement of derivatives and related financial liabilities/assets
E=(C + D)	Adjusted Net Financial Debt

- **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:

EBITDA	
-	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)
Operating Free Cash Flow	
-	Payment of TLC licenses and for the use of frequencies
Operating Free Cash Flow (net of licenses)	

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. 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.