HALF-YEAR FINANCIAL REPORT AT JUNE 30, 2026

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

SUMMARY

INTERIM REPORT ON OPERATIONS AT JUNE 30, 2026

BOARD OF DIRECTORS

At the date of approval of this Half-Year Financial Report, the composition of the Board of Directors of TIM S.p.A. is as follows:

Chairman	Alberta Figari (independent)
Chief Executive Officer and General Manager	Pietro Labriola
Directors	Paola Camagni (independent)
	Lorenzo Cavalaglio (independent)
	Federico Ferro Luzzi (independent)
	Paola Giannotti De Ponti (independent)
	Giovanni Gorno Tempini
	Alessandra Perrazzelli (independent)
	Stefano Siragusa (independent)
Secretary to the Board	Agostino Nuzzolo

BOARD OF STATUTORY AUDITORS

The composition of the Board of Statutory Auditors of TIM S.p.A. is as follows:

Chairman	Francesco Fallacara
Standing Auditors	Anna Doro
	Massimo Gambini
	Francesco Schiavone Panni
	Mara Vanzetta
Alternate Auditors	Massimiliano Di Maria
	Laura Fiordelisi
	Paolo Prandi
	Carlotta Veneziani

Independent Auditors	EY S.p.A.

INTRODUCTION

The Half-Year Financial Report at June 30, 2026 of the TIM Group was prepared in compliance with Article 154–ter (Financial Reports) of Legislative Decree no. 58/1998 (Consolidated Law on Finance – TUF) and subsequent amendments and additions, and in accordance with IAS 34 (Interim Financial Reporting) and in compliance with the recognition and measurement criteria of the international accounting standards issued by the International Accounting Standards Board and endorsed by the European Union (referred to as "IFRS"), as well as with rulings issued in implementation of Article 9 of Legislative Decree no. 38/2005.

The Half-Year Financial Report includes:

- the Interim Report on Operations;
- the Half-Year Condensed Consolidated Financial Statements;
- the certification of the Half-Year Condensed Consolidated Financial Statements pursuant to Article 81-ter of Consob Regulation 11971 dated May 14, 1999, as amended.

The Half-Year Condensed Consolidated Financial Statements at June 30, 2026 are subject to a limited audit.

In this Half-Year Financial Report at June 30, 2026. it should also be noted that the Sparkle group, active in the development of fiber optic networks for wholesale customers in the international field (International wholesale), is classified, pursuant to IFRS 5, as "Assets available for sale," as the sale is considered highly probable.

The accounting criteria and consolidation principles adopted are consistent with those applied for the TIM Group consolidated financial statements at December 31, 2025, to which reference should be made for a more comprehensive discussion, except for the amendments to the accounting standards issued by the IASB and in force starting from January 1, 2026.

TIM Group, in addition to the conventional financial performance measures established by the IFRS Accounting Standards, uses certain alternative *performance* measures in order to present a better understanding of the trend of operations and financial condition.

Specifically, these alternative performance measures refer to: EBITDA; EBIT; organic change and impact of non-recurring items on revenues, EBITDA and EBIT; EBITDA *margin* and EBIT *margin*; Net financial debt carrying amount and adjusted net financial debt; Capital expenditures (net of TLC licenses), Cash flow from operations; Cash flow from operations (net of licenses). Following the adoption of IFRS 16, the TIM Group also presents the following additional alternative performance measures: EBITDA After Lease ("EBITDA-AL"), Adjusted net financial debt After Lease, Equity Free Cash Flow After Lease.

In line with the ESMA guidance on alternative performance measures (Guidelines ESMA/2015/1415), the meaning and contents of such are explained in the section on "Alternative performance measures" and the analytical detail of the amounts of the reclassifications introduced and of the methods for determining indicators is provided.

Finally, please note that the section "Expected management performance for the 2026 financial year" contains forward-looking statements (*forward-looking statements*) regarding the Group's intentions, beliefs, or current expectations with respect to the financial results and other aspects of the Group's activities and strategies. Readers of this Interim Report on Operations are reminded not to place undue reliance on forward-looking statements; in fact, actual results may differ significantly from forecasts owing to risks and uncertainties depending on numerous factors, the majority of which are beyond the scope of the Group's control. Please refer to the "Main risks and uncertainties" section for more information. It provides a detailed description of the major risks pertaining to the TIM Group business activity which can, even considerably, affect its ability to meet the set goals.

HIGHLIGHTS FROM THE FIRST HALF OF 2026

The Group closed the first half of the year with total revenues up 2% and EBITDA After Lease up 1.2% compared with the same period of 2025. This performance was driven by a marked acceleration in profitability during the second quarter, with EBITDA and EBITDA After Lease up 4.2% and 4.5%, respectively, year on year, together with a return to growth in the Domestic Business Unit.

Excluding the MVNO component, EBITDA After Lease grew by 8.1% during the quarter at Group level and by 9.1% in the Domestic Business Unit. The quarterly performance confirms the gradual normalization of the impact of the transition involving major MVNO customers, which had weighed on the results for the first three months of the financial year. Growth at TIM Enterprise also continued, driven by demand for IT services, cloud and digital solutions, while TIM Brasil continued its positive trajectory.

Net profit attributable to the owners of the parent for the second quarter amounted to 88 million euros, compared with a net loss of 8 million euros in the second quarter of 2025 and a net loss of 292 million euros in the first quarter of 2026, which reflected non-recurring personnel-related costs and provisions of 210 million euros[1].

During the first half of the year, the Group completed the capital structure optimization approved by the Shareholders' Meetings, implementing the share capital reduction, the conversion of the savings shares and the 1-for-10 consolidation of the ordinary shares. On June 11, TIM received reimbursement of the 1998 License Fee, resulting in a positive net impact of approximately 1 billion euros on the Group's net financial position for the period, as already reflected in the *guidance*.

On the strength of its first-half results and the progress made on its strategic initiatives, TIM has continued its guidance for 2026 and 2027.

ORGANIC RESULTS FOR THE FIRST HALF OF 2026

- Group **total revenues** amounted to 6,8 billion euros, up by 2.0% year-on-year (+0.2% in domestic to 4.6 billion euros, +6.0% in Brazil to 2.3 billion euros). **Group service revenues** rose by 2.1% year-on-year to 6.4 billion euros (+0.1% in domestic to 4.2 billion euros, +6.1% in Brazil to 2.2 billion euros). Excluding the MVNO component, Group total revenues would have been up 3.3% year on year, while service revenues would have been up 3.5%. Within the domestic business, the corresponding growth rates would have been 2.0% and 2.1%, respectively.
- Group **EBITDA** After Lease amounted to 1.8 billion euros, up 1.2% year on year (down 2.5% domestically to 0.9 billion euros, while in Brazil it was up 5.5% to 0.9 billion euros). Excluding the MVNO component, growth would have been 6.3% year on year at Group level and 7.1% domestically. The second quarter marked a significant acceleration in performance, with Group EBITDA After Lease growing by 4.5% year on year, or 8.1% excluding the MVNO component.
- **TIM Consumer** recorded total revenues of 2.9 billion euros (down 2.7% year-on-year) and service revenues of 2.7 billion euros (-2.9% year-on-year). This performance reflects the expected decline in the MVNO business, driven by the gradual transition of major wholesale customers between 2025 and 2026. Without this effect, both total revenues and service revenues would have been broadly stable in the first half of the year. The second quarter also saw a continued year-on-year improvement in fixed-line ARPU, which increased by 2.0% to 33.0 euros per month. By contrast, mobile ARPU remained stable at 10.7 euros, while churn also remained stable. The repricing campaign covered 3.3 million fixed and 2.1 million mobile lines in the Consumer segment, and 0.3 million fixed and 0.4 million mobile lines in the SMB segment. TIMVISION service revenues increased by 7.1% year on year, while the launch of TIM Priority is expected to further support ARPU growth through dedicated services and customer support.
- **TIM Enterprise** recorded total revenues of 1.7 billion euros (up 5.6% year-on-year) and service revenues of 1.5 billion euros (up 5.7%). Growth accelerated in the second quarter, with total revenues increasing by 7.9% year on year and service revenues by 7.1%. The Cloud remained the largest business line in terms of its contribution to growth, with revenues up 18.1% year on year and accounting for 45% of service revenues. The IT component accounted for 67% of service revenues, compared with 65% in the first half of 2025. Revenues generated by Polo Strategico Nazionale increased by 50% compared with the first half of 2025, while TIM Enterprise's order backlog is expected to exceed 4.5 billion euros in 2026, up from 4.0 billion euros in 2025. This performance reinforces TIM Enterprise's position as Italy's leading provider of digital sovereignty solutions and its role as the partner of choice for businesses and public administrations in the adoption of cloud, cybersecurity and artificial intelligence.
- **TIM Brasil** recorded total revenues of 2.3 billion euros (up 6.0% year-on-year) and service revenues of 2.2 billion euros (up 6.1%). EBITDA After Lease amounted to 0.9 billion euros, up 5.5%[2]. In the second quarter, EBITDA After Lease increased by 6.6% year on year, supported by the positive momentum in service revenues, a 5% increase in mobile ARPU to 34.3 reais, and cost-efficiency initiatives. EBITDA After Lease-CAPEX increased by 7.5% in the first six months of 2026.

Group investments amounted to 0.9 billion euros, equivalent to 12.6% of revenues (10.6% domestically and 16.6% in Brazil). EBITDA After Lease-CAPEX amounted to approximately 0.9 billion euros, up 0.9% year on year.

Group Adjusted Net Financial Debt After Lease stood at less than 7.3 billion euros as of June 30, 2026[3], broadly unchanged from March 31, 2026 and more than 0.2 billion euros lower than as of June 30, 2025, with net leverage of 1.94x.

Second-quarter Equity Free Cash Flow After Lease[3] was positive at 1.0 billion euros and included the reimbursement of the 1998 license fee. This trend reflects the business's normal seasonality, with a marked acceleration in organic cash generation expected in the second half of the year, consistent with the pattern observed in 2025.

[1] Net profit attributable to the parent is presented on a reported basis.
[2] For local reporting purposes, the performance reported to the market by TIM S.A. shows EBITDA increasing by 6.8% and EBITDA AL up by 7.8% compared with the corresponding period of the previous year. This increase reflects the fact that, for the purposes of local annual reporting and as required under Brazilian law, other income includes non-recurring one-off items that have no impact on cash flows or net financial debt.
[3] Including the contribution of Sparkle.

The main financial results of the TIM Group, in which the Telecom Italia Sparkle Group is classified as Discontinued Operations, were as follows: "**TIM Group (Sparkle Discontinued Operations)**".

TIM Group (Sparkle Discontinued Operations) financial highlights

(million euros) - reported data		2nd Quarter 2026 (a)	2nd Quarter 2025 (b)	% Change (a-b)	1st Half 2026 (a)	1st Half 2025 (b)	% Change (a-b)
Revenues		**3,509**	**3,321**	**5.7**	**6,830**	**6,597**	**3.5**
EBITDA	(1)	**1,185**	**1,058**	**12.0**	**1,917**	**1,999**	**(4.1)**
EBITDA Margin	(1)	*33.8%*	*31.9%*	*1.9pp*	*28.1%*	*30.3%*	*(2.2)pp*
EBIT	(1)	**447**	**320**	**39.7**	**469**	**529**	**(11.3)**
EBIT Margin	(1)	*12.7%*	*9.6%*	*3.1pp*	*6.9%*	*8.0%*	*(1.1)pp*
Profit (loss) for the period attributable to owners of the Parent		**88**	**(8)**	—	**(204)**	**(132)**	**(54.5)**

		2° Trimestre 2026	2° Trimestre 2025	Variazioni assolute	1st Half 2026 (a)	1st Half 2025 (b)	Absolute change (a-b)
Investimenti industriali & spectrum		**447**	**377**	**19**	**863**	**834**	**29**
Equity Free Cash Flow After Lease	(1)	**1,040**	**77**	**963**	**650**	**(121)**	**771**
					6/30/2026 (a)	**12/31/2025 (b)**	**Absolute change (a-b)**
Adjusted Net Financial Debt (2)	(1)				**10,479**	**9,778**	**701**
Adjusted Net Financial Debt - After Lease(2)	(1)				**7,285**	**6,854**	**431**

(1) For details, please refer to the "Alternative performance measures" chapter.

(2) The change in the fair value of derivatives and related financial liabilities/assets is adjusted by the Net Financial debt carrying amount with no monetary effect.

The main organic financial results of the TIM Group, in which the Telecom Italia Sparkle Group is classified as Discontinued Operations, were as follows: **"TIM Group (Sparkle Discontinued Operations)"**.

Organic results of the TIM Group (Sparkle Discontinued Operations)

(million euros) - organic data (*)	2nd Quarter 2026	2nd Quarter 2025	% Change	1st Half 2026	1st Half 2025	% Change
Revenues	**3,509**	**3,418**	**2.7**	**6,830**	**6,694**	**2.0**
TIM Domestic	2,330	2,302	1.2	4,554	4,547	0.2
of which TIM Consumer	*1,453*	*1,489*	*(2.4)*	*2,893*	*2,974*	*(2.7)*
of which TIM Enterprise	*877*	*813*	*7.9*	*1,661*	*1,573*	*5.6*
TIM Brasil	1,186	1,123	5.5	2,291	2,161	6.0
Service revenues	**3,289**	**3,226**	**2.0**	**6,428**	**6,295**	**2.1**
TIM Domestic	2,141	2,141	—	4,209	4,204	0.1
of which TIM Consumer	*1,329*	*1,383*	*(3.9)*	*2,660*	*2,739*	*(2.9)*
of which TIM Enterprise	*812*	*758*	*7.1*	*1,549*	*1,465*	*5.7*
TIM Brasil	1,155	1,092	5.8	2,234	2,105	6.1
EBITDA	**1,178**	**1,131**	**4.2**	**2,142**	**2,112**	**1.4**
TIM Domestic	578	568	1.8	1,025	1,049	(2.3)
TIM Brasil (**)	602	567	6.1	1,120	1,066	5.1
EBITDA AL	**998**	**955**	**4.5**	**1,792**	**1,771**	**1.2**
TIM Domestic	532	520	2.3	933	957	(2.5)
TIM Brasil (**)	468	439	6.6	862	817	5.5
CAPEX (net of telecommunications licenses)	**447**	**393**	**13.7**	**863**	**850**	**1.5**
TIM Domestic	286	241	18.7	482	481	0.2
TIM Brasil	161	152	6.0	381	369	3.1
EBITDA AL-CAPEX (net of telecommunications licenses)	**551**	**562**	**(2.0)**	**929**	**921**	**0.9**
TIM Domestic	246	279	(11.8)	451	476	(5.3)
TIM Brasil (**)	307	287	6.9	481	448	7.5

(*) The organic results exclude non-recurring items and the comparable base is calculated net of the foreign currency translation and the change in the scope of consolidation.

(*) For local reporting purposes, the performance reported to the market by TIM S.A. during the first half of 2026 shows EBITDA increasing by 6.8% and EBITDA AL up by 7.8% compared with the corresponding period of the previous year. This increase reflects the fact that, for the purposes of local annual reporting and as required under Brazilian law, other income includes non-recurring one-off items that have no impact on cash flows or net financial debt.

1998 License fee

On June 11, 2026, TIM announced that it had received the refund of the 1998 License Fee, amounting to just over 1 billion euros. The payment follows the Italian Supreme Court's final ruling in December 2025, which definitively confirmed the refund, bringing to a close litigation that had lasted for more than 20 years.

The related income (of a non-recurring nature) was recognized in full in 2025. However, the receipt of the refund has had a positive net impact of just under 1 billion euros on the net financial position in the current financial year.

The background to the 1998 License Fee is summarized below.

In 2010, Telecom Italia (also referred to as "the Company" and "TIM") brought civil proceedings against the Presidency of the Council of Ministers for compensation for damages caused by the Italian State as a result of judgment no. 7506/09 handed down by the Council of State - following the proceedings brought by Telecom Italia before the Lazio Regional Administrative Court in 2003 - which had definitively declared that the license fee was also due for the year 1998, in violation, in the Company's opinion, of the principles of EU law which, starting from that year, prohibited Member States from maintaining similar license fees for electronic communications companies.

In particular, following the aforementioned unfavorable administrative rulings, the Company had brought actions at:

- the European Court of Justice to confirm that the license fee is not due in light of European legislation and, subsequently,
- the Italian civil court to claim compensation for damages caused by the Italian State.

Below are the main stages of the civil litigation for compensation for damages caused by the Italian State as a result of appeal ruling 7506/09 handed down by the Council of State:

- In March 2015, the Civil Court of Rome issued a ruling declaring the Company's claim for compensation inadmissible.
- Telecom Italia appealed and on April 3, 2024, the Court of Appeal of Rome, with judgment no. 2320/2024, upheld the claim and ordered the Presidency of the Council of Ministers to pay Telecom Italia 528,711,476.152 euros, plus ancillary costs and legal expenses, thus recognizing compensation for damages totaling approximately 973 million euros (including revaluation and interest up to April 3, 2024), plus additional legal interest of approximately 39 million euros;
- the calculation of the total damage took into account the revaluation to the present day from the date of filing of the appeal with the Regional Administrative Court (November 2003), which constitutes the introductory act of the claim for repayment of the undue payment; Compensatory interest is due on the amount revalued at present value, in accordance with the criteria set out in the well-known ruling of the Joint Divisions of the Supreme Court 1712/1995, on the amounts revalued year by year;
- the Presidency of the Council of Ministers then notified Telecom Italia of the appeal to the Supreme Court against the ruling of the Court of Appeal of Rome, requesting its annulment "with all consequential measures, including, if necessary, a decision on the merits of the case."
- Telecom Italia then filed its counter-appeal with a conditional cross-appeal;
- In July 2025, the entire receivable relating to the refund of the 1998 License Fee (for a total amount of 995.4 million euros, including statutory interest accrued up to the date of transfer) was assigned to a pool of leading banks; in 2025, the assignment had no impact on Net financial debt;
- with its ruling no. 33241 of December 19, 2025, the Supreme Court upheld the Company's arguments and made final the decision of the Court of Appeal no. 2320/2024 of April 3, 2024, and the total amount of compensation for damages to be paid by the Presidency of the Council of Ministers to Telecom Italia.
- **On June 11, 2026, TIM collected the receivable, which comprised the following amounts:**

(million euros)	TIM Group/ Domestic Business Unit
1998 License fee	
compensation for damage	*973*
legal interest	*39*
Total collected	***1,012***

Public tender and exchange offer by Poste Italiane S.p.A.

On March 22, 2026, the Board of Directors of Poste Italiane S.p.A. ("Poste" or the "Offeror") approved the launch of a voluntary all-share public tender and exchange offer (the "Offer") for all the shares of TIM – Telecom Italia S.p.A. ("TIM" or the "Issuer").

The stated objective is to create a single Group combining two of Italy's largest and most important industrial companies.

Under the Voluntary Public Tender and Exchange Offer, the Offeror will pay consideration (the "Consideration") of 1.67 euros in cash and 0.218 newly issued ordinary shares of Poste, listed on Euronext Milan, for each share tendered and accepted.

On April 13, 2026, TIM's Board of Directors appointed its advisers to examine the voluntary public tender and exchange offer for all outstanding shares.

On June 3, 2026, Poste Italiane S.p.A. made the information document available to stakeholders pursuant to Article 70 of the Issuers' Regulation.

On July 16, 2026, Poste Italiane S.p.A. issued a press release announcing that CONSOB had approved the Offer Document (the "Offer Document") by Resolution No. 24080. At the same time, it announced that the acceptance period would commence at 8:30 a.m. on July 20, 2026, and end at 5:30 p.m. on September 11, 2026, unless extended.

On July 18, 2026, the Board of Directors of Telecom Italia S.p.A., meeting also in the presence of the Board of Statutory Auditors, unanimously approved the statement (the "Issuer's Statement") prepared pursuant to Article 103(3) and (3-bis) of Legislative Decree No. 58 of February 24, 1998, as amended (the "Consolidated Law on Finance" or "TUF"), and Article 39 of Consob Regulation No. 11971/1999, as amended (the "Consob Regulation"), in relation to the voluntary public tender and exchange offer launched by Poste Italiane S.p.A. for the entirety of ordinary shares of TIM.

The Issuer's Statement contains the Board of Directors' reasoned assessment of the Offer and of the financial fairness of the Consideration, consisting of 1.67 euros in cash and 0.218 newly issued Poste ordinary shares listed on Euronext Milan for each TIM ordinary share tendered in the Offer.

Based on the analyses carried out by management, also with the support of a report prepared by Kearney, the Board of Directors positively assessed the strategic rationale and industrial prospects of the transaction, as well as its consistency with the strategic path undertaken by TIM.

For the purposes of its assessment, the Board of Directors took note of the Offer and of its terms and conditions as described in the Offer Document approved by Consob on July 15, 2026 by Resolution No. 24080. The Board of Directors also took into consideration the fairness opinions issued by Evercore Partners International LLP and Goldman Sachs Bank Europe SE, Italy Branch, acting as financial advisers appointed by the Board of Directors (the "Financial Advisers' Fairness Opinions").

MAIN CHANGES IN THE SCOPE OF CONSOLIDATION OF THE TIM GROUP

On January 30, 2026, TIM S.A. (Brazil Business Unit) acquired a 100% stake in V8 Consulting S.A. ("V8.Tech"). V8.Tech is a technology company specializing in the integration of digital solutions and managed services, with a strong focus on digital transformation, cloud computing and artificial intelligence.

On May 6, 2026, TIM S.A. (Brazil Business Unit) acquired the remaining 51% equity interest in I-Systems Soluções de Infraestrutura S.A. ("I-Systems"), having previously held a 49% interest. Accordingly, following the acquisition, I-Systems is now a wholly owned subsidiary of the TIM Group.

I-Systems operates in the neutral fiber optic network sector in the Brazilian market, offering independent infrastructures for the wholesale segment.

There were no significant changes in the scope of consolidation during the first half of 2025.

CONSOLIDATED OPERATING PERFORMANCE

Revenues

TIM Group total revenues (Sparkle Discontinued Operations) for the first half of 2026 amounted to **6,830 million euros**, +3.5% compared to the first half of 2025 (6,597 million euros).

The analysis of total revenues for the first half of 2026, broken down by operating segment in comparison with the first half of 2025, is as follows:

(million euros)	1st Half 2026		1st Half 2025		Changes		
		% weight		% weight	absolute	%	% organic excluding non-recurring
Domestic	4,554	66.7	4,547	68.9	7	0.2	0.2
Brazil	2,291	33.5	2,064	31.3	227	11.0	6.0
Other operations	—	—	—	—	—		
Adjustments and eliminations	*(15)*	*(0.2)*	*(14)*	*(0.2)*	*(1)*		
Consolidated Total	**6,830**	**100.0**	**6,597**	**100.0**	**233**	**3.5**	**2.0**

Organic revenues, net of the non-recurring component, are calculated as follows[1]:

(million euros)	1st Half 2026	1st Half 2025	% Change
REVENUES	**6,830**	**6,597**	**3.5**
Foreign currency financial statements translation effect		97	
ORGANIC REVENUES excluding non-recurring items	**6,830**	**6,694**	**2.0**

Revenue for the second quarter of 2026 totaled 3,509 million euros (3,321 million in the second quarter of 2025).

Organic revenues for the second quarter of 2026, excluding the non-recurring component, amounted to 3,509 million euros (3,418 million euros in the second quarter of 2025).

EBITDA

TIM Group's EBITDA (Sparkle Discontinued Operations) for the first half of 2026 is **1,917 million euros** (1,999 million euros in the first half of 2025, -4.1%).

The breakdown of EBITDA by operating segment for the first half of 2026 compared to the first half of 2025 is as follows:

(million euros)	1st Half 2026		1st Half 2025		Changes		
		% weight		% weight	absolute	%	% organic excluding non-recurring
Domestic	804	41.9	987	49.4	(183)	(18.5)	(2.3)
Brazil	1,116	58.2	1,015	50.8	101	10.0	5.1
Other operations	(4)	(0.2)	(4)	(0.2)	—		
Adjustments and eliminations	*1*	0.1	*1*	—	—		
Consolidated Total	**1,917**	**100.0**	**1,999**	**100.0**	**(82)**	**(4.1)**	**1.4**

[1]The average exchange rates used for conversion to the euro (expressed in terms of units of real per 1 euro) are 6.01202 in the first half of 2026 and 6.29416 in the first half of 2025. The average exchange rates for the US dollar were 1.16648 in the first half of 2026 and 1.09334 in the first half of 2025. The impact of changes in exchange rates is calculated by applying the foreign currency translation rates used for the current period to the corresponding comparative period.

Organic EBITDA, net of the non-recurring component, is calculated as follows:

(million euros)	1st Half 2026	1st Half 2025	% Change
EBITDA	**1,917**	**1,999**	**(4.1)**
Foreign currency financial statements translation effect		48	
Non-recurring expenses (income)	225	65	
ORGANIC EBITDA - excluding non-recurring items	**2,142**	**2,112**	**1.4**
% of Revenues	*31.4*	*31.6*	*(0.2)pp*

EBITDA for the first half of 2026 reflects total net non-recurring charges of 225 million euros, primarily relating to::

- employee benefits expenses and provisions (179 million euros), including those associated with early employee departures, as provided for in the agreements entered into in March 2026 by TIM S.p.A. and Noovle S.p.A. with the trade unions, using the extraordinary allowance provided under the Bilateral Solidarity Fund for the Telecommunications Supply Chain;
- other operating costs (46 million euros) mainly relating to provisions for related disputes and potential liabilities, and the development of non-recurring projects.

EBITDA for the second quarter of 2026 totaled 1,185 million euros (1,058 million in the second quarter of 2025).

Organic EBITDA for the second quarter of 2026, excluding the non-recurring component, amounted to 1,178 million euros (1,131 million euros in the second quarter of 2025).

TIM Group's (Sparkle Discontinued Operations) EBITDA was particularly impacted by the change in the line items analyzed below:

- **Acquisition of goods and services (4,025 million euros; 3,844 million euros in the first half of 2025):**

(million euros)	1st Half 2026	1st Half 2025	Changes
Acquisition of goods	479	392	87
Revenues due to other TLC operators and costs for telecommunications network access services	936	956	(20)
Hosting and delivery	229	244	(15)
Commercial and advertising costs	887	828	59
Professional and consulting services	115	97	18
Power, maintenance and outsourced services	520	543	(23)
Lease and rental costs	653	588	65
Other	206	196	10
Total acquisition of goods and services	**4,025**	**3,844**	**181**
% of Revenues	*58.9*	*58.3*	*0.6pp*

The increase in "**Acquisition of goods and services**" was mainly attributable to the Domestic Business Unit and was driven above all by higher purchases of goods for resale, higher memory chip prices, as well as higher software license rental costs.

- **Employee benefits expenses (891 million euros; 736 million euros in the first half of 2025):**

(million euros)	1st Half 2026	1st Half 2025	Changes
Employee benefits expenses - Italy	**718**	**581**	**137**
Ordinary employee expenses and costs	539	537	2
Restructuring and other expenses	179	44	135
Employee benefits expenses – Outside Italy	**173**	**155**	**18**
Ordinary employee expenses and costs	173	155	18
Restructuring and other expenses	—	—	—
Total employee benefits expenses	**891**	**736**	**155**
% of Revenues	*13.0*	*11.2*	*1.8pp*

The change of 155 million euros in personnel costs is mainly attributable to:

- the increase of 135 million euros in the item "Restructuring costs and other expenses" of the Italian component. In the first half of 2026, provisions of 167 million euros were set aside for early employee departures, as provided for in the agreements entered into in March 2026 by TIM S.p.A. and Noovle S.p.A. with the trade unions, using the extraordinary allowance provided under the Bilateral Solidarity Fund for the Telecommunications Supply Chain;

- the 2 million euro increase in ordinary employee expenses in Italy, primarily attributable to the salary increase provided for under the renewal of the National Collective Labour Agreement for the Telecommunications Sector (CCNL TLC), signed on November 11, 2025, partially offset by lower personnel costs resulting from the greater impact of the Solidarity Agreement;
- the 18 million euro increase in the international component of the Brazil Business Unit, primarily reflecting exchange rate movements and the acquisition of V8 Consulting ("V8.Tech") and I-Systems.

- **Other income (155 million euros; 135 million euros in the first half of 2025):**

(million euros)	1st Half 2026	1st Half 2025	Changes
Late payment fees charged for telephone services	18	18	—
Recovery of employee benefit expenses, purchases and services rendered	5	2	3
Capital and operating grants	25	17	8
Damages, penalties and recoveries connected with litigation	8	23	(15)
Estimate revisions and other adjustments	13	21	(8)
Income for special training activities	1	1	—
Services related to the MSA in place with FiberCop S.p.A., penalties and other items	80	51	29
Other	5	2	3
Total	**155**	**135**	**20**

- **Other operating expenses (336 million euros; 293 million euros in the first half of 2025):**

(million euros)	1st Half 2026	1st Half 2025	Changes
Write-downs and expenses in connection with credit management	133	105	28
Provision charges	50	21	29
TLC operating fees and charges	98	94	4
Indirect duties and taxes	37	44	(7)
Penalties, settlement compensation and administrative fines	5	5	—
Subscription dues and fees, donations, scholarships and traineeships	5	5	—
Estimate revisions and other adjustments	2	8	(6)
Sundry expenses	6	11	(5)
Total	**336**	**293**	**43**

Depreciation and amortization

In the first half of 2026, this item amounted to 1,469 million euros (1,473 million euros in the first half of 2025) and breaks down as follows:

(million euros)	1st Half 2026	1st Half 2025	Changes
Amortization of intangible assets with a finite useful life	650	664	(14)
Depreciation of tangible assets	538	541	(3)
Depreciation of rights of use assets	281	268	13
Total	**1,469**	**1,473**	**(4)**

Net impairment losses on non-current assets

In the first half of 2026 and in the first half of 2025, **Net impairment losses on non-current assets** were nil.

In accordance with IAS 36, goodwill is not subject to amortization, but is tested for impairment on an annual basis, when preparing the company's separate and consolidated financial statements. Moreover, if specific *trigger events* occur that could lead to a presumption that Goodwill has suffered impairment, *impairment testing* is also carried out during the preparation of the interim financial statements.

In the first half of 2026, no external or internal events were identified that would require a new impairment test, and the Goodwill values assigned to each of the Cash Generating Units in the 2025 Consolidated Financial Statements were therefore confirmed

Further details are provided in the Note "Goodwill" to the Half-Year Condensed Consolidated Financial Statements at June 30, 2026 of the TIM Group.

EBIT

TIM Group's EBIT (Sparkle Discontinued Operations) in the first half of 2026 was 469 million euros (529 million euros in the first half of 2025).

Organic EBIT, net of the non-recurring component, is calculated as follows:

(million euros)	1st Half 2026	1st Half 2025	% Change
EBIT	**469**	**529**	**(11.3)**
Foreign currency financial statements translation effect		22	
Non-recurring expenses (income)	225	64	
ORGANIC EBIT - excluding non-recurring items	**694**	**615**	**12.8**

EBIT for the second quarter of 2026 totaled 447 million euros (320 million in the second quarter of 2025).

Organic EBIT for the second quarter of 2026, excluding the non-recurring component, amounted to 440 million euros (368 million euros in the second quarter of 2025).

Finance income (expenses), net

Finance income (expenses) showed a net expense of 467 million euros (expense of 483 million euros in the first half of 2025). The reduction was substantially related to the reduction in financial debt.

Income tax expense

In the first half of 2026, "income tax" is equal to 69 million euros (32 million euros in the first half of 2025) of which 55 million euros relating to the Domestic Business Unit and 11 million euros to the Brazil Business Unit.

Profit (loss) for the period

This item breaks down as follows:

(million euros)	1st Half 2026	1st Half 2025
Profit (loss) for the period	**(107)**	**(38)**
Attributable to:		
Owners of the Parent:		
Profit (loss) from continuing operations	(179)	(90)
Profit (loss) from Discontinued operations / Non-current assets held for sale	(25)	(42)
Profit (loss) for the period attributable to owners of the Parent	**(204)**	**(132)**
Non-controlling interests:		
Profit (loss) from continuing operations	97	94
Profit (loss) from Discontinued operations / Non-current assets held for sale	—	—
Profit (loss) for the period attributable to Non-controlling interests	**97**	**94**

The **net result** for the first half of 2026 **attributable to the Owners of the Parent** recorded a loss of 204 million euros (-132 million euros in the first half of 2025), including a net loss for discontinued operations/assets held for sale (Discontinued Operations and Related Charges), for a total of 25 million euros (-42 million euros in the first half of 2025).

FINANCIAL AND OPERATING HIGHLIGHTS OF THE BUSINESS UNITS OF THE TIM GROUP

Domestic

(million euros)	1st Half 2026	1st Half 2025	Changes (a-b)		
	(a)	(b)	absolute	%	% organic excluding non-recurring
Revenues	**4,554**	**4,547**	**7**	**0.2**	**0.2**
EBITDA	**804**	**987**	**(183)**	**(18.5)**	**(2.3)**
% of Revenues	*17.7*	*21.7*		*(4.0)pp*	*(0.6)pp*
EBIT	**(80)**	**72**	**(152)**	**(211.2)**	**6.0**
% of Revenues	*(1.8)*	*1.6*		*(3.4)pp*	*0.2pp*
Headcount at period end (number) (°)	**16,756**	**(*) 16,887**	**(131)**	**(0.8)**	

(*) Includes agency contract workers: 152 units as of June 30, 2026 (121 units as of December 31, 2025).
(*) The headcount is current at December 31, 2025.

(million euros)	2nd Quarter 2026	2nd Quarter 2025	Changes (a-b)		
	(a)	(b)	absolute	%	% organic excluding non-recurring
Revenues	**2,330**	**2,302**	**28**	**1.2**	**1.2**
EBITDA	**588**	**542**	**46**	**8.5**	**1.8**
% of Revenues	*25.2*	*23.5*		*1.7pp*	*0.1pp*
EBIT	**147**	**77**	**70**	**90.9**	**33.0**
% of Revenues	*6.3*	*3.3*		*3.0pp*	*1.4pp*

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Revenues

Domestic Business Unit (Sparkle Discontinued Operations) **revenues** amounted to 4,554 million euros, up 7 million euros compared to the first half of 2025 (+0.2%).

Service **revenues** amounted to 4,209million euros (+5 million euros compared to the first half of 2025, +0.1%), thanks to growth in ICT revenues despite the impact of the competitive environment on the customer base and MVNO customer remodulation.

Handset and Bundle & Handset revenues, including the change in work in progress, amounted to 345 million euros in the first half of 2026, up slightly by 2 million euros compared to the same period of the previous year.

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TIM Consumer. The reference perimeter is made up of the set of telephone and Internet services and products managed and developed in Landline and Mobile for individuals and families (from public telephony, from caring activities and administrative management of customers) and for customers of SMEs (Small and Medium Enterprises), SOHO (*Small Office Home Office*) and other mobile operators (MVNOs); it includes the company TIM Retail, which coordinates the activities of its stores).

The main *Key Performance Indicators* of TIM Consumer were as follows:

	6/30/2026	12/31/2025	6/30/2025
Total Fixed accesses (thousands)	6,758	6,904	7,049
Of which active ultra-broadband accesses (thousands)	5,570	5,556	5,528
Fixed Consumer ARPU (€/month) (1)	32.7	32.0	31.5
Mobile lines at period end (thousands)	15,026	15,173	15,781
of which Human calling (thousands)	12,998	13,048	13,209
Mobile churn rate (%) (2)	9.0	18.5	9.1
Mobile Consumer Human calling ARPU (€/month) (3)	10.6	10.7	10.6

(1) Organic Consumer service revenues in proportion to the average number of Consumer accesses.
(2) Percentage of human lines discontinued in the period compared to the average human lines.
(3) Organic consumer service revenues (excluding visitors and MVNOs) in proportion to average human calling lines.

(million euros)	2nd Quarter 2026	2nd Quarter 2025	1st Half 2026	1st Half 2025	% Change			
	(a)	(b)	(c)	(d)	(a-b)/b	(c-d)/d	organic % excluding non-recurring (a-b)/b	organic % excluding non-recurring (c-d)/d
TIM Consumer revenues	**1,453**	**1,489**	**2,893**	**2,974**	**(2.4)**	**(2.7)**	**(2.4)**	**(2.7)**
Service revenues	1,329	1,383	2,660	2,739	(3.9)	(2.9)	(3.9)	(2.9)
revenues	124	106	233	235	17.0	(0.9)	17.0	(0.9)

TIM Consumer revenues for the first half of 2026 were equal to 2,893 million euros; the 81 million euro reduction compared to the previous year is mainly related to the reduction in MVNO service revenues linked to customer remodulation.

Service revenues, totaling 2,660 million euros, decreased by 79 million euros compared to the first half of 2025.

Handset and Bundle & Handset revenues of TIM Consumer amounted to 233 million euros, slightly down (2 million euros) on the first half of 2025.

TIM Enterprise. This segment comprises the connectivity services and products and the ICT solutions managed and developed for Top, Public Sector and Large Account customers. The following companies are included: Olivetti, TI Trust Technologies, Telsy and Noovle.

(million euros)	2nd Quarter 2026	2nd Quarter 2025	1st Half 2026	1st Half 2025	% Change			
	(a)	(b)	(c)	(d)	(a-b)/b	(c-d)/d	organic % excluding non-recurring (a-b)/b	organic % excluding non-recurring (c-d)/d
TIM Enterprise Revenues	**877**	**813**	**1,661**	**1,573**	**7.9**	**5.6**	**7.9**	**5.6**
Service revenues	812	758	1,549	1,465	7.1	5.7	7.1	5.7
revenues	65	55	112	108	18.2	3.7	18.2	3.7

TIM Enterprise revenues amounted to 1,661 million euros, up 88 million euros (+5.6%) compared to the first half of 2025, thanks to the service revenues component (+84 million euros, +5.7%), driven by IT cloud services.

EBITDA

Domestic Business Unit (Sparkle Discontinued Operations) EBITDA for the first half of 2026 amounted to 804 million euros (-183 million euros compared to the first half of 2025).

Organic EBITDA, net of the non-recurring items, was 1,025 million euros (-24 million euros in 2025 compared to the first half of 2025, -2.3%). In particular, EBITDA for the first half of 2026 reflects non-recurring charges totaling 221 million euros, while in the first half of 2025 it reflected an overall impact of 62 million euros from non-recurring charges.

Organic EBITDA, net of the non-recurring component, is calculated as follows:

(million euros)	1st Half 2026	1st Half 2025	Changes	
			absolute	%
EBITDA	**804**	**987**	**(183)**	**(18.5)**
Non-recurring expenses (income)	221	62	159	
ORGANIC EBITDA - excluding non-recurring items	**1,025**	**1,049**	**(24)**	**(2.3)**

In relation to the results of the **Domestic Business Unit (Sparkle Discontinued Operations)** and the dynamics of the main items, these results were influenced by the same dynamics as the consolidated Group results (as disclosed above); in detail the items analyzed:

(million euros)	1st Half 2026	1st Half 2025	Changes
Acquisition of goods and services	3,168	3,065	103
Employee benefits expenses	720	582	138
Other operating expenses	126	119	7

Specifically:

- **Other income** amounted to 143 million euros with an increase of 20 million euros compared to the first half of 2025:

(million euros)	1st Half 2026	1st Half 2025	Changes
Late payment fees charged for telephone services	8	9	(1)
Recovery of employee benefit expenses, purchases and services rendered	5	2	3
Capital and operating grants	25	17	8
Damages, penalties and recoveries connected with litigation	7	21	(14)
Estimate revisions and other adjustments	13	21	(8)
Income for special training activities	1	1	—
Services related to the MSA in place with FiberCop S.p.A., penalties and other items	80	51	29
Other	4	1	3
Total	**143**	**123**	**20**

- **Acquisition of goods and services** amounted to 3,168 million euros with an increase of 103 million euros compared to the first half of 2025:

(million euros)	1st Half 2026	1st Half 2025	Changes
Acquisition of goods	388	305	83
Revenues due to other TLC operators and costs for telecommunications network access services	814	838	(24)
Hosting and delivery	228	244	(16)
Commercial and advertising costs	619	592	27
Professional and consulting services	44	43	1
Power, maintenance and outsourced services	406	434	(28)
Lease and rental costs	494	442	52
Other	175	167	8
Total acquisition of goods and services	**3,168**	**3,065**	**103**
% of Revenues	*69.6*	*67.4*	*2.2*

The increase in **Acquisition of goods and services** was mainly attributable to higher purchases of goods for resale for sales campaigns planned for the coming months, partly reflecting higher memory chip prices, as well as higher software license rental costs.

- **Employee benefits expenses** amounted to 720 million euros with an increase of 138 million euros compared to the first half of 2025. The same dynamics already described in the information given on the consolidated operating performance impacted this performance too.

- **Other operating expenses** amounted to 126 million euros with an increase of 7 million euros compared to the first half of 2025:

(million euros)	1st Half 2026	1st Half 2025	Changes
Write-downs and expenses in connection with credit management	52	46	6
Provision charges	37	22	15
TLC operating fees and charges	11	9	2
Indirect duties and taxes	15	19	(4)
Penalties, settlement compensation and administrative fines	5	5	—
Subscription dues and fees, donations, scholarships and traineeships	3	4	(1)
Estimate revisions and other adjustments	2	8	(6)
Sundry expenses	1	6	(5)
Total	**126**	**119**	**7**

The increase in **Other operating expenses** primarily reflected higher provisions for expected credit losses on trade receivables and higher provisions for commercial risks at TIM S.p.A.

EBIT

EBIT for the first half of 2026 of the **Domestic Business Unit (Sparkle Discontinued Operations)** was negative by 80 million euros (-152 million euros compared to the first half of 2025).

Organic EBIT, net of the non-recurring component, amounted to 141 million euros (+8 million euros compared to the first half of 2025, +6.0%).

Organic EBIT, net of the non-recurring items, was calculated as follows:

(million euros)	1st Half 2026	1st Half 2025	Changes	
			absolute	%
EBIT	**(80)**	**72**	**(152)**	**—**
Non-recurring expenses (income)	221	61	160	
ORGANIC EBIT - excluding non-recurring items	**141**	**133**	**8**	**6.0**

With regard to the goodwill of the Domestic Cash-Generating Unit (CGU), no external or internal events were identified in the first half of 2026 that would trigger a new impairment test, and the Goodwill values assigned in the 2025 Consolidated Financial Statements were therefore confirmed

Further details are provided in the Note "Goodwill" to the Half-Year Condensed Consolidated Financial Statements at June 30, 2026 of the TIM Group.

Brazil

	(million euros)		(million Brazilian reais)		Changes		
	1st Half 2026	**1st Half 2025**	**1st Half 2026**	**1st Half 2025**			
					absolute	**%**	**% organic excluding non-recurring**
	(a)	**(b)**	**(c)**	**(d)**	**(c-d)**	**(c-d)/d**	
Revenues	**2,291**	**2,064**	**13,772**	**12,994**	**778**	**6.0**	**6.0**
EBITDA(*)	**1,116**	**1,015**	**6,710**	**6,388**	**322**	**5.0**	**5.1**
% of Revenues	*48.7*	*49.2*	*48.7*	*49.2*		*(0.5)pp*	*(0.4)pp*
EBIT	**551**	**459**	**3,314**	**2,892**	**422**	**14.6**	**14.6**
% of Revenues	*24.1*	*22.3*	*24.1*	*22.3*		*1.8pp*	*1.8pp*
Headcount at period end (number)			**9,005**	**(°)8,702**	**303**	**3.5**	

(°) The headcount is current at December 31, 2025.

(*) For local reporting purposes, the performance reported to the market by TIM S.A. shows EBITDA increasing by 6.8% and EBITDA AL up by 7.8% compared with the corresponding period of the previous year. This increase reflects the fact that, for the purposes of local annual reporting and as required under Brazilian law, other income includes non-recurring one-off items that have no impact on cash flows or net financial debt.

The average exchange rates used for conversion to the euro (expressed in terms of units of real per 1 euro) are 6.01202 in the first half of 2026 and 6.29416 in the first half of 2025.

	(million euros)		(million Brazilian reais)		Changes		
	2nd Quarter 2026	**2nd Quarter 2025**	**2nd Quarter 2026**	**2nd Quarter 2025**			
					absolute	**%**	**% organic excluding non-recurring**
	(a)	**(b)**	**(c)**	**(d)**	**(c-d)**	**(c-d)/d**	
Revenues	**1,186**	**1,026**	**6,966**	**6,600**	**366**	**5.5**	**5.5**
EBITDA	**599**	**520**	**3,526**	**3,336**	**190**	**5.7**	**6.1**
% of Revenues	*50.6*	*50.5*	*50.6*	*50.5*		*0.1pp*	*0.2pp*
EBIT	**301**	**245**	**1,772**	**1,574**	**198**	**12.6**	**13.5**
% of Revenues	*25.4*	*23.8*	*25.4*	*23.8*		*1.6pp*	*1.8pp*

	1st Half 2026	**1st Half 2025**
Mobile lines at period end (thousands) (*)	61,856	(°) 61,974
Mobile ARPU (reais)	34.0	32.3
BroadBand ARPU (reais)	93.9	94.4

(*) Includes corporate lines.
(°) Number at December 31, 2025.

The Brazil Business Unit (TIM Brasil group) provides mobile phone services, fiber optic data transmission using full IP technology and residential broadband services. In addition, the TIM Brasil group provides IoT services focused on the Agri-food, Industry, Logistics and Utilities sectors.

Revenues

Revenues for the first half of 2026 of the **Brazil Business Unit (TIM Brasil Group)** amounted to 13,772 million reais (12,994 million reais in the first half of 2025, +6.0%).

The growth was determined by **service revenues** (13,430 million reais vs 12,657 million reais for the first half of 2025, +6.1%) with mobile telephony service revenues growing 5.1% in the first half of 2026 due to the continuous improvement of the post-paid segment. Considering the contribution of V8.Tech's B2B revenues, consolidated since February 2026, fixed-line service revenues increased by 24.8% compared to the first half of 2025, also driven by the continued growth of Ultrafibra.
Revenues from product sales totaled 342 million reais (337 million reais in the first half of 2025).

Revenues in the second quarter of 2026 amounted to 6,966 million reais, showing growth of 5.5% compared to the second quarter of 2025 (6,600 million reais).

Mobile ARPU in the first half of 2026 totaled 34.0 reais (32.3 reais in the first half of 2025, +5.4%).

Total mobile lines as of June 30, 2026, amounted to approximately 62 million, in line with the total mobile lines as of December 31, 2025. The positive performance of the *post-paid* segment was offset by the reduction of lines in the *pre-paid* segment. Post-paid customers represented 54.4% of the customer base as of June 30, 2026 (52.8% at December 31, 2025).

Broadband ARPU for the first half of 2026 was 93.9 reais (94.4 reais in the first half of 2025).

EBITDA

EBITDA in the first half of 2026 amounts to 6,710 million reais (6,388 million reais in the first half of 2025, +5.0%) and the margin on revenues is 48.7% (49.2% in the first half of 2025).

Organic EBITDA, net of the non-recurring items, increased by 5.1% and was calculated as follows:

(million Brazilian reais)	1st Half 2026	1st Half 2025	Changes	
			absolute	%
EBITDA	**6,710**	**6,388**	**322**	**5.0**
Oneri/(Proventi) non ricorrenti	22	20	2	
ORGANIC EBITDA excluding non-recurring items	**6,732**	**6,408**	**324**	**5.1**

The growth in EBITDA is mainly attributable to the positive performance of service revenues, partially offset by the increase in operating expenses.

The EBITDA margin stood at 48.9% in organic terms (49.3% for the first half of 2025).

EBITDA in the second quarter of 2026 amounted to 3,526 million reais, showing growth of 5.7% compared to the second quarter of 2025 (3,336 million reais).

Excluding non-recurring charges, the EBITDA margin for the second quarter of 2026 was 50.8% (50.6% in the second quarter of 2025).

The changes in the main cost items are shown below:

	(million euros)		(million Brazilian reais)		
	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	Changes
	(a)	(b)	(c)	(d)	(c-d)
Acquisition of goods and services	871	793	5,235	4,988	247
Employee benefits expenses	170	153	1,024	963	61
Other operating expenses	207	171	1,243	1,084	159

EBIT

EBIT for the first half of 2026 amounted to 3,314 million reais (2,892 million reais for the first half of 2025, +14.6%).

Organic EBIT, net of the non-recurring component, in the first half of 2026 amounted to 3,336 million reais (2,912 million reais in the first half of 2025), with a margin on revenues of 24.2% (22.4% in the first half of 2025), and is calculated as follows:

(million Brazilian reais)	1st Half 2026	1st Half 2025	Changes	
			absolute	%
EBIT	**3,314**	**2,892**	**422**	**14.6**
Oneri/(Proventi) non ricorrenti	22	20	2	
ORGANIC EBIT - excluding non-recurring items	**3,336**	**2,912**	**424**	**14.6**

EBIT for the second quarter of 2026 totaled 1,772 million reais (1,574 in the second quarter of 2025).

Excluding non-recurring charges, the EBITDA margin for the second quarter of 2026 was 25.7% (23.9% in the second quarter of 2025).

TIM GROUP'S ESG PERFORMANCE

In the first half of 2026, the TIM Group continued its commitment to ESG by pursuing initiatives across the environmental, social and governance pillars, in line with the Group's strategy.

New agreement for the rollout of 5G in Italy

In January, TIM entered into an agreement with Fastweb + Vodafone for the shared use of mobile radio access infrastructure under a RAN sharing model, with the aim of expanding 5G coverage in underserved, low-density areas. The collaborative model adopted avoids unnecessary duplication of infrastructure and reduces the associated environmental impacts, while freeing up resources for further investment.

The initiative supports the country's digital transformation, strengthening its competitiveness in line with the objectives of the EU Digital Decade, while delivering direct benefits to consumers and businesses.

Participation in the "M'Illumino di Meno" campaign

TIM participated in the 22nd edition of the "M'Illumino di Meno" campaign organized by Rai Radio2's Caterpillar to mark the National Day for Energy Conservation and Sustainable Lifestyles. On 16 February, TIM switched off the lights at its main offices in Rome and Milan, involving around 17,000 employees and encouraging them to adopt responsible electricity-use practices.

This initiative forms part of a broader vision of sustainability, which the Group regards as a core element of its business strategy.

Development of digital infrastructure for Milano Cortina 2026

TIM – the Official Telecommunications Partner of Milano Cortina 2026 – delivered the entire connectivity infrastructure for the event through a program to enhance 5G mobile coverage and ultra-fast network connections across all competition venues and other key Games locations.

The infrastructure developed for the event will remain in place for the benefit of local communities, contributing to the digital, economic and social development of the regions concerned.

TIM ranked first in Italy for consistent network quality, according to Opensignal

According to the reports published by Opensignal in March, TIM ranked as Italy's leading operator for "Consistent Quality", a metric that measures a network's ability to deliver consistently reliable performance across everyday digital activities. TIM also ranked first in the "Video Experience" and "Games Experience" categories. The Group also delivered the highest 5G download and upload speeds in the cities of Milan and Rome.

These recognitions reflect TIM's commitment to, and investment in, the development of next-generation digital infrastructure.

TIM recognized as a sustainability leader in the Dow Jones Best-in-Class Europe Index 2026

In April, TIM retained its place in S&P Global's Dow Jones Best-in-Class Europe Index 2026, one of the world's leading sustainability indices. It achieved the highest score among European telecommunications companies and ranked in the top 10% globally within the sector.

The Group's inclusion in the index confirms its ability to combine technological transformation with ESG responsibility, in line with a strategy focused on creating sustainable long-term value.

Olivetti achieves B Corp certification

Olivetti, a TIM Group company and a Benefit Corporation since 2022, having incorporated public benefit objectives into its articles of association, was awarded B Corp certification in May. The certification is granted by B Lab to companies that meet rigorous standards of social and environmental performance.

The certification reflects the company's progress in integrating ESG objectives into its business processes and business model.

CONSOLIDATED FINANCIAL POSITION AND CASH FLOWS PERFORMANCE

Non-current assets

- **Goodwill**: This item increased by 246 million euros, from 11,025 million euros as of December 31, 2025 to 11,271 million euros as of June 30, 2026, primarily as a result of the goodwill recognized by the Brazil Business Unit following the acquisitions of control of I-Systems Soluções de Infraestrutura S.A. ("I-Systems") (149 million euros) and V8 Consulting S.A. ("V8.Tech") (17 million euros). Further details are provided in the Note "Business Combinations" to the Half-Year Condensed Consolidated Financial Statements at June 30 of the TIM Group. In addition, positive foreign exchange differences of 80 million euros were recognized in relation to the goodwill allocated to the Brazil cash-generating unit (CGU).
- **Intangible assets with a finite useful life**: these fell by 104 million euros, from 5,445 million euros at the end of 2025 to 5,341 million euros as of June 30, 2026, representing the balance of:
  - CapEx (+370 million euros);
  - depreciation charge for the year (-650 million euros);
  - a net positive balance of 176 million euros mainly driven by positive exchange rate differences of 165 million euros relating to the Brazil Business Unit and including the impact of the Brazilian companies I-Systems and V8.Tech being included in the scope of consolidation (+13 million euros.
- **Tangible assets**: these increased by 356 million euros, from 4,114 million euros at the end of 2025 to 4,470 million euros as of June 30, 2026, representing the balance of:
  - CapEx (+478 million euros);
  - depreciation charge for the year (-538 million euros);
  - a net positive balance of 416 million euros including mainly the impact of the Brazilian companies I-Systems and V8.Tech (+261 million euros) being included in the scope of consolidation and positive exchange rate differences for 179million euros relating to the Brazil Business Unit.
- **Rights of use assets** (mainly comprise rights of use on real estate leases, network connectivity and telecommunications infrastructure): these increased by 162 million euros, from 3,240 million euros at the end of 2025 to 3,402 million euros as of June 30, 2026, representing the balance of:
  - investments (+15 million euros) and increases in lease contracts (+644 million euros); In particular, 507 million euros of those increases relate to the Brazil Business Unit and 137 million euros to the Domestic Business Unit;
  - depreciation charge for the year (-281 million euros);
  - a net negative balance of 216 million euros relating to disposals, exchange differences (positive at 168 million euros, essentially relating to the Brazil Business Unit) and other changes.

Consolidated equity

Following the shareholders' resolutions adopted on January 28, 2026, and April 15, 2026, the following transactions were carried out during the first half of 2026, affecting the Equity and Share Capital of the Parent, TIM S.p.A.:

- the voluntary reduction of the Share Capital from 11,677 million euros to 6,000 million euros and allocation of the reduction to the Legal reserve and to the Available net equity reserve; the Legal reserve at June 30, 2026 was therefore equal to 1,200 million euros, representing 20% of the Share Capital;
- the conversion of savings shares into ordinary shares, with a conversion ratio of 1 ordinary share for each savings share and a differentiated cash premium for optional conversion (0.12 euros per share) and mandatory conversion (0.04 euros per share); the total outlay paid as the conversion premium came to 692 million euros, with a corresponding reduction in TIM S.p.A. reserves;
- the reverse stock split of the ordinary shares comprising the Share Capital, at a ratio of 1 new ordinary share with full dividend rights for every 10 ordinary shares outstanding. this split is without accounting effects;
- approval of a share buyback program for TIM S.p.A. ordinary shares, for a maximum aggregate consideration of 400 million euros and up to 70,000,000 shares (following the reverse stock split). As of 21 July 2026, the first tranche of the program had been completed, with the repurchase of 14,000,000 ordinary shares for a total consideration of approximately 109 million euros.

The changes in consolidated equity are the following:

(million euros)	6/30/2026		12/31/2025	
Equity at the start of the period	**13,455**		**13,361**	
of which attributable to owners of the Parent		*12,219*		*11,957*
of which attributable to non-controlling interests		*1,236*		*1,404*
Total comprehensive income (loss) for the period	213		557	
Dividends approved by:	(43)		(317)	
TIM S.p.A.	—		—	
Other Group companies	*(43)*		*(317)*	
Brazil BU - share capital transactions	—		(119)	
Savings shares conversion premium	(692)		—	
Allocation of shares under the 2022–2024 Stock Option Plan and other movements in treasury shares	(12)		—	
Equity instruments (2025-2027 Long Term Incentive Plan and 2022-2024 Stock Options Plan modified)	8		—	
Other movements	(2)		(27)	
Equity at the end of the period	**12,927**		**13,455**	
of which attributable to owners of the Parent		*11,515*		*12,219*
of which attributable to non-controlling interests		*1,412*		*1,236*

Cash flows

Adjusted net financial debt at June 30, 2026 was equal to 10,479 million euros (9,778 million euros as of December 31, 2025). The main transactions that had an impact on the change in adjusted net financial debt are as follows:

Change in adjusted net financial debt

(million euros)	1st Half 2026 (a)	1st Half 2025 (b)	Change (a-b)
EBITDA	1,917	1,999	(82)
Capital expenditures on an accrual basis	(863)	(834)	(29)
Change in net operating working capital:	141	(695)	836
Change in inventories	*(50)*	*(5)*	*(45)*
Change in trade receivables and other net receivables	*(217)*	*(89)*	*(128)*
Change in trade payables	*(271)*	*(686)*	*415*
Change in payables for mobile telephone licenses/spectrum	—	—	—
Other changes in operating receivables/payables (*)	*679*	*85*	*594*
Change in employee benefits	178	3	175
Change in operating provisions and Other changes	30	9	21
Net Operating Free Cash Flow	**1,403**	**482**	**921**
% of Revenues	*20.5*	*7.3*	*13.2pp*
Cash flows from sales of investments and other disposals	4	1	3
Share capital increases/reimbursements including incidental expenses	(28)	—	(28)
Savings shares conversion premium	(692)	—	(692)
Financial investments	(277)	(26)	(251)
Dividends payment	(87)	(85)	(2)
Increases in lease contracts	(644)	(316)	(328)
Finance expenses, income taxes and other net non-operating requirements flow	(348)	(269)	(79)
Reduction/(Increase) in adjusted net financial debt from continuing operations	**(669)**	**(213)**	**(456)**
Reduction/(Increase) in net financial debt from Discontinued operations/Non-current assets held for sale	(32)	(78)	46
Reduction/(Increase) in adjusted net financial debt	**(701)**	**(291)**	**(410)**

(*) This item includes 1,012 million euros relating to the settlement of the receivable arising from the 1998 License Fee judgment, as described in the section "1998 License Fee."

Equity Free Cash Flow After Lease for the first half of 2026 was positive at 650 million euros (-121 million euros in the first half of 2025).

The Equity Free Cash Flow After Lease is calculated as follows:

(million euros)	1st Half 2026	1st Half 2025	Change
Reduction/(Increase) in adjusted net financial debt	**(701)**	**(291)**	**(410)**
Impact for finance leases (new lease operations and/or renewals and/or extensions (-)/any terminations/early extinguishing of leases (+))	470	257	213
Payment of TLC licenses and for the use of frequencies	—	—	—
Financial impact of acquisitions and/or disposals of investments	275	26	249
Dividend payment and Change in Equity	115	85	30
Savings shares conversion premium	692	—	692
Payments in lease contracts (principal share of lease payments)	(201)	(198)	(3)
Equity Free Cash Flow After Lease	**650**	**(121)**	**771**

In addition to what has already been described with reference to EBITDA, the change in adjusted net financial debt for the first half of 2026 was particularly impacted by the following:

Capital expenditures and investments for mobile telephone licenses/spectrum

In the first half of 2026, the **industrial investments and investments for mobile telephone licenses/spectrum of the TIM Group (Sparkle Discontinued Operations)** amounted to 863 million euros (834 million euros in the first half of 2025), with an increase of 29 million euros due to the rise in investments in the Technology area of the Brazil business unit.
CapEx is broken down as follows by operating segment:

(million euros)	1st Half 2026		1st Half 2025		Change
		% weight		% weight	
Domestic	482	55.9	481	57.7	1
Brazil	381	44.1	353	42.3	28
Other operations	—	—	—	—	—
Adjustments and eliminations	—	—	—	—	—
Consolidated Total	**863**	**100.0**	**834**	**100.0**	**29**
% of Revenues	*12.6*		*12.6*		*0.0pp*

Specifically:

- the **Domestic Business Unit (Sparkle Discontinued Operations)** presents industrial investments of 482 million euros, with a significant share aimed at the development of Mobile, IT and cloud infrastructure;
- the **Brazil Business Unit** posted capital expenditures in the first half of 2026 of 381 million euros (353 million euros for the first half of 2025). Excluding the effect of exchange rate movements (+16 million euros), the increase amounted to 12 million euros and was primarily driven by higher investment in IT and projects supporting the technological and operational development of the Business Unit.

Change in net operating working capital

In the first half of 2026, the TIM Group's operating working capital (Sparkle Discontinued Operations) showed a positive trend of 141 million euros. This was primarily attributable to the collection of the receivable recognized in respect of the 1998 License Fee (1,012 million euros), partially offset by the trend in other operating receivables/payables, the change in trade receivables (-217 million euros), and the change in trade payables (-271 million euros).

Financial investments

In the first half of 2026, the TIM Group’s financial investments, (Sparkle Discontinued Operations), amounted to 277 million euros (26 million euros in the first half of 2025). Of this amount, 259 million euros was attributable to the Brazil Business Unit, primarily in connection with TIM S.A.’s acquisition of 51% of the share capital of I-Systems (240 million euros) and 100% of the share capital of V8 Consulting - V8.Tech (19 million euros). Further details are provided in the Note “Business Combinations” to the Half-Year Condensed Consolidated Financial Statements at June 30, 2026 of the TIM Group.

Increases in lease contracts

During the first half of 2026, the item came to 644 million euros (316 million euros during the first half of 2025) and includes the greater value of rights of use entered following new passive lease contracts, increases in lease charges and the renegotiation of existing lease contracts. In particular, the increase relating to the Domestic Business Unit was primarily attributable to the exercise of contractual termination rights in respect of certain lease contracts, which required those leases to be remeasured based on the estimated termination dates.

Financial expenses, income taxes and other net non-operating requirements flow

In the first half of 2026, the flow has a negative balance for a total of 348 million euros (negative for 269 million euros in the first half of 2025). It mainly includes outflows relating to financial management components, as well as the payment of income tax expense and changes in non-operating payables and receivables.

Sales of receivables to factoring companies

It should be noted that the sale of non-recourse trade receivables to factoring companies completed in the first half of 2026 had a positive effect of 989 million euros on net financial debt at June 30, 2026 (1,137 million euros at December 31, 2025).

Net financial debt

Net financial debt is composed as follows:

(million euros)	6/30/2026 (a)	12/31/2025 (b)	Change (a-b)
Non-current financial liabilities			
Bonds	6,949	6,918	31
Amounts due to banks, other financial payables and liabilities	1,799	1,073	726
Non-current financial liabilities for lease contracts	2,722	2,476	246
	11,470	**10,467**	**1,003**
Current financial liabilities (*)			
Bonds	268	1,188	(920)
Amounts due to banks, other financial payables and liabilities	1,237	1,839	(602)
Current financial liabilities for lease contracts	548	515	33
	2,053	**3,542**	**(1,489)**
Financial liabilities directly associated with Discontinued operations/Non-current assets held for sale	80	89	(9)
Total Gross financial debt	**13,603**	**14,098**	**(495)**
Non-current financial assets			
Securities other than investments	(1)	(1)	—
Non-current financial receivables arising from lease contracts	(37)	(34)	(3)
Financial receivables and other non-current financial assets	(436)	(396)	(40)
	(474)	**(431)**	**(43)**
Current financial assets			
Securities other than investments	(1,155)	(1,370)	215
Current financial receivables arising from lease contracts	(51)	(44)	(7)
Financial receivables and other current financial assets	(164)	(168)	4
Cash and cash equivalents	(1,070)	(2,048)	978
	(2,440)	**(3,630)**	**1,190**
Financial assets relating to Discontinued operations/Non-current assets held for sale	(118)	(162)	44
Total financial assets	**(3,032)**	**(4,223)**	**1,191**
Net financial debt carrying amount	**10,571**	**9,875**	**696**
Reversal of fair value measurement of derivatives and related financial liabilities/assets	*(92)*	*(97)*	*5*
Adjusted Net Financial Debt	**10,479**	**9,778**	**701**
Breakdown as follows:			
Total adjusted gross financial debt	**13,370**	**13,839**	**(469)**
Total adjusted financial assets	**(2,891)**	**(4,061)**	**1,170**
(*) of which current portion of medium/long-term debt:			
Bonds	*268*	*1,188*	*(920)*
Amounts due to banks, other financial payables and liabilities	*219*	*196*	*23*
Current financial liabilities for lease contracts	*506*	*487*	*19*

The financial risk management policies of the TIM Group are aimed at minimizing market risks, fully hedging exchange rate risk on financial liabilities, and optimizing interest rate exposure through appropriate diversification of the portfolio, which is also achieved by using carefully selected derivative financial instruments. It is emphasized that these instruments are not for speculative purposes.

It should also be noted that, in order to determine its exposure to interest rates, the Group defines an optimal composition of its long-term debt structure between fixed-rate and variable-rate components and uses derivative financial instruments in order to achieve the pre-established debt composition. In consideration of the Group's operating activities, the optimum combination of medium/long-term non-current financial liabilities has been identified, on the basis of the nominal value, in the 65%-85% range for the fixed-rate component and in the 15%-35% range for the variable-rate component.

In managing market risks, the Group has adopted Guidelines for the “Management and control of financial risk” and mainly uses IRS and CCIRS derivative financial instruments.

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 from the measurement of derivatives and related financial assets/liabilities.

For further details, see the “Alternative performance measures” chapter.

Net Financial Debt carrying amount at June 30, 2026 is equal to 10,571 million euros, an increase of 696 million euros compared to December 31, 2025 (9,875 million euros). This increase is mainly due to the premium payment on the conversion of savings shares by TIM S.p.A. (692 million euros), financial investments in Brazil, primarily relating to the acquisition of 100% of V8 and a

51% stake in I-Systems, the increase in lease liabilities and the payment of dividends in Brazil, partially offset by the positive contribution from Equity Free Cash Flow, including the reimbursement of the 1998 License Fee.

Adjusted net financial debt (including IFRS 16 net debt) amounted to 10,479 million euros at June 30, 2026, an increase of 701 million euros compared to December 31, 2025 (9,778 million euros). The reversal of the fair value measurement of derivatives and related financial liabilities/financial assets recorded a positive change of 5 million euros; this revaluation adjusts the Net financial debt carrying amount with no monetary effect.

Adjusted Net Financial Debt – After Lease (net of lease contracts) at June 30, 2026 was equal to 7,285 million euros, up by 431 million euros compared to December 31, 2025 (6,854 million euros).

For a better understanding of the information, the table below shows the various ways by which the Net Financial Debt can be shown:

(million euros)	6/30/2026 (a)	12/31/2025 (b)	Change (a-b)
Net financial debt carrying amount	**10,571**	**9,875**	**696**
Reversal of fair value measurement of derivatives and related financial liabilities/assets	*(92)*	*(97)*	*5*
Adjusted Net Financial Debt	**10,479**	**9,778**	**701**
Leasing	*(3,182)*	*(2,913)*	*(269)*
Leasing - Discontinued operations/Non-current assets held for sale	*(12)*	*(11)*	*(1)*
Adjusted Net Financial Debt - After Lease	**7,285**	**6,854**	**431**

In the second quarter of 2026, adjusted net financial debt increased by 88 million euros compared to March 31, 2026.

(million euros)	6/30/2026 (a)	3/31/2026 (b)	Change (a-b)
Net financial debt carrying amount	**10,571**	**10,454**	**117**
Reversal of fair value measurement of derivatives and related financial liabilities/assets	*(92)*	*(63)*	*(29)*
Adjusted Net Financial Debt	**10,479**	**10,391**	**88**
Leasing	*(3,182)*	*(3,090)*	*(92)*
Leasing - Discontinued operations/Non-current assets held for sale	*(12)*	*(11)*	*(1)*
Adjusted Net Financial Debt - After Lease	**7,285**	**7,290**	**(5)**

Gross financial debt

Bonds

Bonds at June 30, 2026 totaled 7,217 million euros (8,106 million euros at December 31, 2025). Repayments totaled a nominal 6,996 million euros (7,830 million euros at December 31, 2025).

The main changes affecting the bond issues during the first half of 2026 were as follows:

(millions of original currency)	Currency	Amount	Repayment date
Repayments			
TIM S.p.A. 678 million euros 3.625%	EUR	678	5/25/2026
TIM Brasil 5,000 million BRL CDI+0.35% [1]	BRL	1,400	6/15/2026
TIM S.A. 1,600 million BRL HICP+4.1682%	BRL	533	6/15/2026

[1] On June 15, 2026, TIM Brasil completed the full early redemption of its BRL 1,400 million bond maturing on December 15, 2026.

Revolving Credit Facility and Term Credit Facility

The following table shows committed credit lines:

(billion euros)	6/30/2026		12/31/2025	
	Agreed	Drawn down	Agreed	Drawn down
Revolving Credit Facility – April 2030 (*)	3.000	—	3.000	—
Term Credit Facility - July 2030	0.750	0.750	0.750	0.015
Total	**3.750**	**0.750**	**3.750**	**0.015**

(*) 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).

Average maturity of non-current financial liabilities and cost of debt

The average maturity of non-current financial liabilities (including the current portion of medium/long-term financial liabilities due within 12 months) was 8 years, while the corresponding "After lease" value was 6 years.

The average cost of the Group's debt, considered as the cost for the year calculated on an annual basis and resulting from the ratio of debt-related expenses to average exposure, stood at 7.3%, while the corresponding "After Lease" value was 6.3%.

Current financial assets and liquidity margin

As of June 30, 2026, the TIM Group's available **liquidity margin** was 5,225 million euros and (7,153 million euros at December 31, 2025), which was calculated considering:

- "Cash and cash equivalents" and "Current securities other than investments" for a total of 2,225 million euros (3,418 million euros at December 31, 2025), also including 779 million euros (nominal) in repurchase agreements expiring by July 2026;
- a *Revolving Credit Facility* amounting to 3,000 million euros, totally available.

This margin allows coverage of the Group's non-current financial liabilities (including the portion of medium/long-term liabilities maturing within twelve months) falling due for at least the next 36 months.

Specifically:
Cash and cash equivalents amounted to 1,070 million euros (2,048 million euros at December 31, 2025).

The different technical forms of investing available cash can be analyzed as follows:

- **maturities**: investments have a maximum maturity of three months;
- **counterparty risk**: investments by the European companies are made with leading banking, financial and industrial institutions with high credit quality. Investments by the companies in South America are made with leading local counterparties;
- **country risk**: deposits have been made mainly in major European financial markets.

Current securities other than investments amounted to 1,155 million euros (1,370 million euros at December 31, 2025): These forms of investment represent alternatives to the investment of liquidity with the aim of improving returns. They included a total of 303 million euros of Italian and foreign treasury bonds held by Telecom Italia Finance S.A., 520 million euros of bonds purchased by Telecom Italia Finance S.A. with different maturities, all with an active market and consequently readily convertible into cash, and 332 million euros of investments in monetary funds by the Brazil Business Unit.

The purchases of the above government bonds, which, pursuant to Consob Communication no. DEM/11070007 of August 5, 2011, represent investments in "Sovereign debt securities", have been made in accordance with the Guidelines for the "Management and control of financial risk" adopted by the TIM Group.

CONSOLIDATED DATA – TABLES OF DETAIL

To follow, the Separate Consolidated Income Statements, Consolidated Statements of Comprehensive Income, Consolidated Statements of Financial Position, Consolidated Statements of Cash Flows as well as Other Information of the TIM Group (Sparkle Discontinued Operations).

Separate Consolidated Income Statements

(million euros)	1st Half 2026 (a)	1st Half 2025 (b)	Changes (a-b) absolute	%
Revenues	**6,830**	**6,597**	**233**	**3.5**
Other income	155	135	20	14.8
Total operating revenues and other income	**6,985**	**6,732**	**253**	**3.8**
Acquisition of goods and services	(4,025)	(3,844)	(181)	(4.7)
Employee benefits expenses	(891)	(736)	(155)	(21.1)
Other operating expenses	(336)	(293)	(43)	(14.7)
Change in inventories	50	5	45	—
Internally generated assets	134	135	(1)	(0.7)
Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	**1,917**	**1,999**	**(82)**	**(4.1)**
Depreciation and amortization	(1,469)	(1,473)	4	0.3
Gains (losses) on disposals of non-current assets	21	3	18	—
Impairment reversals (losses) on non-current assets	—	—	—	—
Operating profit (loss) (EBIT)	**469**	**529**	**(60)**	**(11.3)**
Share of losses (profits) of associates and joint ventures accounted for using the equity method	(7)	(11)	4	36.4
Other income (expenses) from investments	(8)	1	(9)	—
Finance income	525	547	(22)	(4.0)
Finance expenses	(992)	(1,030)	38	3.7
Profit (loss) before tax from continuing operations	**(13)**	**36**	**(49)**	**—**
Income tax expense	(69)	(32)	(37)	—
Profit (loss) from continuing operations	**(82)**	**4**	**(86)**	**—**
Profit (loss) from Discontinued operations / Non current assets held for sale	(25)	(42)	17	40.5
Profit (loss) for the period	**(107)**	**(38)**	**(69)**	**—**
Attributable to:				
Owners of the Parent	**(204)**	**(132)**	**(72)**	**(54.5)**
Non-controlling interests	97	94	3	3.2

Consolidated Statements of Comprehensive Income

In accordance with IAS 1 (Presentation of Financial Statements), the following Consolidated Statement 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 Half 2026	1st Half 2025
Profit (loss) for the period	**(a)**	**(107)**	**(38)**
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		3	9
Income tax effect		—	—
	(b)	**3**	**9**
Remeasurements of employee defined benefit plans (IAS 19):			
Actuarial gains (losses)		(1)	
Income tax effect		—	—
	(c)	**(1)**	**—**
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)**	**2**	**9**
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		(1)	17
Loss (profit) transferred to Separate Consolidated Income Statement		(9)	(11)
Income tax effect		1	—
	(f)	**(9)**	**6**
Hedging instruments:			
Profit (loss) from fair value adjustments		56	(187)
Loss (profit) transferred to Separate Consolidated Income Statement		(55)	224
Income tax effect		—	(12)
	(g)	**1**	**25**
Exchange differences on translating foreign operations:			
Profit (loss) on translating foreign operations		326	7
Loss (profit) on translating foreign operations transferred to Separate Consolidated Income Statement		—	—
Income tax effect		—	—
	(h)	**326**	**7**
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)**	**318**	**38**
Total other components of the Consolidated Statements of Comprehensive Income	**(m=e+k)**	**320**	**47**
Comprehensive income (loss) for the period	**(a+m)**	**213**	**9**
Attributable to:			
Owners of the Parent		**—**	**(97)**
Non-controlling interests		213	106

Consolidated Statement of Financial Position

In application of IFRS 5, the Telecom Italia Sparkle group was reclassified among the 'Assets held for sale (Discontinued Operations)'.

(million euros)		6/30/2026 (a)	12/31/2025 (b)	Changes (a-b)
Assets				
Non-current assets				
Intangible assets				
Goodwill		11,271	11,025	246
Intangible assets with a finite useful life		5,341	5,445	(104)
		16,612	**16,470**	**142**
Tangible assets				
Property, plant and equipment owned		**4,470**	**4,114**	**356**
Rights of use assets		**3,402**	**3,240**	**162**
Other non-current assets				
Investments in associates and joint ventures accounted for using the equity method		45	241	(196)
Other investments		148	120	28
Non-current financial receivables arising from lease contracts		37	34	3
Other non-current financial assets		437	397	40
Miscellaneous receivables and other non-current assets		1,146	1,110	36
Deferred tax assets		584	510	74
		2,397	**2,412**	**(15)**
Total Non-current assets	**(a)**	**26,881**	**26,236**	**645**
Current assets				
Inventories		290	235	55
Trade and miscellaneous receivables and other current assets		4,936	5,317	(381)
Current income tax receivables		98	89	9
Current financial assets				
Current financial receivables arising from lease contracts		*51*	*44*	*7*
Securities other than investments, other financial receivables and other current financial assets		*1,319*	*1,538*	*(219)*
Cash and cash equivalents		*1,070*	*2,048*	*(978)*
		2,440	3,630	(1,190)
Current assets sub-total		**7,764**	**9,271**	**(1,507)**
Discontinued operations /Non-current assets held for sale				
of a financial nature		118	162	(44)
of a non-financial nature		1,117	1,065	52
		1,235	**1,227**	**8**
Total Current assets	**(b)**	**8,999**	**10,498**	**(1,499)**
Total Assets	**(a+b)**	**35,880**	**36,734**	**(854)**

(million euros)		6/30/2026 (a)	12/31/2025 (b)	Changes (a-b)
Equity and Liabilities				
Equity				
Equity attributable to owners of the Parent		11,515	12,219	(704)
Non-controlling interests		1,412	1,236	176
Total Equity	**(c)**	**12,927**	**13,455**	**(528)**
Non-current liabilities				
Non-current financial liabilities for financing contracts and others		8,748	7,991	757
Non-current financial liabilities for lease contracts		2,722	2,476	246
Employee benefits		332	188	144
Deferred tax liabilities		58	55	3
Provisions		505	439	66
Miscellaneous payables and other non-current liabilities		569	612	(43)
Total Non-current liabilities	**(d)**	**12,934**	**11,761**	**1,173**
Current liabilities				
Current financial liabilities for financing contracts and others		1,505	3,027	(1,522)
Current financial liabilities for lease contracts		548	515	33
Trade and miscellaneous payables and other current liabilities		7,301	7,317	(16)
Current income tax payables		44	63	(19)
Current liabilities sub-total		**9,398**	**10,922**	**(1,524)**
Liabilities directly associated with Discontinued operations/Non-current assets held for sale				
of a financial nature		80	89	(9)
of a non-financial nature		541	507	34
		621	**596**	**25**
Total Current Liabilities	**(e)**	**10,019**	**11,518**	**(1,499)**
Total Liabilities	**(f=d+e)**	**22,953**	**23,279**	**(326)**
Total Equity and Liabilities	**(c+f)**	**35,880**	**36,734**	**(854)**

Consolidated Statements of Cash Flows

(million euros)		1st Half 2026	1st Half 2025
Cash flows from operating activities:			
Profit (loss) from continuing operations		(82)	4
Adjustments for:			
Depreciation and amortization		1,469	1,473
Impairment losses (reversals) on non-current assets including investments		—	—
Net change in deferred tax assets and liabilities		(6)	(29)
Losses (gains) realized on disposals of non-current assets (including investments)		(22)	(3)
Share of losses (profits) of associates and joint ventures accounted for using the equity method		7	11
Change in employee benefits		178	3
Change in inventories		(50)	(5)
Change in trade receivables and other net receivables		(217)	(89)
Change in trade payables		(197)	(575)
Net change in income tax receivables/payables		(27)	18
Net change in miscellaneous receivables/payables and other assets/liabilities	(°)	827	148
Cash flows from (used in) operating activities	**(a)**	**1,880**	**956**
Cash flows from investing activities:			
Purchases of intangible, tangible and rights of use assets on a cash basis		(936)	(946)
Contributions for plants received		—	—
Acquisition of control of companies or other businesses, net of cash acquired		(152)	—
Acquisitions/disposals of other investments		(17)	(18)
Change in financial receivables and other financial assets (excluding hedging and non-hedging derivatives under financial assets)	(1)	261	84
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		4	1
Cash flows from (used in) investing activities	**(b)**	**(840)**	**(879)**
Cash flows from financing activities:			
Change in current financial liabilities and other		(637)	241
Proceeds from non-current financial liabilities (including current portion)		735	—
Repayments of non-current financial liabilities (including current portion)		(1,343)	(1,630)
Changes in hedging and non-hedging derivatives		16	8
Consideration paid/received for the purchase of equity instruments		(28)	—
Share capital increases/reimbursements (including subsidiaries)	(°°)	(692)	—
Dividends paid		(87)	(85)
Changes in ownership interests in subsidiaries		—	(8)
Cash flows from (used in) financing activities	**(c)**	**(2,036)**	**(1,474)**
Cash flows from (used in) Discontinued operations/Non-current assets held for sale	**(d)**	**(37)**	**(54)**
Aggregate cash flows	**(e=a+b+c+d)**	**(1,033)**	**(1,451)**
Net cash and cash equivalents at beginning of the period	**(f)**	**2,104**	**2,924**
Net foreign exchange differences on net cash and cash equivalents	**(g)**	52	(1)
Net cash and cash equivalents at end of the period	**(h=e+f+g)**	**1,123**	**1,472**

(1) This item includes investments in marketable securities of 959 million euros in the first half of 2026 (996 million euros in the first half of 2025) and redemptions of marketable securities of 1,050 million euros in the first half of 2026 (1,133 million euros in the first half of 2025), relating to TIM S.A. and Telecom Italia Finance S.A..

(*) This item includes 1,012 million euros relating to the settlement of the receivable arising from the 1998 License Fee judgment, as described in the section "1998 License Fee."

(°°) The item refers to the premium payment on the conversion of TIM S.p.A. savings shares.

Purchases of intangible, tangible and rights of use assets

(million euros)	1st Half 2026	1st Half 2025
Purchase of intangible assets	(370)	(382)
Purchase of tangible assets	(478)	(431)
Purchase of right of use assets	(659)	(337)
Total purchases of intangible, tangible and rights of use assets on an accruals basis	**(1,507)**	**(1,150)**
Change in payables arising from purchase of intangible, tangible and rights of use assets	571	204
Total purchases of intangible, tangible and rights of use assets on a cash basis	**(936)**	**(946)**

Additional Cash Flow information

(million euros)	1st Half 2026	1st Half 2025
Income taxes (paid) received	(79)	(38)
Interest expense paid	(547)	(584)
Interest income received	195	177
Dividends received	1	2

Analysis of Net Cash and Cash Equivalents

(million euros)	1st Half 2026	1st Half 2025
Net cash and cash equivalents at beginning of the period:		
Cash and cash equivalents	2,104	2,924
Bank overdrafts repayable on demand	—	—
	2,104	**2,924**
Net cash and cash equivalents at end of the period:		
Cash and cash equivalents	1,123	1,480
Bank overdrafts repayable on demand	—	(8)
	1,123	**1,472**

The additional disclosures required by IAS 7 are provided in the Note "Net Financial Debt" to the TIM Group Half-year Condensed Consolidated Financial Statements at June 30, 2026.

Other information

Average salaried workforce

(equivalent number)	1st Half 2026 (a)	1st Half 2025 (b)	Change (a-b)
Average salaried workforce – Italy	13,530	14,125	(595)
Average salaried workforce – Outside Italy [(1)]	8,970	8,705	265
Total average salaried workforce	**22,500**	**22,830**	**(330)**
Discontinued Operations	623	620	3
Total average salaried workforce – including Discontinued Operations [(2)]	**23,123**	**23,450**	**(327)**

(1) The increase was attributable to the consolidation of the Brazilian companies V8 Consulting and I-Systems during the first half of 2026.
(2) Includes agency contract workers: 89 average salaried staff in Italy in the first half of 2026. 65 average salaried staff in Italy in the first half of 2025.

Headcount at period end

(number)	6/30/2026 (a)	12/31/2025 (b)	Change (a-b)
Headcount – Italy	16,717	16,847	(130)
Headcount – Outside Italy[(1)]	9,057	8,755	302
Total headcount at period end	**25,774**	**25,602**	**172**
Discontinued Operations	692	696	(4)
Total headcount at period end - including Discontinued Operations [(2)]	**26,466**	**26,298**	**168**

(1) The increase was attributable to the consolidation of the Brazilian companies V8 Consulting and I-Systems during the first half of 2026.
(2) Includes agency contract workers: 152 in Italy as of June 30, 2026. 121 in Italy as of December 31, 2025.

Headcount at period end – Breakdown by Business Unit

(number)	6/30/2026 (a)	12/31/2025 (b)	Change (a-b)
Domestic	16,756	16,887	(131)
Brazil [(1)]	9,005	8,702	303
Other operations	13	13	—
Total	**25,774**	**25,602**	**172**

(1) The increase was attributable to the consolidation of the Brazilian companies V8 Consulting and I-Systems during the first half of 2026.

AFTER LEASE INDICATORS

TIM Group, in addition to the conventional financial performance measures established by the IFRS Accounting Standards, uses certain alternative performance measures in order to present a better understanding of the trend of operations and financial condition. Specifically, following the adoption of IFRS 16, the TIM Group presents the following additional alternative performance measures:

EBITDA AFTER LEASE - TIM GROUP

(million euros)	2nd Quarter 2026	2nd Quarter 2025	Changes		1st Half 2026	1st Half 2025	Changes	
			absolute	%			absolute	%
ORGANIC EBITDA - excluding non-recurring items	**1,178**	**1,131**	**47**	**4.2**	**2,142**	**2,112**	**30**	**1.4**
Lease payments	(180)	(176)	(4)		(350)	(341)	(9)	
EBITDA After Lease (EBITDA AL)	**998**	**955**	**43**	**4.5**	**1,792**	**1,771**	**21**	**1.2**

EBITDA AFTER LEASE - DOMESTIC

(million euros)	2nd Quarter 2026	2nd Quarter 2025	Changes		1st Half 2026	1st Half 2025	Changes	
			absolute	%			absolute	%
ORGANIC EBITDA - excluding non-recurring items	**578**	**568**	**10**	**1.8**	**1,025**	**1,049**	**(24)**	**(2.3)**
Lease payments	(46)	(48)	2		(92)	(92)	—	
EBITDA After Lease (EBITDA AL)	**532**	**520**	**12**	**2.3**	**933**	**957**	**(24)**	**(2.5)**

EBITDA AFTER LEASE - BRAZIL

(million euros)	2nd Quarter 2026	2nd Quarter 2025	Changes		1st Half 2026	1st Half 2025	Changes	
			absolute	%			absolute	%
ORGANIC EBITDA excluding non-recurring items	**602**	**567**	**35**	**6.1**	**1,120**	**1,066**	**54**	**5.1**
Canoni per leasing (*)	(134)	(128)	(6)		(258)	(249)	(9)	
EBITDA After Lease (EBITDA AL)	**468**	**439**	**29**	**6.6**	**862**	**817**	**45**	**5.5**

(*) Excluding penalties associated with the decommissioning plan, amounting to approximately 23 million reais (approximately 4 million euros) in the first half of 2026 and approximately 31 million reais (approximately 5 million euros) in the first half of 2025.

ADJUSTED NET FINANCIAL DEBT AFTER LEASE - TIM GROUP

(million euros)	6/30/2026	12/31/2025	Change
Adjusted Net Financial Debt	**10,479**	**9,778**	**701**
Leasing	(3,194)	(2,924)	(270)
Adjusted Net Financial Debt - After Lease	**7,285**	**6,854**	**431**

EQUITY FREE CASH FLOW AFTER LEASE - TIM GROUP

(million euros)	2nd Quarter 2026	2nd Quarter 2025	Change	1st Half 2026	1st Half 2025	Change
Equity Free Cash Flow After Lease	**1,040**	**77**	**963**	**650**	**(121)**	**771**

EVENTS AFTER JUNE 30, 2026

See the Note "Events After June 30, 2026" in the Half-Year Condensed Consolidated Financial Statements at June 30, 2026 of the TIM Group.

BUSINESS OUTLOOK FOR THE YEAR 2026

In light of the performance of the Group's principal business segments during the first six months of the year, the updated budget and the guidance for 2026, approved by the Board of Directors on February 24, 2026, have been reaffirmed, confirming the growth trends underlying the targets previously communicated to the market for this year.

First-half 2026 performance is on track to deliver the full-year targets. Some development projects may follow a different deployment timeline. In addition, changes in the Group's operating relationships with certain strategic suppliers, although considered unlikely, could affect performance. Management has already implemented the measures needed to achieve the Group's overall targets.

These forward-looking statements are based on assumptions considered reasonable as of the date hereof and are, by their nature, subject to uncertainties arising from future events and market developments beyond the Company's control.

The principal risks and uncertainties to which the Group is exposed are described below.

MAIN RISKS AND UNCERTAINTIES

Risk management is a strategic value-creation tool for the TIM Group, which has adopted an *Enterprise Risk Management* model, which is continuously being improved and aligned with international regulations and *standards* and enables risks to be identified, assessed and managed in a homogenous way within the Group, highlighting potential synergies between the players involved in the assessment of the Internal Control and Risk Management System.

The *Enterprise Risk Management* process is integrated with strategic and operational planning processes and is designed to identify potential events that may affect the company's business so that these risks can be managed within acceptable limits (i.e. keeping risks at a level that does not compromise the TIM Group's financial, operational and reputational stability), providing a reference *framework* to support the achievement of its Business Plan.

In addition, the TIM Group, which has always been attentive to sustainability issues, recognizes and integrates risks considered material by internal and external *stakeholders*, and/or inferred from the dual materiality analysis, based on financial materiality, which influences the company's income and financial *performance*, and impact materiality, which highlights how the company's activities may affect the environment, society and *stakeholders*, contributing to a more comprehensive and sustainable risk management.

The Enterprise Risk Management model adopted by the TIM Group:

- identifies and updates, in cooperation with the Risk Owners, the overall portfolio of risks to which the Group is exposed through analysis of the Business Plan and the most significant investment projects;
- monitors the reference context (i.e., macroeconomic and regulatory) in order to update specific analyses of the risks to which the company's assets may be exposed in order to intercept any changes and/or new risk scenarios, periodically updating the Group's risk profile;
- assesses risks, where possible, using quantitative methodologies appropriate to the nature of each risk and the availability of data, both on an individual basis and at portfolio level, taking into account potential correlations and their possible impact on the objectives of the Business Plan;
- supports management in defining the Risk Appetite Framework, including the related Risk Tolerance levels and, where applicable, early warning and stress level thresholds, which are subject to prior validation by the Control and Risk Committee and subsequent approval by the Board of Directors;
- supports management and the Risk Owners in defining, monitoring and reporting on Risk Treatment Plans, verifying their implementation status and their adequacy in terms of achieving the mitigation objectives and maintaining risks within the defined risk tolerance limits;
- manages the flow of information to top management and the bodies responsible for evaluating the Internal Control and Risk Management System (ICRMS) periodically or at the express request of the Control Bodies;
- ensures the regular operation of the *ERM Steering Committee*, which serves as the management forum for discussion and coordination of the most significant risks, for the purposes of reviewing the risk profile against the approved thresholds, monitoring any deviations, and directing appropriate risk treatment actions.
- records the results of the assessments in the *Risk Register* and the Risk Map, which serve as tools for identifying, tracking and monitoring the Group's key risks, including risks identified through dedicated assessments, by Subsidiaries and through the Group's principal business processes.

The ERM process also ensures alignment with the Subsidiaries through governance models tailored to their significance and the approach adopted, thereby ensuring methodological consistency, the consolidation of the Group's key risks at Group level, and the monitoring of any risk treatment actions implemented.

By way of non-exhaustive list, the main risk factors analyzed and described in the following paragraphs are given below: evolution of the international geopolitical climate, the market environment and competitive scenarios by *business* segment, including scenarios of potential new *competitor* entries; potential proceedings brought by the Authorities and consequent delays in implementing new strategies; potential supply chain challenges, further exacerbated by the prolonged duration of the ongoing conflicts; possible cyber attacks on the most relevant applications; issues related to regulation of the use of artificial intelligence; issues related to new networks and infrastructures; obligations related to the Italian Government's exercise of special powers (Golden Power), the effects of which will be assessed in terms of the strategic choices and the development of the Plan's objectives over time.

These risk factors, for each material ESG topic - Environmental, Social and Governance - are described in the Annual Sustainability Statement prepared in accordance with Legislative Decree No. 125/2024.

Risks related to the business and industry

Risks related to competition

The telecommunications market continues to maintain a high level of competition, with persistent price pressure generating a deflationary trend that has lasted for over a decade. This scenario entails potential risks for the TIM Group of a reduction in its market share and/or a negative impact on profitability.

The integration between Fastweb and Vodafone, which has created an operator of a size comparable to TIM, could alter the competitive balance by increasing market concentration and reducing price pressure in certain segments, while at the same time intensifying competition for customer acquisition. At the same time, the acquisition of a controlling interest by Poste Italiane introduces new strategic dynamics that could influence the Group's competitive positioning.

Competition in the telecommunications market is further fueled by the entry of non-traditional operators, such as energy and insurance multi-utilities, which offer integrated packages (connectivity, electricity, gas, insurance), and by low Earth orbit (LEO) satellite operators, capable of providing broadband services with performance comparable to terrestrial solutions.

Any regulatory asymmetry between satellite and terrestrial operators could place TIM at a competitive disadvantage. In addition, the emergence of direct-to-cell satellite connectivity introduces an additional competitive risk, expanding access options and reducing barriers to entry for new global players.

In the mobile segment, the spread of eSIMs reduces barriers to switching operator, increasing market contestability and introducing new access channels, including through international travel eSIM providers. Furthermore, Iliad's aggressive strategy and the growth of virtual operators (MVNOs) continue to erode the market share of infrastructure-based operators, with impacts on margins.

The rollout of 5G requires significant investments and rapid adaptation, with potential impacts on profitability in the event of delays or inefficiencies in implementation, and significant differences in 5G coverage and offerings compared to direct competitors. The increase in traffic generated by OTT and artificial intelligence applications accentuates the pressure on infrastructure costs, requiring further investments to ensure capacity and QoS.

In addition to the traditional core business services, competition in the market for innovative services and convergent offers, with an extension toward content, remains significant, expanding opportunities and risks for digital, cloud, IoT, and cyber security operators.

TIM Brasil operates in a telecommunications market characterized by a high level of competition, with the presence of several national mobile and broadband operators, regional players, and virtual operators (MVNOs), as well as suppliers of digital services and OTT providers offering alternative communications and content.

The intensification of competition may result in pressure on prices and commercial terms, leading to a reduction in margins and market share, as well as the need to support greater investments in network, marketing, and innovation to preserve competitive positioning, with a potential negative impact on the company's operating results and cash flows.

Risks related to agreements with suppliers and partners

The TIM Group maintains important relationships with various suppliers of hardware, software and services which it uses for the operation of its network and systems and for customer assistance. In addition, it relies on third parties for the supply of network equipment, smart devices, software licenses, and accessories necessary for its business.

In the event that one or more suppliers of the TIM Group should be unable to provide the required products and/or services, this could affect the Group's ability to fully control its networks, offer high-quality services, and could result in additional costs with a material adverse impact on its business, financial position, cash flows and/or operating results.

The TIM Group also avails of a series of subcontractors for the maintenance of its network, the management of its call centers and the supply, installation and maintenance of terminals in its customers' homes. Although operating with a limited number of subcontractors that it carefully selects and monitors, it is not always possible to guarantee that their tasks are carried out correctly and fully compliant with the required quality and safety standards or that the tasks are not further assigned to other third party contractors.

In the event that hardware or software products are defective or service levels provided by third-party contractors do not meet contractual requirements or are not performed properly, customer relationships and brand reputation may suffer.

The TIM Group has entered into multi-year contracts for the hosting and management of its network equipment, as well as for the distribution of television content, which in some cases require it to pay counterparties a minimum guaranteed amount. The evaluation of such multi-year contracts, and the estimation of costs associated with them, are subject to a number of risks and uncertainties which include, among others, market dynamics, pronouncements of market regulatory authorities and the development of new technologies at service support. These estimates are reviewed periodically on the basis of actual data in order to ensure that the forecast data remain within meaningful ranges. Not all the factors mentioned are under the control of TIM and could therefore have a significant impact on future forecasts regarding the performance of the contracts, the estimated margin and/or the cash flows that will be generated.

The tariff policies introduced by the US administration and the current geopolitical environment, characterized by the protracted nature of the ongoing conflicts, have exacerbated an already critical situation affecting the ICT supply chain. Like other companies in the sector, attempts have been made in recent years to diversify supply also on a geographic basis. However, with the new tariffs there is a risk that these alternatives will also be jeopardized, increasing uncertainty both in terms of higher costs and potential lower revenues due to the possible contraction in demand.

Tensions in the international scenario, related both to US trade policies and ongoing conflicts, could also have repercussions on energy costs, which are mitigated by TIM through appropriate hedging strategies.

Finally, also in consideration of the CSRD regulation, risks related to compliance with human rights along the supply chain are significant, as any violations may lead to legal, reputational, and operational consequences, affecting the reliability of the business model.

Risks following the sale of NetCo

FiberCop, following the sale of NetCo and the consequent transfer of the fixed infrastructure, became, as of July 1, 2024, the exclusive wholesale provider of ADSL and FTTC connectivity, the leading provider of FTTH connectivity in Italy, and the largest provider to the TIM Group.

The TIM Group and FiberCop signed a Service Agreement regulating their mutual supply relationships. Under this deal, the TIM Group will acquire wholesale fixed-line access services from FiberCop to provide its fixed-line services to retail customers.

If FiberCop's services are inadequate or if FiberCop ceases to provide these services, the TIM Group may not be able to provide all or part of its fixed-line services to residential customers.As a result, demand for products and services could be significantly affected, in turn materially and adversely impacting the business, financial position and operating results.

If FiberCop fails to develop and maintain its fixed network, or suffers a major disruption, slowdown or problem in the supply chain, the TIM Group's business, financial position and operating results could also be significantly impacted.

Risks related to the development of networks and ICT

The TIM Group, in order to maintain and expand its customer base in each of the markets in which it operates, constantly maintains and develops its existing networks. A reliable and high-quality network is necessary to maintain the customer base and protect the Company's revenues from erosion.

The maintenance and improvement of existing installations depend on the Group's ability to:

- deliver network development plans within the time-frames contemplated by business development plans and with the necessary level of effectiveness/efficiency;
- upgrade the capabilities of the networks to provide customers with services that are closer to their needs;
- increase the geographical coverage of innovative services;
- upgrade the structure of the systems and the networks to adapt it to new technologies;
- sustain the necessary level of capital expenditure in the long term;
- expand the capacity of its existing fixed and mobile networks to cope with the increased use of the bandwidth.

If TIM fails to maintain and develop networks, it may be less attractive to new customers and/or may lose market share to competitors.

Unforeseeable instant increase in traffic

Considerable, unforeseeable instant increases in traffic due, for example, to live video events streamed on the network by an OTT (*Over The Top*) may, in some cases, have a major impact on the overall performance of the TIM network for the entire duration of the event, causing slow-downs or temporary blocks to communication, with consequences in terms of reputation and customer satisfaction.

Internet, broadband and 5G

The continuous development of internet and broadband services, is a strategic goal for the TIM Group to increase the use of its networks. Its capacity to successfully implement this strategy may be negatively impacted if:

- mobile Broadband coverage does not grow as expected;
- the competition grows through to including contiguous market players or technological developments introducing new platforms to access and/or distribute the Internet;
- the company is unable to provide superior broadband services to those offered by its competitors;
- service interruptions or capacity problems with the network infrastructure occur;
- there are delays in obtaining necessary permits and authorizations;
- supply shocks occur in the procurement of materials and devices;
- adequate returns are not obtained from investments related to network development.

The implementation of broadband mobile technologies depends on a series of factors, including the availability and selection of cutting-edge technologies by suppliers of TIM networks/platforms and devices. If the Group is unable to achieve its goals for the implementation of an adequate UBB (Ultrabroadband) mobile coverage, it may lose market share to its competitors in this strategically important segment.

Each of the aforementioned factors can negatively impact the correct implementation of strategy and, consequently, business and operating results.

Failure to meet coverage targets and technological transformation of legacy infrastructure and platforms can limit the supply of high-speed connectivity and reduce the quality of service offered, with consequences for customer experience, cash flows and corporate reputation.

ICT assets and services to support the Business

The ICT market and in particular the market for cloud services in both the private and public segments is growing continuously.

The TIM Group also holds a 45% stake in the Polo Strategico Nazionale ("PSN"), which deals with the design, preparation, setup and management of infrastructures for the provision of cloud services and solutions. for Italian local and national public administrations.

The Group's strategies, such as the development of new technological infrastructures (i.e. data centers), partnerships with leading global players, and the ongoing commitment to manage and expand a range of proprietary innovative IT solutions, represent assets available for the execution of a growth strategy in this sector.

The rapid rate of technological innovation and fierce competition are the main challenges that need to be addressed and managed, as they pose a risk in terms of revenues and margins, requiring careful and timely evaluation of investments. This highly competitive market sees the continuous entry of new national and international players, who compete for market share, continually changing the balance in this sector with a possible impact on the TIM Group's Plan objectives.

Risks and challenges relating to the implementation of AI solutions

The market for Artificial Intelligence (AI) related services is also rapidly developing. TIM, which partners companies and public administrations in enabling the country's digital transformation, has set up a technology hub in Turin to develop and test further AI solutions, while also adopting an ethical and responsible approach to managing the new risks deriving from integrating AI into business processes, such as:

- Compliance with laws and regulations (i.e. European regulation on artificial intelligence - EU AI Act);
- data quality (big data and data analytics);
- The technological infrastructure and its interoperability with systems.

To meet this challenge, TIM is managing new risks related to the use of AI solutions and systems, such as:

- regulatory non-compliance;
- breach of privacy and data security;
- discrimination (fairness in the treatment of groups of people);
- distortive effects produced by AI systems;
- sustainability of investments in AI;
- *cyber security*.

The potential effects of these risk factors would have significant economic, legal and reputational impacts on the Company. In order to mitigate such possible impacts, TIM has chosen to adopt centralized governance by establishing a multifunctional team in which cross-functional skills converge.

In a rapidly evolving technological environment, the failure to allocate investments in artificial intelligence solutions in a timely and effective manner, together with misalignment with the main evolutionary trends in the sector, may compromise the company's competitiveness and have a negative impact on its reputation.

The management of risks associated with Artificial Intelligence is aligned with the Group's ERM framework and the applicable corporate policies, with particular reference to the classification of use cases, the assessment of operational, legal, reputational, cyber and compliance risks, and the related monitoring within the governance processes in place.

Cyber security risks

Cyber risk is on the increase worldwide and as such requires continual monitoring by TIM, given the sheer amount of IT assets the company manages in terms of own TLC infrastructure and assets necessary to deliver services to customers, some of which, considered essential, come under the scope of legislation governing the National Cyber Security Perimeter.

Cyber attacks can interrupt availability of service and compromise data, putting the company's reputation as supplier of critical national infrastructures at risk, as well as resulting in financial losses, reduction of market share and regulatory sanctions.

Despite efforts to keep its applications constantly updated and replace outdated systems, they may be vulnerable and subject to cyber attacks from internal and external sources, which could cause service unavailability and compromise data, posing a significant risk to the Group's reputation.

The company works to prevent and limit the impact of cyber attacks, but absolute protection cannot be guaranteed.

In view of these considerations, particular attention was paid to protecting systems from main threats (e.g. viruses, malware, data theft). With a wide range of attackers (Cyber-Criminals, Cyber-Terrorists, Insiders, etc.), the Group carries out activities not only to safeguard its infrastructure but also – with a strong sense of responsibility – to protect customers' information assets, that are a priority target for the company and for the country system.

With regard to the prevention phase, the Group oversees cyber risk analyses by setting out security plans for the company's IT assets in order to identify in advance the actions necessary to mitigate cyber risk and to ensure the adoption of a security-by-design approach. This approach also includes overseeing the plans behind these actions and verifying their actual implementation in the field.

The Group has also set up advanced testing labs to test the security level of equipment and systems before they are put into operation, as well as isolated environments dedicated to identifying possible vulnerabilities in hardware and software products deployed.

As for its identification of and response to cyber attacks, the Security Operation Center (SOC), operates 24/7, 365 days a year, in order to manage IT security incidents and help limit their impacts. In addition, in order to partially mitigate any economic and financial impacts from cyber attacks, the TIM Group has structured a specific risk transfer policy through dedicated insurance coverage.

As regards the understanding and prevention of cyber threats, TIM is equipped with a dedicated Cyber Threat Intelligence structure which acquires, processes and uses data and information from multiple external sources (public, private, institutional and the deep and dark web) to increase its capacity to identify and timely combat emerging threats and outline evolving risk and threat scenarios.

Information exchanges and collaboration with the National Cyber Security Agency (ACN) and other institutions (e.g. National Cybercrime Center for the Protection of Critical Infrastructures - CNAIPIC) are included in this context.

The TIM Group continues to act in coordination with the Agency for National Cyber Security (ACN) and, in particular, given the geopolitical context and in view of the evolution of information exchanges at the European and NATO levels, has raised the alert level in relation to cyber risk.
The inability to operate the TIM Group's networks and systems as a result of cyber attacks, even for a limited period of time, could result in significant expenses, a loss of market share, lower revenues from business interruption, and higher litigation costs. A major safety incident and/or business interruption and/or failure to comply with applicable laws and regulations could result in financial loss, reputational damage, loss of market share, and penalties.

As cyber attacks continue to evolve, the TIM Group could incur significant costs to improve protection measures and/or remediate any vulnerabilities. The loss of confidential or proprietary data through a breach could have a material adverse effect on TIM Group's business, financial position, operating results, and prospects.

Business continuity risks

The success of the TIM Group largely depends on the continuous performance of its IT systems, network and data centers that it manages for customers. The operations of the Group require large amounts of data to be processed and stored every day, ensuring that they are uninterruptedly and accurately transmitted, stored, and available in real-time in accordance with applicable law.

The technical infrastructure of the TIM and the assets managed on behalf of customers are vulnerable to damage or interruptions caused by technological failures, blackouts, floods, storms, fires, terrorist acts, illegal acts, human errors and similar events. Any of these events could negatively affect customer satisfaction, damaging the company's reputation.

TIM has adopted a Business Continuity Management System (BCMS) framework, in line with international standards for which it has obtained and maintains ISO22301 certification, to analyze and prevent the aforementioned threats. TIM considers Business Continuity a fundamental element for protecting the value and reputation of the Group, for the provision of its services, and for full compliance with what is defined by contracts with customers, sector regulations, and, more generally, the relevant methodologies and best practices.

TIM has also put in place an insurance program to cover Business Interruption risks with reference to the activities carried out in the Group's Data Centers.

Fraud risks

Technological progress means that increasingly sophisticated tools and techniques, which are quick acting and have a considerable economic impact are available for the perpetration of fraud and abuse.

"Traditional" phenomena such as subscription, interconnection, and commercial fraud currently account for the largest share of revenue loss and will continue to be significant in the near future, but new types of telematic fraud have gradually become more relevant (spamming/phishing, service reselling, VoIP bypass, etc.). In addition, certain specific types of services offered (e.g. wholesale international interconnection services, voice or data, Premium services) are potentially exposed to the risk of being used by third parties to construct fictitious transaction schemes, aimed at tax offenses and/or international money laundering.

The TIM Group has had an established organizational model based on the governance of fraud in place for some time. It envisages a series of fraud risk assessments that, together with the evidence of internal and external fraud management, help identify, plan and monitor the operative supervision of the prevention of and fight against fraud. TIM has also put in place an insurance program that provides coverage for certain types of fraud risks.

Risks related to climate change

Extreme weather events related to climate change represent a risk for TIM as they may affect the operational continuity of services and the integrity of infrastructures, generating additional costs related to asset damage and service interruptions. In this regard, TIM has put in place a specific insurance program to cover natural catastrophic risks. At the same time, the evolution of regulations in the energy sector may lead to an increase in costs for the purchase of renewable energy and higher environmental compliance costs, with potential impacts on the Group's economic performance.

Risks related to employee engagement

The ability to attract and retain qualified and motivated staff is a key factor in ensuring the pursuit of strategic goals while ensuring high levels of service and customer satisfaction. Gender inequalities and the lack of transparency in remuneration systems, career paths, and access to positions of responsibility can hinder the attraction and retention of talent and generate reputational risks.

In this context, the TIM Group confirms its focus on equal opportunities and inclusion to reduce the risk of gender inequalities in terms of pay, positions of responsibility, and career paths, with consequences for the attraction and retention of talent.

Financial risks

The TIM Group is exposed to various types of financial risks, such as risks arising from fluctuations in interest rates, exchange rates, and commodity prices, credit risk, liquidity risk, and risks related to the performance of the equity markets in general and, more specifically, risks related to the listing of shares of TIM S.p.A. and the TIM Group companies.

The TIM Group is also exposed to the interest rate risk on the portion of consolidated net debt that is index-linked to variable rates. The decision to maintain a certain debt structure at fixed and variable rates aims to minimize the negative impact of the interest paid and is partially achieved through the use of derivatives, through which variable-rate liabilities are synthetically converted into fixed-rate instruments. Any change to interest rates that has not been adequately hedged by derivatives may have an impact on the economic profile of TIM's variable rate financial liabilities, which may have negative impacts on the results of its transactions and on cash flows.

Generally, TIM hedges foreign currency exposure, but not translation risk relating to its foreign subsidiaries. However, starting from the 2024 financial year, it was decided to hedge part of the exposure to fluctuations in the Euro-Dollar and Euro-Brazilian Real exchange rates in order to mitigate the effect of volatility at the level of the Group's Consolidated Equity Free Cash Flow. It should be noted, however, that these realized hedges may not be able to fully protect the Group from adverse exchange rate movements.

According to the Group policies, hedging of the exposure in foreign currencies is mandatory when relating to the financial liabilities. Therefore, consolidated companies that finance themselves in currencies other than those used in their own annual report generally hedge this exposure to exchange rate risk through cross-currency and interest rate swaps.

An increase in sovereign spreads and the risk of default they reflect, in the countries in which the TIM Group operates, may impact the value of its assets in such countries.

The Group is exposed to fluctuations in the price of energy purchased in the normal course of business. Price volatility is affected both by general supply conditions and by the geopolitical and environmental context. The assessment of energy risk and the related hedging strategies is carried out in accordance with the applicable corporate policies and the Group's ERM framework, including for the purpose of monitoring the Group's exposure to price volatility scenarios and their potential impact on its financial objectives. Such strategies may include, among other things, energy swaps, other derivatives on energy commodities, fixed-price or indexed energy supply contracts, Power Purchase Agreements (PPAs), and other contractual or financial instruments designed to mitigate the Group's exposure to fluctuations in energy prices.

In particular, in order to mitigate the liquidity risk, the TIM Group aims to maintain an "adequate level of financial flexibility", in terms of cash and syndicated committed credit lines, enabling it to cover refinancing requirements at least for the next 12-18 months.

TIM may also be exposed to financial risks such as those linked to the performance of the stock markets in general and, more specifically, risks linked to the trend of the share price of the TIM Group companies.

These risks may adversely impact the earnings and the financial structure of the Group. Accordingly, to manage those risks, the TIM Group has established guidelines, at central level, which must be followed for operational management, identification of the most suitable financial instruments to meet set goals, and monitoring the results achieved.

Commercial credit risk

The operations of the TIM Group depend significantly on the ability of its customers to pay for its services. In the domestic market, TIM uses predictive analytical models both to assess customers' credit risk and to apply credit management and recovery actions consistent with its contractual terms and regulations, with a view to taking timely action to maximize collections.

In Brazil, pursuant to ANATEL legislation, the TIM Group is authorized to take certain measures to reduce customer defaults, such as limiting the services provided to customers with a history of defaults.

If the TIM Group is unable to adopt measures to limit the non-payments of its customers or that allow it to accept new customers based on their credit history, the TIM Group will remain subject to the related losses from uncollectibility.

Risks related to macroeconomic factors

The TIM Group's economic and financial situation, including its ability to sustain the expected level of cash flows and margins, is influenced by multiple macroeconomic factors such as economic growth, consumer confidence, interest rates, inflation and the exchange rates in the markets in which it operates.

The current scenario is characterized by high and persistent volatility due to developments in the geopolitical context, marked by ongoing conflicts, tensions, and protectionist trade policies that impact international growth prospects and prompting forecasting institutions to adopt an extremely cautious outlook.

According to the "ISTAT Note on the Performance of the Italian Economy", published on July 10, 2026, the Italian economy demonstrated resilience in the first quarter of the year despite the uncertainty surrounding the international environment, recording quarter-on-quarter growth of 0.3%, compared with a 0.2% contraction in the euro area. Between May and June, the economic environment showed some signs of weakness: Industrial production and employment both declined slightly in May, while the preliminary estimates of the Harmonised Index of Consumer Prices (HICP) showed year-on-year inflation rising to 3.1% in June, exceeding the euro area average for the first time since October 2023. This is consistent with the forecasts set out in ISTAT's "Note on the Performance and Outlook for the Italian Economy", published on June 5, 2026, which project GDP growth of 0.7% in both 2026 and 2027. In particular, investment growth is expected to decelerate significantly (3.5% in 2025, 2.2% in 2026 and 0.5% in 2027), partly as a result of the gradual scaling back of public support measures associated with the National Recovery and Resilience Plan (PNRR) and higher interest rates.

The "Macroeconomic Projections for the Italian Economy" published by the Bank of Italy on 12 June project more moderate growth for 2026 and 2027 (0.5% and 0.4%, respectively), followed by a recovery in 2028 (0.9%). The Bank of Italy also notes that, following the revisions to the ISTAT national accounts published in May, GDP growth in 2026 could amount to 0.6%, benefiting from stronger growth in consumption and exports. On the price front, the inflation rate is expected to rise to 3.1% in 2026, reflecting the temporary increase in energy prices, before settling at 2.0% in 2027 and 1.9% in 2028.

In the first quarter of 2026, the Brazilian economy recorded stronger-than-expected growth. Gross domestic product (GDP) grew by 1.1% quarter on quarter, compared with 0.3% in the previous quarter, leading the Central Bank of Brazil to revise its full-year growth forecast for 2026 upwards from 1.6% to 2.0%. The growth recorded during the quarter was also partly driven by the recovery in household consumption, supported by fiscal and credit stimulus measures Higher energy prices contributed to pushing the national IPCA inflation rate above the levels recorded in the first few months of the year, reaching 4.72% in May. However, the latest reading for June (4.64%) points to a slight deceleration in inflation. The Central Bank of Brazil's latest projections indicate that inflation will reach 5.2% by the end of 2026, up from 4.3% at the end of 2025.

Geopolitical uncertainty

The uncertain course of the conflict in the Middle East, with alternating signs of de-escalation and renewed hostilities, is keeping commodity prices highly volatile and risks leading to sharp and sustained increases in energy prices. In addition, it could have lasting repercussions for the supply chains of energy-intensive raw materials and intermediate inputs that are routinely transported through the region. These are compounded by the effects of the ongoing conflict between Russia and Ukraine, which further complicate the geopolitical landscape.

At the same time, despite some adjustments and bilateral agreements, tariffs and trade restrictions remain a source of concern and may also be used as instruments of economic pressure. The ongoing geopolitical developments have a predominantly indirect impact on the TIM Group's business, mainly through their potential effects on energy, materials and transport costs. Although these have not so far had a material impact, they could become more significant if the current situation were to deteriorate. The possible effects of higher inflation in the short and medium term, as well as the volatility of financial markets and exchange rates, which could result in more stringent loan conditions, must also be assessed.

As an operator of critical infrastructure, the TIM Group must also assess the potential effects on its physical and cyber security and consider the possibility of cyberattacks targeting the Company's infrastructure or the data of the Company and its customers, as well as an increased likelihood of disruptions to supply chains.

Pandemic risk

Although Covid-19 appears to have been overcome, the possibility of new pandemic scenarios arising due to the emergence of variants or new pathogens cannot be ruled out. Such events could have significant impacts on the operations of the TIM Group, such as a reduction in international traffic volumes, slower growth of the customer base, a possible increase in uncollectible receivables, and difficulties in network maintenance and supply chain management. All this would be reflected in margins and revenues, with potential delays in cash flows and general pressure on economic and financial results.

Risks relating to the legislative and regulatory context

The TIM Group may be exposed to risks of non-compliance (Compliance Risks) due to non-observance/breach of internal (self-regulation, such as, for example, bylaws, code of ethics) and external rules (laws, regulations, new accounting standards and Authority orders), with consequent judicial or administrative penalties, financial losses or reputational damage.

The company aims to ensure that processes, and, therefore, the procedures and systems governing them, and corporate conduct comply with legal requirements. The risk is associated with potential time lags in making the processes compliant with regulatory changes or whenever non-conformances are identified and is monitored by the dedicated internal control system.

The TIM Group has to deal with disputes and litigation with tax authorities and government agencies, regulators, competition authorities, other telecommunications operators and other entities. The possible impacts of such proceedings are generally uncertain. In the event of settlement unfavorable to the Group, these issues may, individually or as whole, have an adverse effect, which may even be significant, on its operating results, financial position and cash flows.

The TIM Group may also be exposed to ESG non-compliance risks arising from failure to comply with anti-corruption and antitrust regulations, ethical standards, and sustainability reporting obligations, with possible sanctions, legal liabilities, operational limitations, and negative impacts on competitiveness and reputation.

Regulatory risks

The electronic communications industry is highly regulated. As such, new decisions by the Italian Communications Authority (AGCOM) may lead to changes in the regulatory framework that may affect the expected results of the Group and the guidance announced to the market. In addition, the structure of the fixed and mobile markets results in high levels of scrutiny from the AGCM (the Italian Competition Authority) over competition in the sector.

The main elements that introduce uncertainty are:

- lack of predictability in start-up timing and consequent final decisions in new proceedings by AGCOM and AGCM (the Italian Competition Authority);
- AGCOM decisions about pricing policies for wholesale fixed network services, which could potentially impact the profit margins of services provided to end customers;
- AGCOM decisions that can influence the technological choices, with potential impact on the timing of return on infrastructure investment;
- any AGCM (the Italian Competition Authority) decisions that can limit TIM’s competitive capacity (for example, in terms of minimum retail prices to guarantee market competitiveness);
- any AGCOM or AGCM (the Italian Competition Authority) decisions that impose constraints on the pricing or conditions of fixed-line and mobile offers on the basis of consumer protection legislation.

General Data Protection Regulation (GDPR)

Regulation (EU) 2016/679 (*General Data Protection Regulation*, GDPR), which became directly applicable as from May 25, 2018 and has been enacted in Italy by Legislative Decree no. 101/2018 has increased administrative fines considerably compared to the Data Protection Act previously in effect, and in some cases fines of up to 20 million euros may be administered, or in the case of companies, of up to 4% of their global annual turnover of the previous year, if this amount is higher than 20 million euros.

All necessary initiatives are adopted in order to guarantee the conformity of personal data processing with the GDPR and the Personal Data Protection Code (Italian Legislative Decree no. 196 of June 30, 2003).

The Company’s operative processes have been adapted according to the principle of privacy-by-design, with special attention paid to the commercial, relations with customers and technological processes, adopting the methods defined by corporate regulations dedicated to the application of the GDPR and the provisions of the Data Protection Authority. Personal data processing, where specific risks are entailed, is subject to preventive Privacy Impact Assessment (PIA) according to the indications of the European

Data Protection Board (EDPB), it is censused and the related responsibilities are attributed to the suitable managerial level of the Company's organization, as envisaged by the Privacy Code in application of the accountability principle laid down by the GDPR.

The TIM Group constantly monitors the evolution of the rules, regulations and opinions adopted by the Data Protection Authority (GPDP), takes all steps necessary to ensure compliance with such provisions and carries out checks on the processes and activities deemed most at risk.

However, also from an ESG perspective, the risk of shortcomings in the implementation of security measures, in compliance with legal requirements for data processing, in the application of data retention rules, or in the notification of data breaches within the strict mandatory timeframes could lead to disputes with the data protection authority and to sanctions. In addition, the risk of personal data breach can lead to disputes with data subjects and reputational damages, consequently impacting the Group's business and operating results.

Health and safety at work

The Company has exposure to several workplace health and safety risks that could have significant impacts. These include the possibility of injuries caused by unsafe working conditions or unforeseen accidents, as well as the risk of occupational disease due to exposure to harmful substances and job-related stress. In addition, any non-compliance with health and safety regulations could result in legal sanctions and damage to the Company's reputation. Occupational accidents and illnesses can lead to work disruptions, which reducing operational efficiency and increase costs. There is also the risk of significant compensation costs in case of work-related injuries or illnesses.

To mitigate these risks, the Company ensures that it complies with all legislative requirements in occupational health and safety. This includes assessing risks to workers' safety and health with a view to continually minimizing those risks, as well as preparing Risk Assessment Documents. The Company has principles, standards and solutions in place aimed at achieving "zero workplace accidents". This involves implementing prevention measures and verifying that they are adequate and effective.

Key tools in this regard are schemes to raise awareness and involve employees in the Company's health and safety policies and objectives, as well as providing training and information on the risks and control measures implemented to mitigate said risk.

Golden Power

The issuing of the so-called "Golden Power" Decrees, with reference primarily to Legislative Decree no. 21/2012, aimed at attributing to the State special powers on corporate structures in the sectors of Defense and National Security, as well as for activities of strategic importance, in the specific Telecommunications sector, affects the public-private relationship, enriching the value of technological assets and services included in the Golden Power perimeter due to the institutional purpose pursued. This could, on the one hand, limit TIM's autonomy in carrying out its activities in the area of strategic services, but on the other hand, TIM, as a strategic operator, can guarantee advantages to its shareholders by making any change of control more complex, thus protecting investments and guaranteeing a higher level of security of strategic assets and services.

In summary, the Prime Minister established that the Company is subject to the obligations pursuant to Legislative Decree no. 21/2012 (the "Golden Power Decree", setting out special powers rules) in the provision of September 28, 2017, as a business that:

- carries out "activities of strategic importance for the defense and national security system" (as per Art. 1 of the Decree Law) and
- possesses networks and systems "necessary to ensure the minimum supply and operation of essential public services" and goods and relationships "of strategic importance for the national interest" in the communications sector (as per Art. 2 of the same Decree Law).

Failure to comply with these obligations, provided that the facts do not constitute a crime, shall result in the imposition of administrative fines of up to twice the value of the transaction, but in no case less than 1% of the company's turnover or the cumulative turnover of the companies involved in the last financial year for which the budget was approved.

The regulatory architecture relating to TIM led to the issuing of the Prime Ministerial Decrees of October 16 and November 2 in 2017.

With the ruling of October 16, 2017, the Prime Minister exercised the special powers provided for in Art. 1 of Legislative Decree no. 21/2012 by imposing specific provisions and conditions on TIM and the subsidiaries Telecom Italia Sparkle and Telsy. Amongst others, the measures concern corporate and organizational governance; in particular, the obligation is imposed to ensure the presence on the respective Boards of Directors of a Security Chief Executive Officer – currently coinciding with the Chief Executive Officer – (who has Italian citizenship and security authorization), as well as the establishment of a Security Organization unit. The latter, directed by the Security Officer, is responsible for activities relevant to national security and is involved in all decision-making processes relating to strategic activities and the network.

With a ruling on November 2, 2017, the Prime Minister's Office also exercised the special powers provided for in Art. 2 of the Legislative Decree no. 21/2012, through the imposition on TIM of further requirements and conditions with the aim of assuring suitable development plans, able to guarantee a continuity of supply of the universal service.

Regarding the DPCM October 16, 2017, the same was amended by the DPCM June 20, 2025 as outlined below:

- with regard to the appointment of the Security Officer, in Art. 1 paragraph 1 (a) item 3, the sentence "chosen from a trio of names proposed by the Department of Security Information of the Presidency of the Council of Ministers" was deleted
- Art. 1 paragraph 1 (a) item 16, which stipulated that only Italian citizenship was required for the appointment of top executives, was repealed.

Furthermore, it is notified that the DPCM of August 4, 2025 authorized the sale of 100% of Sparkle's share capital, subject to compliance with specific conditions and requirements.

In the event of non-fulfillment or violation of the provisions and conditions imposed by the two D.P.C.M. of 2017 and subsequent amendments, the application of the sanctions referred to in Decree Law no. 21/2012 mentioned above is provided for.

The government's ruling has subsequently evolved through Decree Law no. 21/2022 (Urgent measures to combat the economic and humanitarian effects of the Ukraine crisis), converted with amendments by Italian Law no. 51/2022, which introduced new features regarding both corporate management and 5G technology-based communication services.

As regards the latter issue, by this Decree, the legislator renewed the close attention paid to 5G, insofar as an activity of strategic importance for defense and national security, extending the scope of reference from the non-EU supplies taken as reference by the previous Law no. 41 of 2019 to include any supply relating to 5G, regardless of the geographic location in which the supplier is based, and redefined the State's special powers.

More specifically, the Decree made it mandatory for companies to preventively notify the Presidency of the Council of Ministers an Annual Purchasing Plan of goods and services in 5G technology, with the possibility of making four-monthly updates.

The Plan is subject to approval by the government, which may potentially also lay down conditions or requirements; failure to notify results in a sanction being applied to the company in the amount of up to 3% of its turnover.

In relation to the annual plans submitted by TIM in 2022 and 2023, the Presidency of the Council of Ministers exercised the special powers provided for by Art. 1-bis of Decree Law 21/2012, by imposing specific requirements in order to protect the essential interests of defense and national security.

The 2024 5G plan submitted to the Authority in August was approved without conditions. The 5G 2025 plan was submitted to the Authority on July 25, 2025 and approved with conditions by DPCM on October 2, 2025.

National Cyber Security Perimeter

The framework of provisions regarding National Security has flanked the Golden Power regulations with those relating to the National Cyber Security Perimeter (PSNC), established by Law no. 133/2019, converting Decree Law no. 105/2019.

The regulations in this area are hinged on three elements, governed by the subsequent implementing decrees, which constitute the same number of obligations for TIM, as strategic operator: the adoption of security measures aimed at guaranteeing high security levels for ICT assets, the secure award of ICT supplies and the notification of security incidents.

Compliance with the obligations laid down by regulations governing the PSNC means, for TIM, an impact in organizational terms and as regards operative processes, in line with the restrictions aiming to guarantee a high level of security of networks, information systems and the computer services of public administrations, public and private operators and entities based in Italy, in consideration of the fact that such elements are responsible for the performance of a service that is essential for the maintenance of civil, social or economic activities, fundamental for the interests of the State and the malfunctioning, interruption, even partial, or improper use of which could damage national security.

Failure to comply with regulatory obligations in the PSNC area for TIM entails administrative sanctions that can reach up to 1.8 million euros. Furthermore, the use of products and services in the absence of the required communications to the relevant authorities, or of passing the tests or in violation of the established conditions may lead to the application of the additional administrative sanction of inability to assume management, administration and control roles. in legal entities and businesses, for a period of three years starting from the date of discovery of the violation. Finally, anyone providing information, data or elements of fact that are not true, in order to hinder or impact procedures and inspections and supervision, shall be punished by imprisonment from one to three years.

MAIN CHANGES IN THE REGULATORY FRAMEWORK

Domestic

Below are the main updates to the domestic regulatory context that occurred during the first half of 2026.

With regard to antitrust proceedings, please refer to the Note "Disputes and pending legal actions, other information, commitments and guarantees" to the Half-Year Condensed Consolidated Financial Statements of the TIM Group at June 30, 2026.

European regulations

2030 Policy Programme “Path to the Digital Decade”

Under Decision (EU) 2022/2481 establishing the Digital Decade Policy Programme 2030, the European Commission publishes an annual State of the Digital Decade report, which assesses the progress made by the EU and each Member State, reviews the national roadmaps and sets out recommendations. The latest available edition, published on June 16, 2025, updates the assessment of performance across the pillars of digital skills, digital infrastructure and connectivity, the digitalisation of businesses, and digital public services, superseding the previous editions published in 2023 and 2024.

Single Market – "One Europe, One Market" Roadmap

The “One Europe, One Market” Roadmap – was adopted on April 24, 2026 through a joint commitment by the European Commission, the Council of the European Union and the European Parliament – is the EU's strategy for completing and further integrating the Single Market by the end of 2027. The Roadmap establishes a shared policy framework aimed at ensuring the coordinated implementation of more than 40 legislative and regulatory initiatives by the end of 2027. The measures are organized around five pillars:

- regulatory simplification;
- greater integration of the single market;
- promotion of strong trade;
- lower energy prices and decarbonisation;
- digital transformation and AI development.

The Roadmap introduces an interinstitutional monitoring mechanism, involving quarterly reviews by the European Parliament, the Council of the European Union and the European Commission, to assess the progress of the reforms, identify any implementation challenges and coordinate the actions needed to achieve the agreed objectives.

Digital Networks Act (DNA) and revision of the Telecommunications Code

On January 21, 2026, the European Commission published the proposed Digital Networks Act (DNA) Regulation, a structural intervention aimed at modernizing, simplifying, and harmonizing the electronic communications framework in the EU, replacing the current European Electronic Communications Code (EECC) with a directly applicable regulation. The stated aim is to create a true single market for connectivity, facilitating investment in fiber, 5G and future 6G networks, reducing regulatory fragmentation and allowing operators to operate more easily on a cross-border basis.

Among the main innovations is the introduction of the Single Passport, a single authorization procedure that will allow operators to register their activity in a single Member State in order to offer services throughout the EU, with harmonized conditions and simplified reporting obligations.

On radio spectrum, with a strong strengthening of coordination at EU level through an expanded role for the Commission and the new Radio Spectrum Policy Body (RSPB), the proposal introduces unlimited license durations as a general rule, subject to harmonized conditions for efficient use, and encourages spectrum sharing as the norm.

An innovative European peer-review mechanism on national allocations is also envisaged, allowing the Commission and the RSPB to assess in advance the conditions, criteria and design of national procedures to avoid divergences and ensure greater consistency between Member States.

On the relationship between telco operators and large platforms, the DNA confirms the absence of mandatory “network fees” and instead introduces a voluntary conciliation mechanism for disputes relating to technical and commercial agreements, which risks having a limited impact in terms of rebalancing negotiations.

It also introduces important innovations in the area of network access, including the creation of a new harmonized EU access product, intended to reduce the fragmentation of current national wholesale solutions. This product, applicable at least in competitive or cross-border areas, aims to ensure uniform technical and commercial conditions at European level, facilitating the entry and operation of operators on a continental scale. The proposal also integrates common criteria for the evaluation of access offers and new tools to simplify the migration from legacy networks, with the aim of ensuring a more predictable and coherent framework for infrastructure investments.

The regulation also includes obligations on the transition from legacy networks, providing for national plans for the switch-off of copper and the transition to very high capacity networks.

The following security-related measures are envisaged: enhanced measures on resilience and crisis preparedness, coordinated through the new *Office for Digital Networks* (ODN); In particular, the DNA introduces a requirement to adopt an EU preparedness plan for digital infrastructure, together with measures aimed at reducing critical dependencies and ensuring the continuity and uninterrupted availability of emergency communications and public warning services.

The DNA also introduces measures to reduce national flexibilities in consumer protection regulation, promoting a more convergent and proportionate regulatory framework.

Finally, the regulation includes the rules on Net Neutrality, simultaneously repealing the relevant articles of EU Regulation 2120/2015 (Open Internet Regulation), without making any changes, but providing for the possibility for the Commission to adopt implementing acts to better clarify the conditions for providing so-called specialized services.

The subsequent negotiation and approval of the text could take 12 to 24 months under the co-decision procedure involving the European Parliament and the Council.

Cyber Security Act (CSA)

On January 20, 2026, the European Commission published its proposal to revise the Cybersecurity Act (CSA2), with the following objectives:

- strengthen the role and mandate of the *European Union Agency for Cybersecurity* (ENISA);
- enhance the European cybersecurity certification framework, making it more comprehensive, robust and coherent, while addressing the delays and technical challenges that have hindered the adoption of specific certification schemes since the original Act entered into force;
- strengthen the security of ICT supply chains, further harmonize the EU cybersecurity framework, and make the measures contained in the 5G Toolbox legally binding.

The initiative is part of a broader framework to strengthen the Union's cyber resilience and reduce strategic risks from technological dependence.

The subsequent negotiation of the text and approval of the CSA2 should take between 12 and 18 months under the co-decision procedure involving the European Parliament and the Council.

Tech Sovereignty Package

On June 3, 2026, the European Commission presented the Tech Sovereignty Package, a package of regulatory instruments, market incentives and industrial measures designed to strengthen the capacity, resilience and strategic autonomy of the European digital ecosystem in the fields of semiconductors, artificial intelligence, cloud computing and open-source software.

The package comprises: (i) the *Communication on Technological Sovereignty and the EU Open Source Strategy*, a policy document setting out the Commission's overarching approach to technological sovereignty, including its strategy for open-source software; two proposed regulations: (ii) the Chips Act 2.0 and (iii) the Cloud and AI Development Act (CADA); and (iv) the Strategic Roadmap for Digitalisation and AI in Energy, together with a Delegated Regulation on the sustainability of data centres.

The CADA is the package's central legislative pillar, aimed at tripling data centre capacity in Europe over the next five to seven years. It introduces a cloud sovereignty framework based on four levels of trust, with progressively more stringent requirements relating to data localisation, security and software control, culminating in the highest level, under which providers must exclude any interference by third countries.

The most immediate application concerns the public sector: Public authorities will be required to carry out risk assessments and procure cloud services corresponding to the appropriate level of trust. The package does not introduce an explicit "buy European" requirement. Instead, it combines cloud sovereignty criteria with public procurement requirements, including the concept of "added value for the Union", to steer public procurement towards compliant solutions and promote European alternatives.

The subsequent negotiation of the text and approval should take between 12 and 18 months under the co-decision procedure involving the European Parliament and the Council.

European Accessibility Act (EAA)

On June 28, 2025, the first implementation obligations under Directive (EU) 2019/882 on the accessibility requirements of products and services (European Accessibility Act - EAA) came into force, already transposed in Italy by Legislative Decree no. 82 of May 27, 2022.

This act protects people with disabilities, such as hearing impairments, by imposing certain obligations on service providers (e.g. real-time text for customer care and emergency services).

Artificial Intelligence

As part of the proposed Digital Omnibus on AI, a postponement of the application date of the provisions relating to high-risk AI systems (currently scheduled for August 2026) until 2027 or 2028 is in the final stages of the legislative process.

Digital Omnibus Package

In November 2025, the European Commission presented the Digital Omnibus Package, a regulatory simplification initiative that aims to harmonize key EU rules on data, artificial intelligence, privacy and cybersecurity. The package, awaiting examination and adoption by the European Parliament and Council, addresses: the Data Act, introducing targeted exemptions for cloud switching for SMEs and tailor-made services and simplifying the framework on data intermediaries; the GDPR, integrating the rules on cookies from ePrivacy, expanding the sharing of pseudonymized data in low-risk cases, and extending the deadline for reporting data breaches from 72 to 92 hours. In terms of cybersecurity, the Digital Omnibus introduces a single-entry point managed by ENISA for all incident notifications required by NIS2, GDPR, DORA, CER and eIDAS, easing the administrative burden for digital operators.

EU Business Wallet

In November 2025, the European Commission presented the *proposal for a Regulation on the European Digital Wallet for Businesses (EU Business Wallet)*.. The initiative, currently being examined by the Parliament and the Council, introduces a single, harmonized system that will allow companies to digitally identify themselves, authenticate themselves, sign and exchange documents and certificates throughout the Union, with full legal value. The *Business Wallet* is intended to reduce administrative burdens, facilitate cross-border compliance and improve competitiveness through an interoperable infrastructure based on the revised eIDAS

(Electronic Identification, Authentication and Trust Services) framework and verifiable digital identities for businesses and their legal representatives.

Taxonomy

Delegated Regulation (EU) 2026/73, published on January 8, 2026 and entered into force on January 28, 2026, simplifies the application of the EU Taxonomy by amending the delegated acts on disclosure obligations, climate criteria and environmental objectives. The changes introduce materiality thresholds, reduced reporting templates and less onerous DNSH criteria, including those related to data centers and data-driven digital solutions (AI, IoT). The new rules apply retroactively to 2025 financial statements, with the exception of companies' option to continue using the previous regime for one year. The aim of the reform is to reduce administrative burdens and improve the quality of reporting. For more details, please refer to the 2025 TIM Group Sustainability Statement.

Roam-Like-At-Home (RLAH) Extension

In July 2025, the Council of the European Union adopted decisions integrating Ukraine and Moldova into the “Roam Like At Home” roaming area. From January 1, 2026, European, Ukrainian and Moldovan citizens can use voice, SMS and data services under the same tariff conditions as in their country of origin. The extension is part of the process of economic rapprochement of the two countries to the EU and involves adjustments for mobile operators in terms of wholesale agreements, quality of service and tariff transparency.

On June 4, 2026, the Council authorized the European Commission to enter into bilateral negotiations with the Western Balkan countries (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia) on extending the *"Roam Like at Home"* regime.

Termination rates

On January 19, 2026, the Commission completed the review of Delegated Regulation (EU) 2021/654, which sets the single maximum fixed and mobile termination rate in Europe, confirming the current values of 0.07 euro cents/minute for landlines and 0.20 euro cents/minute for mobile.

Clean Industrial Deal State Aid Framework (CISAF)

On June 25, 2025 the European Commission adopted a new State aid framework to easily support the development of clean energy, industrial decarbonization and clean technology. The new regulatory framework is in force from June 25, 2025, to December 31, 2030, and contains provisions for the following types of aid measures:

- Measures accelerating the rollout of clean energy;
- Measures providing support for electricity costs for energy-intensive users;
- Measures facilitating industrial decarbonization;
- Measures ensuring sufficient manufacturing capacity in clean technologies; and
- Measures to de-risk private investments.

Sustainability

Omnibus – Corporate Sustainability Reporting Directive (CSRD) – "stop the clock" proposal

With reference to the EU Taxonomy, the Delegated Simplification Act, which entered into force on January 28, 2026, introduces a materiality threshold of 10%, which allows non-material economic activities to be excluded from the assessment. The application of the new provisions is optional for the 2025 financial year and becomes mandatory from the 2026 financial year.

Finally, Directive (EU) 2026/470 (Omnibus I), adopted by the Council of the European Union on February 24, 2026 and entered into force on March 18, 2026, introduces a significant revision of the regulatory framework on sustainability. Member States are required to transpose the provisions by March 19, 2027 for the CSRD and by July 26, 2028 for the CSDDD. Among the main changes are:

- with reference to the CSRD, the application of the reporting obligation, starting from the 2027 financial year, to companies with more than 1,000 employees and 450 million euros in turnover, excluding listed SMEs; the elimination of mandatory sectoral standards; the introduction of the value chain cap, which grants companies in the value chain with fewer than 1,000 employees the right to refuse information requests exceeding those provided for by the voluntary standard VSME; and the confirmation of limited assurance as the final level of verification of reporting;
- with reference to the ESRS, the proposal by EFRAG for a revision of the standards that provides for a 61% reduction in the mandatory datapoints, with the adoption of simplified ESRS expected by mid-2026 and their application starting from the 2027 financial year;
- with reference to the CSDDD, the raising of the application thresholds to over 5,000 employees and 1.5 billion euros of global net turnover, the elimination of the obligation to adopt a climate transition plan, the reduction of the maximum sanctions to 3% of global net turnover, and the postponement of the application for the first companies to July 26, 2029.

The TIM Group is one of the companies already subject to CSRD as a large public-interest company with over 500 employees and has started sustainability reporting under European legislation as of the 2024 financial year.

The Group therefore continues to monitor the evolution of the European regulatory framework and to progressively adapt its data collection and reporting processes to regulatory developments and updates to ESRS standards.

Domestic regulations

Wholesale markets

Fixed network access market analysis

By Resolution No. 58/26/CONS, published on March 16, 2026, AGCOM concluded its analysis of the markets for fixed-network access services pursuant to Article 89 of the European Electronic Communications Code (EECC).

AGCOM has reached the following conclusions:

- FiberCop is qualified as a "*wholesale only*" operator, pursuant to Art. 91 CCE, with a consequent easing of *ex ante* obligations (no longer requiring approval of reference offers and a transition from cost-oriented prices to fair and reasonable conditions);
- division of the national territory into distinct geographic markets, by virtue of the different degree of development of infrastructural competition, assessed on the basis of the following criteria:
- presence of multiple operators with FTTH networks;
- market shares;
- adoption of FTTH services;

Market 1 (Physical Access + VULA-C and VULA-H	Prices	# municipaliti
Market 1A: No SMP	commercial	239
Market 1B:		
Area 1B.1: Areas with high infrastructure competition	fair and reasonable	91
Area 1B.2: Legacy Areas	fair and	4,999
Area 1B.3: Areas with low infrastructure competition	fair and reasonable	2,566

Market 2 (Terminating)	Prices	# municipaliti
Market 2A: No SMP	commercial	136
Market 2B: Rest of Italy	fair and	7,759

- in municipalities where conditions of full competitiveness are found (NO SMP) the entire set of *ex ante*regulatory obligations is removed;
- in the rest of Italy, FiberCop holds Significant Market Power (SMP) and is subject to obligations of non-discrimination and fair and reasonable prices;
- the provisions of the precautionary measure with which, taking note of the subsequent cessation of vertical integration as of July 1, 2024, AGCOM had removed the previous regulatory obligations on TIM are definitively confirmed;
- in municipalities where regulatory obligations had not already been withdrawn, FiberCop is required, for a period of 12 months, to apply the economic conditions set out in Resolution No. 114/24/CONS or in the 2025 Reference Offers (OR 2025), together with the technical and operational conditions currently in force.

The market analysis does not affect the commercial relationship between TIM and FiberCop, which continues to be governed by the Master Services Agreement (MSA), as amended following the AGCM's proceedings in Case No. I874.

The decommissioning process, already defined with the previous market analysis (resolution no. 114/24/CONS), has been confirmed: FiberCop, following AGCOM's authorizations, is preparing to close approximately 5,500 exchanges out of a total of approximately 10,000 exchanges by August 2027.

Retail markets

Charges for terminating fixed-line telephone services

Following the public consultation launched by Resolution No. 245/25/CONS, AGCOM, in Resolution No. 81/26/CONS of May 25, 2026, confirmed the approach set out in its earlier Resolution No. 487/18/CONS concerning the costs associated with the termination and transfer of fixed-line telephone services. It reaffirmed that termination charges must always be proportionate to the value of the contract, rejecting requests by certain operators to revise the methodology for calculating such charges.

CLI Spoofing

Following a public consultation (Resolution No. 457/24/CONS) and the outcome of the subsequent technical working group involving telecommunications operators under the auspices of AGCOM, Resolution No. 106/25/CONS was adopted. Subsequently supplemented by Resolution No. 271/25/CONS to provide further implementation guidance, it introduces a number of mandatory measures to combat *CLI spoofing* in calls originating outside Italy that display an Italian caller line identification (CLI).

The resolution requires international carriers authorized in Italy (e.g. Sparkle) to implement 3 types of blocking for calls from abroad:

- blocking of Italian CLIs (+39) in formats inconsistent with ITU-T E.164, including no CLI and CLIs associated with non-geographic Italian numbers;
- blocking of Italian CLIs corresponding to fixed-line numbers (ten-digit “0” numbers);
- blocking of Italian CLIs corresponding to mobile numbers (ten-digit “3” numbers) if the mobile customer with whom the number used as a CLI is associated is not roaming abroad.

Blocking types 1 and 2 apply to international carriers only (not implemented by TIM, but only by Sparkle) and were implemented in August 2025. Block 3 was implemented in November 2025 by international carriers and mobile operators, including TIM.

These functionalities have now been implemented by the vast majority of domestic operators and have proved highly effective in filtering calls originating outside Italy that are at risk of CLI spoofing involving Italian telephone numbers.

National Numbering Plan (NNP) developments

Following a public consultation, AGCOM adopted Resolution No. 21/26/CIR, introducing a number of amendments to the National Numbering Plan (NNP), including measures to improve the recognizability of telephone numbers used by customers originating voice calls, particularly in connection with customer service operations. AGCOM is expected to convene a number of technical working groups to support implementation and a technical working group is due to be launched shortly to prepare for the introduction of the new '2' number range under the National Numbering Plan (NNP), which will be designated for customer service operations provided directly by businesses and by call centres. A further technical working group is also expected to be established to implement the use of certain non-geographic numbers (such as 800 numbers) as the Calling Line Identity (CLI) for voice calls.

Mobile Number Portability

Following the public consultation launched by Resolution No. 3/26/CIR, AGCOM adopted Resolution No. 26/26/CIR, introducing measures aimed at strengthening competition safeguards and ensuring the proper use of information relating to *Mobile Number Portability* (MNP).

The principal change is the prohibition on using MNP data and network information, including any derived or indirect information, for commercial purposes or to tailor offers according to the customer's previous mobile network operator. AGCOM also clarified that this prohibition cannot be circumvented by obtaining the user's consent.

The Resolution also strengthens the monitoring and supervisory framework by introducing quarterly reporting obligations for operators that adopt differentiated commercial policies and providing for investigations in the event of suspected anomalies. The Resolution also provides for an update of the MNP Regulation and the establishment of a dedicated technical working group to oversee data management and traceability.

Quality of customer assistance service in the electronic communications sector and audiovisual media services

The Communications Guarantee Authority, in Resolution no. 255/24/CONS of July 10, 2024, after a lengthy preliminary process, established the new regulatory framework for rendering customer services in the electronic communications sector and the audiovisual sector in the provision of live pay services for high-interest public events (as per Art. 33, para. 3 and 4, of the Consolidated Law on Audiovisual Media Services (TUSMA)).

The new framework underlines that the service should be provided through a telephone service and also recommends digital assistance.

The provisions of the Regulation entered into force on August 8, 2025.

Specifically, Resolution 255/24/CONS establishes the following provisions:

- free customer assistance services, confirming the current regulatory framework;
- telephone customer assistance services with a human operator should be provided for electronic communications services, at least on weekdays between 8:30 a.m. and 9:30 p.m. (until 7:30 p.m. for business customer service numbers);
- the IVR tree options for talking to an operator should be clear, transparent and understandable, enabling the user to get assistance from an operator and to file a complaint in the shortest possible time;
- for telephone support services, customers should have a dedicated option available to file a complaint at the first level of the IVR tree;
- the time limit for resolving complaints, from the date of receipt, should not exceed thirty days (the time limit was reduced from 45 to 30 days);
- the customer should have the right to make a complaint through the telephone channel, registered letter and digitally, if the operator makes this mode available to the customer;
- the operator should give the customer a complaint identification code after receiving the complaint.

The resolution also adopts new quality indicators for telephone customer service, digital customer service, and complaint handling, which will become operational on August 8, 2025.

An appeal filed by AGCOM is pending before the Council of State regarding the regional administrative court's annulment of the obligation to provide free telephone assistance (Art. 5, paragraph 7).

Content Delivery Network: applicability of the general authorization regime provided for by the Electronic Communications Code

With Resolution no. 207/25/CONS, the Authority approved the results of the public consultation pursuant to Resolution no. 55/25/CONS and confirmed the inclusion of Content Delivery Networks (CDNs) within the definition of electronic communications network pursuant to Art. 2 of the Electronic Communications Code, with the consequent application of the general authorization regime. The Resolution has been submitted to the Ministry of Enterprises and Made in Italy (MIMIT) for the necessary follow-up action, and its determination is currently awaited.

Authority fees

AGCOM contribution fee

From 2026 onwards, the contribution payable to the Authority constitutes a tax and is imposed pursuant to Article 1, paras 66, 66-bis, 66-ter, 66-quater and 66-quinquies of Law No. 266/2005, as amended by Article 1, para 273 of Law No. 199/2025. The contribution is payable by entities that generate revenue from the activities specified by law.

The contribution rates applicable in 2026 (calculated on the basis of the 2024 financial statements) were 1.40 per thousand for the electronic communications sector, 2.00 per thousand for media services, 0.50 per thousand for activities relating to the prevention and suppression of the unlawful dissemination of content, and 2.00 per thousand for activities associated with the coordination of digital services.

TIM paid a total of around 12.8 million euros under reserve.

Privacy and personal data protection

General Data Protection Regulation (GDPR), Privacy Code and further applicable legislation on the matter

TIM has had a structured operating model in place since 2003 to ensure the correct application of Regulation (EU) no. 2016/679 at Group level (so-called "General Data Protection Regulation" or GDPR for short), of Legislative Decree June 30, 2003, no. 196 (so-called Privacy Code) and the further applicable legislation regarding the protection of personal data.

In 2023, the revamped Corporate Privacy Operating Model entered into operation in accordance with the principle of privacy-by-design, with a number of improvement activities implemented, including in particular:

- the execution of a new mapping of personal data processing activities in conjunction with company operational processes with the definition of a new methodology for assessing the privacy risk associated with each processing;
- the review of the processing management process and updating of the records of processing activities;
- the introduction of new IT tools, including the one for the management of the Information provided to the different stakeholder types (e.g. customers, employees, visitors) and the one for the management of the aforementioned Registers, which allow the digitization and integration of the information managed.

During 2025 and from the first half of 2026, the usual necessary activities for the management of the privacy Operating Model were carried out, with particular regard to the periodic updating of the processing register in relation to new activities/projects and the evolution of the company organization.

There were no legislative changes during the 1st half of 2026 in the area of personal data protection during 1.

With regard to the activities of the Italian Data Protection Authority, the decisions and assessments made with certain prescriptive and sanctioning measures adopted against certain companies are of interest to TIM and the Group companies, and concern: (i) the unlawful processing of personal data for marketing purposes, the methods used to obtain requests to be contacted (so-called leads) for commercial purposes, and the selection and oversight of commercial partners; and (ii) the processing of customers' personal data collected through the company's apps for lawful purposes, which also involved monitoring a range of data stored on users' mobile devices, including installed and running applications, without valid consent.

The Privacy Function is responsible for studying regulations (including the provisions of the Data Protection Authority), informing the Group's Corporate Functions/Companies and ensuring that the relevant *policies* and guidelines are issued and updated. In this latter respect, the most important policy is the "System of rules for the application of legislation on personal data protection in the TIM Group", which is the set of operating rules and regulations governing personal data processing in accordance with the provisions of applicable law and regulations, defined specifically for the TIM Group, is kept constantly up-to-date and is available on the corporate intranet.

The Privacy Function also provides consultancy to the Group's corporate functions/companies regarding the correct processing of personal data in corporate processes in compliance with internal policies/procedures and provides specialist support for specific activities (e.g., drafting privacy clauses in contracts with customers and suppliers, assisting in preparing responses to numerous requests from data subjects to exercise their rights), as well as coordinating activities related to relevant obligations, such as those relating to data breaches and the drafting of privacy impact assessments.

Finally, TIM's Privacy Department schedules specific training plans on a needs basis to raise awareness in the various company departments and illustrate the policies and procedures issued for applying the legislation on personal data processing.

Spectrum

Rights of use expiring in 2029

Between July and September 2025 (following the similar previous consultation carried out between July and September 2024 - Resolution 247/24/CONS), AGCOM put out for consultation (Resolution 154/25/CONS) some proposals on regulatory measures concerning the allocation of radio frequencies for terrestrial electronic communications systems whose rights of use expire on December 31, 2029 (800MHz, 900MHz, 1400MHz, 1800MHz, 2100MHz, 2600MHz, 3.4-3.6 GHz, 28GHz). TIM holds blocks of frequencies in all bands affected by the expiry of the rights of use covered by the consultation, with the exception of the 28GHz band for which the rights of use have been transferred to FiberCop.

The two (alternate) proposals from AGCOM are to:

- extend or renew approximately 85% of expiring frequencies and putting 15% of them out to tender;
- renew all expiring frequencies.

Under both solutions, payment will be required for frequency renewals or extensions and new obligations will be introduced in terms of coverage or service levels.

3.8–4.2 GHz band

In May 2026, the Italian Communications Authority (AGCOM), by Resolution No. 109/26/CONS (published on May 26, 2026), launched a public consultation on the shared use of the 3800–4200 MHz frequency band, implementing Commission Implementing Decision (EU) 2025/2425, which requires Member States to make the band available by September 30, 2026.

The initiative proposes an innovative spectrum management model that differs significantly from the approach traditionally adopted for mobile spectrum bands assigned to national mobile network operators. In particular, AGCOM's proposal is characterized by the following features:

- the absence of a nationwide auction process;
- local, non-exclusive, case-by-case allocations, based on an approach similar to that already adopted for fixed radio links;
- a shared spectrum use model, aligned with the harmonized European regulatory framework;
- primarily intended for private local networks supporting the specific connectivity needs of businesses and vertical industries (e.g. manufacturing, logistics and campus environments);
- open to new market participants beyond traditional mobile network operators, such as vertical industries, systems integrators and other industrial players.

42 GHz band

In April 2026, the Italian Communications Authority (AGCOM) launched a public consultation on the use of the 40.5–43.5 GHz frequency band (the so-called 42 GHz band) for terrestrial systems capable of providing wireless broadband electronic communications services.

The frequency band in question has propagation characteristics that make it particularly well suited to short-range, high-capacity services. However, the technological ecosystem remains at an early stage of development, both in terms of the availability of equipment and the emergence of established business models.

The consultation represents a step towards implementing the European regulatory framework, which requires Member States to designate and make the 40.5–43.5 GHz frequency band available by December 31, 2026, pursuant to Decision (EU) 2024/1983.

Universal Service

Following the transposition of Directive (EU) 2018/1972, which leaves it to each Member State to decide whether to maintain or remove the existing obligations, Article 94(1) of the Electronic Communications Code provides that consumers throughout Italy are entitled to access, at an affordable price, an adequate broadband internet access service and voice communications services at a fixed location, provided by at least one operator. It also empowers AGCOM to define the characteristics of those services and to impose specific universal service obligations in light of national circumstances. In 2025, by Resolution No. 315/25/CONS, AGCOM launched a public consultation on the review of the universal service framework.

In particular, AGCOM is seeking views on the following:

- the availability of universal network access throughout Italy;
- the affordability of the service for low-income consumers.

Following the consultation, AGCOM may impose universal service obligations where it considers that market conditions do not ensure the affordability of adequate broadband internet access services and voice communications services for all consumers.

Network and Information System Directive (NIS2)

The new Directive 2022/2555 (NIS2), which replaces the previous Directive 2016/1148 (NIS), entered into force on January 16, 2023, and must be transposed into national law by October 17, 2024, becoming applicable from October 18, 2024.

The NIS2, transposed into Italian law by Legislative Decree No. 138 of September 4, 2024 and subsequent Determinations issued by the National Cybersecurity Agency (ACN), envisages an extension of the scope of application of these laws governing the security of networks and computer systems, including on the one hand, sectors currently covered by other rules, which were simultaneously abrogated (i.e. the security measures of electronic communication services and networks, currently included in the European Electronic Communications Code) and, on the other, extending the rules to new subjects (e.g. data centers, CDN, etc.).

The NIS2 maintains the obligation to adopt security measures that are commensurate to the risk, yet introduces a series of basic requirements, including security management of the procurement chain and reviews the mandatory notification procedures of IT incidents.

Sanctions in the event of breach can be as high as 2% of turnover.

The NIS2 also provides for strengthened European coordination, with more effective roles for national authorities and ENISA, with the aim of improving collaboration to counter the global cyber threat by sharing experiences among Member States.

Throughout 2026, the operational implementation of the NIS2 framework continued through the adoption of national implementing measures and the technical specifications issued by the National Cybersecurity Agency (ACN), which set out in detail the obligations applicable to entities within scope in relation to governance, risk management, supply chain security and incident reporting.

Measures for digital facilitation, simplification and innovation

- The 2026 Budget Law (Law No. 199 of December 30, 2025) – Effective from January 1, 2026
  - A fund of 250,000 euros per year from 2026 to support the migration of the Ministry of Tourism's data to the National Strategic Hub (Polo Strategico Nazionale).
  - Telecommunications Bilateral Solidarity Fund – 20 million euros allocated for 2026 to provide income support for employees covered by the collective labour agreement.
  - Enhanced tax deduction for expenditure on capital assets acquired between January 1, 2026 and September 30, 2028; Telecommunications services are included among the eligible assets.
- Milleproroghe Decree (Law No. 26 of February 27, 2026) – Effective from March 1, 2026

- Extension of the Framework Agreement for the Public Connectivity System (SPC 2) until December 31, 2026.
- Extension of the Framework Agreement for the Procurement of Cloud Application Services (SAC2) until September 20, 2026.
- Extension of the deadline for the regional co-financing requirement applicable to ITS Academy Foundation plans until 2026.

■ PNRR Decree (Law No. 50 of April 20, 2026) – Effective from: April 21, 2026

- Extension of the Framework Agreement, standalone agreements and contracts for cloud services, on-demand services and PMO services.
- Authorization for Consip to launch new tenders, up to a total value of 100 million euros, for the procurement of cloud services, on-demand services and PMO services.
- Introduction of an obligation for operators to provide information on access network technologies (implementing measures to be adopted by AGCOM)

■ Energy Decree (Law No. 49 of April 10, 2026) – Effective from: April 19, 2026

- Reduction in the timeframes for procedures for the installation of data centers.
- Reduction of ASOS system charges for non-domestic (non-energy-intensive) users
- Reduction of gas charges for thermoelectric power plants (subject to notification to the European Commission).
- Prohibition on telephone telemarketing in the electricity and gas sector targeting household customers, except where the consumer has expressly requested to be contacted or where existing customers have given specific consent.

■ Fiscal Decree (Law No. 88 of May 22, 2026) – Effective from: May 23, 2026

- Access to tax incentives for businesses that made qualifying investments in 2026, irrespective of the country in which the capital asset was manufactured.
- A tax credit for 2026 equal to 89.77% of the tax credit already claimed under the Transition 5.0 Plan was granted to businesses that submitted applications for access to the incentive, subject to an overall spending cap of 1.3 billion euros for 2026.
- Grants for investments in renewable energy self-generation by businesses installing self-consumption facilities.

■ Comprehensive Reform of the Consolidated Law on Finance (Legislative Decree No. 47 of March 27, 2026) – Effective from April 29, 2026

- Revises the regulatory framework governing the capital markets, with significant implications for listed issuers and extraordinary transactions.
- Introduces changes to the rules governing takeover bids, squeeze-out procedures, shareholders' meetings and simplification measures for listed companies, and updates the corporate governance report to address the use of AI systems.

■ Fair Compensation Decree (Ministerial Decree of February 23, 2026) – Effective from March 21, 2026

- Extends the existing levy regime to cloud storage and refurbished devices, and sets the applicable tariff rates.
- Provides for exemptions where the devices or cloud storage are demonstrably used exclusively for professional purposes.
- Several appeals have been filed challenging the provisions of the Decree.

■ Consolidated VAT Act (Legislative Decree No. 10/2026) – Applicable from January 1, 2027

- Implements the legislative delegation granted to the Government by consolidating and reorganizing the existing VAT legislation.
- Consolidates and harmonizes the principal legislative provisions governing VAT, including Presidential Decree No. 633/1972 establishing and regulating value added tax, and Decree-Law No. 331/1993 harmonizing the national legislative framework with the EEC Directives.

■ Legislative Decree transposing Directive (EU) 2023/2225 (Legislative Decree No. 212 of December 31, 2025) – Effective from January 10, 2026

- Extends the consumer credit framework to suppliers of goods and service providers offering deferred payment arrangements to customers.
- Provides for simplified regimes and exemptions for short-term, interest-free deferred payment arrangements that do not involve third-party lenders.

■ Legislative Decree transposing Directive (EU) 2023/2673 (Legislative Decree No. 209 of December 31, 2025) – Effective from January 23, 2026

- Introduces amendments to the Consumer Code allowing consumers to withdraw from distance contracts concluded through an online interface by submitting an online notice of withdrawal.

■ European Delegation Law 2025 (Law No. 36 of March 17, 2026) – Effective from: April 9, 2026

Delegates to the Government the power to implement EU Directives and to align the national legal framework with a range of EU legislative acts, including:

- Regulation (EU) 2024/2847 (*Cyber Resilience Act*), establishing cybersecurity requirements for products with digital elements.
- Regulation (EU) 2025/37, strengthening the European framework for cybersecurity certification.
- Regulation (EU) 2025/38 (*Cyber Solidarity Act*), on strengthening the prevention of and response to cyber incidents

- Directive (EU) 2025/25 on the development of digital tools and processes in company law
- Directive (EU) 2024/1760 (*Corporate Sustainability Due Diligence* – CSDDD) on the due diligence of corporate sustainability
- Regulation (EU) 2024/3005 on the transparency and reliability of *ESG rating* activities

- Cloud & Cyber Voucher Plan – Financial allocation of 150 million euros – aimed at incentivizing the demand for cloud and cyberservices by SMEs and the self-employed. The measure is governed by Ministerial Decree of July 18, 2025 (framework of interventions) and by Decree of November 21, 2025 (implementation procedures). The overall launch of the measure is expected in the fourth quarter of 2026.

Regulatory measures on work

- Labour Decree (Law No. 112 of June 25, 2026) – Effective from June 28, 2026
  - Introduction of a fair wage requirement as a condition for access to incentives and to ensure adequate remuneration.
  - Employment incentives (including the Women's Bonus, Youth Bonus and ZES incentives for businesses with up to 10 employees) are conditional on compliance with the fair wage requirement.
  - New requirement for private-sector employers to include the alphanumeric code of the applicable National Collective Labour Agreement (CCNL) in all mandatory notifications and employment records.
  - The Government has allocated 1 billion euros to fund the incentives introduced by the Decree.
- Legislative Decree on Pay Transparency (Legislative Decree No. 96 of May 7, 2026) – Effective from: June 7, 2026
  - Applies to public- and private-sector employers and to employment contracts.
  - Provides that compliance with a National Collective Labour Agreement (CCNL) gives rise to a presumption of compliance with the principles of equal pay and pay transparency.
  - Introduces an obligation for employers to inform job applicants, before recruitment, of the initial pay or the applicable pay range.
  - Grants employees the right to receive information on the average pay levels of employees performing work of equal value.

Annual Market and Competition Law 2025

Approved by Law No. 190 of December 18, 2025 (Official Gazette No. 294 of December 19, 2025) and effective from January 3, 2026.

The only provision of interest concerns the reform of public instruments dedicated to technology transfer, aimed at strengthening the link between research and business. This provision requires the Ministry of Enterprises and Made in Italy/Ministry of Universities, after consulting the Conference of the Regions, to adopt a three-year strategic plan for transfer policies.

To date, the implementing measure for the adoption of the three-year plan has not yet been adopted.

Brazil

Revision of the model for the supply of telecommunications services

Law no. 13,879/2019, in force since October 4, 2019, introduced the most significant regulatory reform in the Brazilian telecommunications sector in more than 20 years. It enables fixed-line network concession agreements to be converted into an authorization regime, subject to ANATEL approval. Approval remains pending only for Sercomtel, having already been granted for Algar, Claro, Oi and Telefônica. In exchange, licensees must commit to investing in the expansion of fixed broadband and telephony services in underserved areas, with the aim of reducing regional disparities.

The reform also modernized spectrum management by allowing multiple renewals of frequency authorizations and enabling spectrum trading between operators. Decree no. 10.402/2020 further detailed the procedures for this transition and established the criteria for calculating investment commitments.

The renewal of spectrum licences remains subject to a case-by-case assessment by ANATEL and the Federal Court of Accounts (TCU).

Public policies applicable to the telecommunications sector

- Connectivity Plan (Decree no. 9,612/2018): promotes the expansion of transportation and access networks, particularly in underserved regions.
- Decree no. 10,799/2021: prioritizes broadband coverage near public schools and in unserved areas.
- Regulation of the Antenna Law (Decree no. 10,480/2020): facilitates network deployment by resolving infrastructure bottlenecks.
- FUST Reform (Law no. 14,173/2021): It allows the private sector access to the FUST (Fundo de Universalização de Serviços de Telecomunicações) and offers tariff reductions to operators who invest in universalization projects. Subsequent regulation (Decree no. 11,004/2022 and Resolution no. 02/2022) clarified the mechanisms for using and supervising the fund.
- National Cyber Security Policy (Decree no. 11,856/2023): bolsters data governance and security standards.
- Tax exemption for IoT devices and telecommunication stations (Law no. 15.320/2025): The tax benefits relating to the fees for the installation and operation of inspections, the contribution for the promotion of public broadcasting and the contribution for the development of the national film industry (*Condecine*) collected on telecommunications stations that are part of machine-to-machine communication systems and small satellite stations have been extended until December 31, 2030.

In 2025, *ANATEL* (*Agência Nacional de Telecomunicações*) approved the following updates to modernize the regulatory framework and promote efficient spectrum use:

- Resolution No. 772/2025: New frequency allocation plan.
- Resolution No. 773/2025: Updated conditions for the use of radio frequencies.
- Resolution No. 777/2025: a revised General Telecommunication Services Regulation.
- Resolution No. 783/2025: the new General Competition Objectives Plan (PGMC)

These measures aim to promote innovation, competition, and digital inclusion, supporting the continued development of telecommunications services in Brazil.

Revision of the Regulation on the quality of services

In the fourth quarter of 2017, ANATEL introduced the Telecommunications Service Quality Regulation (*Regulamento de Qualidade dos Serviços de Telecomunicações* – "RQUAL"), which was formally approved in December 2019. Under the Regulation, telecommunications service providers are assessed against a range of quality and performance indicators and assigned a rating from A to E. The rating covers mobile and fixed-line telephony, broadband and pay television services at both the national and municipal levels. Quality measurements are conducted on a semi-annual basis.

Under the RQUAL, ANATEL may adopt corrective or preventive measures whenever it considers this necessary, including requiring compensation to consumers, imposing mandatory action plans or other precautionary measures aimed at improving service quality standards and strengthening consumer protection, such as allowing customers to terminate their service agreements without penalty where service quality remains persistently inadequate.

Between 2019 and 2025, ANATEL held a series of technical working groups with telecommunications operators to review the measurement criteria, assess methodological refinements and address factors that could affect the reliability of the quality indicators. In December 2025, ANATEL published the first quality ratings based on service performance during the period from January to June 2025.

Throughout this process, TIM continued to participate in consultations aimed at identifying recurring operational or systemic issues that could affect the accuracy or consistency of the quality measurements.

General Regulation on Consumer Rights (RGC)

In November 2023 ANATEL published Resolution 765/2023, the new General Regulation on Consumer Rights (*Regulamento Geral de Direitos do Consumidor de Serviços de Telecomunicações* - RGC), which revokes Resolution no. 632/2014 and establishes new general rules for customer service, billing and offers, applicable to fixed-line, mobile, broadband and cable TV customers.

In December 2024, ANATEL's Board of Directors assessed operators' requests for the suspension of certain regulatory obligations, introducing greater flexibility in key areas such as offer migration, data source adaptation, automatic renewals, billing during service suspension, asymmetry for small providers, and partner commissions. The revised regulatory framework entered into force in September 2025.

Data protection

The evolution of Brazil's data protection regulatory framework began with the enactment of the General Data Protection Law (Lei Geral de Proteção de Dados – "LGPD") under Law No. 13,709/2018. The LGPD establishes the rights of data subjects and the obligations of public and private organizations with respect to the processing of personal data. The establishment of the National Data Protection Authority (ANPD) in 2018, followed by its formal organization in 2020 under Decree No. 10,474/2020, enabled the implementation and enforcement of the new legislation. The LGPD entered into force in September 2020, thereby establishing data protection as a legal obligation in Brazil.

From 2023 onwards, the regulatory focus shifted from implementation to enforcement. Key developments included the publication of the Regulation on the Calculation and Application of Administrative Sanctions under ANPD Board Resolution No. 4/2023, which establishes the criteria for the imposition of fines and other administrative sanctions. In 2024, additional key regulations were finalized, including the Security Incident Reporting Regulation in April 2024, the Regulation on the Role of the Data Protection Officer (DPO) in July 2024, and the Regulation on the International Transfer of Personal Data in August 2024. These regulations established the mechanisms and safeguards necessary to enable the transfer of personal data to other countries in a manner consistent with the principles and requirements set out in the LGPD.

The most significant development during the recent period came in 2025 with Provisional Measure No. 1,317/2025, which transformed the ANPD into an independent regulatory agency, officially redesignating it as the National Data Protection Authority (*Autoridade Nacional de Proteção de Dados*). This change strengthened the ANPD's institutional autonomy and expanded its regulatory, supervisory and enforcement powers.

In 2026, Brazil's data protection framework became further aligned with the international regime through the ANPD's recognition of the European Union as providing an adequate level of protection for international data transfers under ANPD Board Resolution No. 32.

CORPORATE BOARDS AT JUNE 30, 2026

Board of Directors

The Ordinary Shareholders' meeting of TIM S.p.A., held on April 23, 2024, appointed a Board of nine Directors for a three-year term of office (up to the approval of the financial statements at December 31, 2026). At its meeting on April 24, 2024, the Board of Directors appointed Alberta Figari as its Chairman (qualifying as an independent director) and Pietro Labriola as Chief Executive Officer and General Manager of the Company (qualifying as a non-independent executive director).

The current power structure of the Company provides the assignment:

- to the Chairman, of the powers contemplated by law, the bylaws and corporate governance arrangements;
- to the Chief Executive Officer, of all powers necessary to perform acts pertinent to the Company's business, except for the powers reserved to the Board of Directors.

As of June 30, 2026, the Board of Directors of TIM S.p.A. had the following members:

Chairman	Alberta Figari (independent)
Chief Executive Officer and General Manager	Pietro Labriola
Directors	Paola Camagni (independent)
	Lorenzo Cavalaglio (independent)
	Federico Ferro Luzzi (independent)
	Paola Giannotti De Ponti (independent)
	Giovanni Gorno Tempini
	Alessandra Perrazzelli (independent)
	Stefano Siragusa (independent – pursuant to Consolidated Law on Finance)
Secretary to the Board	Agostino Nuzzolo

Effective January 1, 2026, Umberto Paolucci (resigned) was replaced by Lorenzo Cavalaglio (co-opted into the Board of Directors on December 21, 2025).

The Board of Directors meeting of January 19, 2026, also confirmed that Directors Lorenzo Cavalaglio and Stefano Siragusa meet the independence requirements, pursuant to Art. 148 of Legislative Decree no. 58/1998 and the Corporate Governance Code.

The following board committees were in place at June 30, 2026:

- **Control and Risk Committee**, made up of the Directors: Federico Ferro Luzzi (Chairman), Paola Camagni and Paola Giannotti De Ponti;
- **Nomination and Remuneration Committee**, made up of the Directors: Paola Giannotti De Ponti (Chairman), Lorenzo Cavalaglio(*) and Alessandra Perrazzelli;
- **Related Parties Committee**, made up of the Directors: Paola Camagni (Chairman), Federico Ferro Luzzi and Stefano Siragusa(**);
- **Sustainability Committee**, made up of the Chairman of the Board of Directors Alberta Figari (Chairman), CEO Pietro Labriola, and Directors Giovanni Gorno Tempini, Alessandra Perrazzelli and Stefano Siragusa.

(*) On January 19, 2026 Umberto Paolucci was replaced by Lorenzo Cavalaglio.
(**) On January 19, 2026 Umberto Paolucci was replaced by Stefano Siragusa.

Board of Statutory Auditors

The Ordinary Shareholders' Meeting of TIM S.p.A., held on April 24, 2024, appointed the Company's Board of Statutory Auditors for a term of office that will end with the approval of the 2026 financial statements.

The Board of Statutory Auditors of the Company is now composed as follows:

Chairman	Francesco Fallacara
Standing Auditors	Anna Doro
	Massimo Gambini
	Francesco Schiavone Panni
	Mara Vanzetta
Alternate Auditors	Massimiliano Di Maria
	Laura Fiordelisi
	Paolo Prandi
	Carlotta Veneziani

Independent Auditors

The engagement for the independent auditing of the financial statements of TIM S.p.A. for the nine-year period 2019-2027 was awarded to EY S.p.A. by the shareholders' meeting of March 29, 2019.

At the General Meeting held on April 15, 2026, upon the recommendation of the Board of Statutory Auditors, the shareholders approved the appointment of PwC S.p.A. as the Company's statutory auditor for the 2028–2036 nine-year audit term.

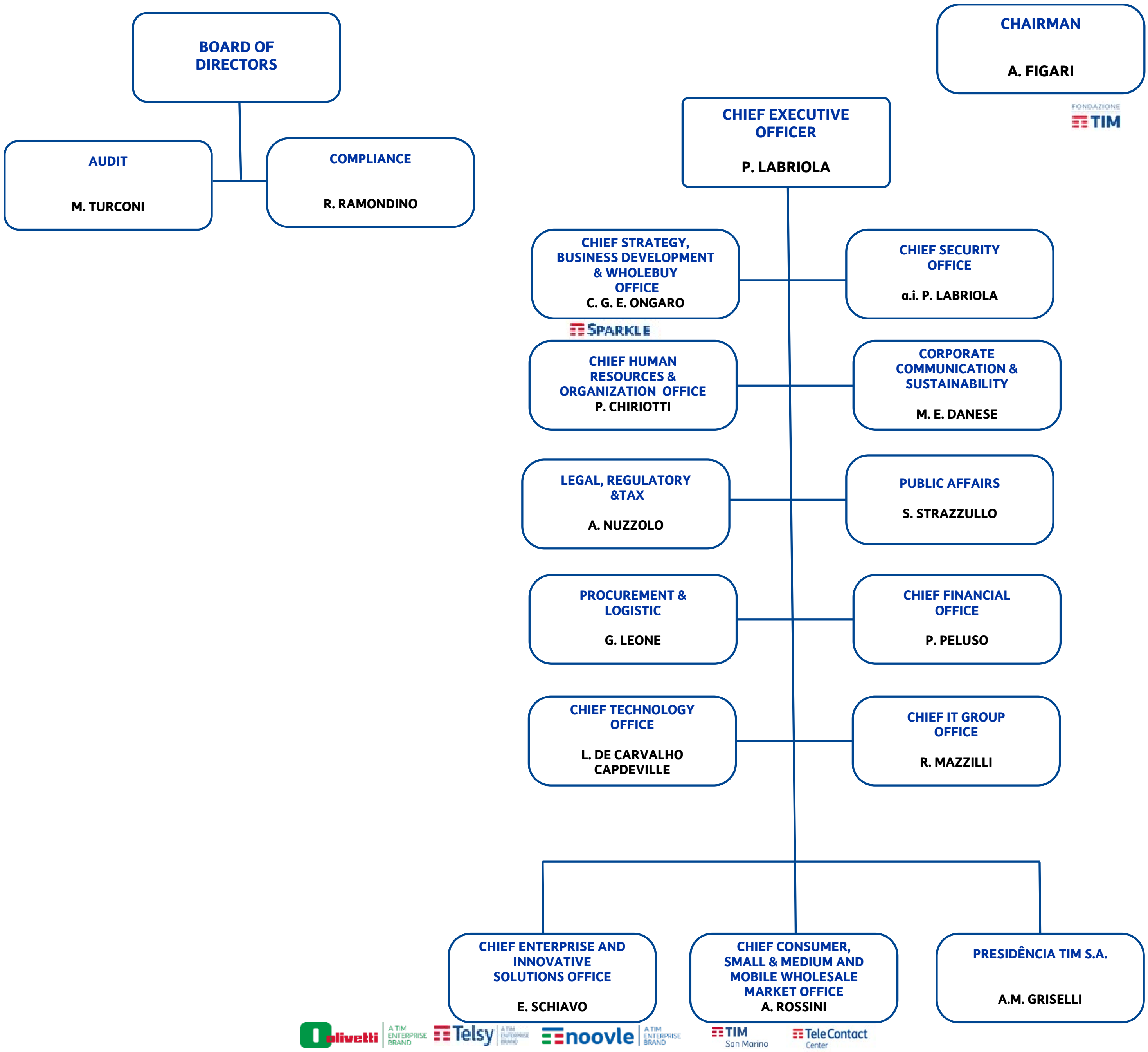
Executive responsible for preparing the corporate accounting documents

At its meeting on November 6, 2025, the Board of Directors appointed Piergiorgio Peluso as Chief Financial Officer and Manager Responsible for the Preparation of the Company's Financial Reports of TIM S.p.A.

Sustainability Reporting Manager

At the meeting of December 11, 2024, the Board of Directors appointed Maria Enrica Danese (Head of the Group's Corporate Communication & Sustainability function) as Sustainability Reporting Manager of TIM S.p.A. The Board of Directors meeting of December 11, 2025, confirmed Maria Enrica Danese in this role for the same term as the Board of Directors that appointed her.

MACRO-ORGANIZATION CHART AT JUNE 30, 2026



INFORMATION FOR INVESTORS

Share capital of TIM S.p.A. at June 30, 2026

Share Capital	6,000,000,000.00 euros
Number of ordinary shares (without nominal value)	2,135,725,819
Number of TIM S.p.A. ordinary treasury shares	10,758,578
Percentage of ordinary treasury shares held by the Group to total share capital	0.50%
Market capitalization (based on June 2026 average prices)	16,501 million euros.

On May 25, 2016, the Shareholders' Meeting approved amendments to the company name, introducing the name "TIM S.p.A." as an alternative to "Telecom Italia S.p.A.".

The Ordinary Shareholders' Meeting and the Special Meeting of Savings Shareholders of TIM S.p.A., which met on January 28, 2026, approved the proposal for the voluntary reduction of share capital and the conversion of TIM savings shares into ordinary shares, in accordance with the proposal presented by the Board of Directors.

In particular, the Ordinary Shareholders' Meeting of TIM S.p.A. approved in extraordinary session:

- the voluntary reduction of share capital to 6 billion euros;
- the conversion of savings shares into ordinary shares.

The share capital reduction became effective on April 29, 2026. As a result, the Company's share capital was reduced from 11,677,002,855.10 euros to 6,000,000,000.00 euros, without any change in the number of TIM shares outstanding.

The conversion of the savings shares into ordinary shares was completed on May 21, 2026.

At the Shareholders' Meeting of TIM S.p.A. held on April 15, 2026, the shareholders approved in extraordinary session a proposal to consolidate the Company's ordinary shares on the basis of one new ordinary share, carrying full dividend rights, for every 10 ordinary shares then outstanding. The transaction was completed on June 15, 2026.

For information on the resolutions adopted at the General Meetings held on January 28, 2026 and April 15, 2026, and on the share capital transactions of TIM S.p.A., please refer to the "Equity" note to the TIM Group Condensed Consolidated Interim Financial Statements as at June 30, 2026 and to the information available at https://www.gruppotim.it/it/investitori/azioni/agm.html.

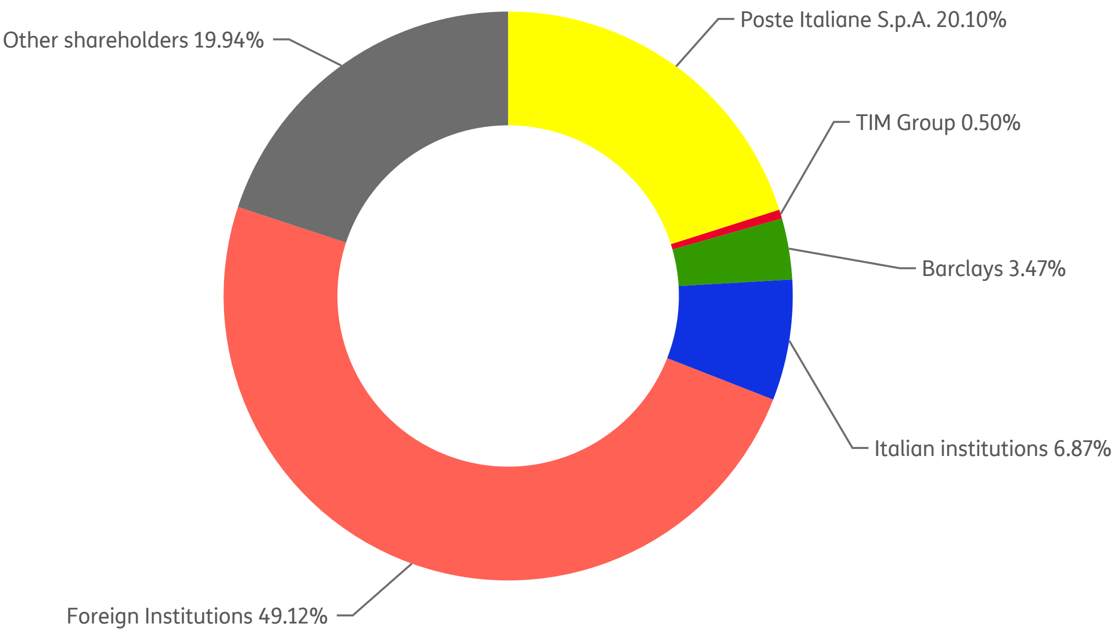
TIM S.p.A. ordinary shares are listed on the Italian stock exchange (FTSE index), whereas the ordinary shares of TIM S.A. are listed in Brazil under B3.

Code	**TIM - Telecom Italia** ordinary shares	**TIM S.A.**
Stock exchange	IT0005712671	BRTIMSACNOR5
Bloomberg	TIT:IM	TIMS3:BZ
Reuters	TLIT.MI	TIMS3.SA

Ordinary shares of TIM S.A. were also listed on the NYSE (New York Stock Exchange); share prices are set through ADS (*American Depositary Shares*) representing 5 ordinary shares of TIM S.A.

Shareholders

Shareholder composition according to the Shareholders Book at June 30, 2026, supplemented by communications received and other available sources of information (ordinary shares):



Major Holdings in Share Capital

As of June 30, 2026, based on the results of the Shareholders' Register, communications made to Consob and the Company pursuant to Article 120 of Legislative Decree no. 58 of February 24, 1998, and other available information, there were the following significant holdings (above the 3% threshold) in the ordinary share capital of TIM S.p.A:

Holder	Type of ownership	Percentage of ownership
Poste Italiane S.p.A.	Direct	20.104%
Barclays (*)	Indirect	3.47%

(*) Shareholding also held through subsidiaries.

Common Representatives

The special meeting of the savings shareholders held on June 24, 2025 appointed Avv. Prof. Emanuele Rimini as the common representative for three financial years, up to the approval of the financial statements for the year ended December 31, 2027.

On completion of the conversion of savings shares into ordinary shares, on 21 May 2026, this position was terminated in advance. Further information is provided in the Note "Equity" to the Half-Year Condensed Consolidated Financial Statements at June 30, 2026 of the TIM Group.

Rating

At June 30, 2026, the three rating agencies – Standard & Poor's, Moody's and Fitch Ratings – rated TIM as follows:

	Rating	Outlook
STANDARD & POOR'S	BB+	stable
MOODY'S	Ba1	stable
FITCH RATINGS	BB+	stable

Waiver of the obligation to publish disclosure documents for extraordinary transactions

On January 17, 2013, the Board of Directors of TIM S.p.A. resolved to exercise the option, as per Art. 70 subsection 8 and Art. 71 subsection 1-bis of the Consob Regulation 11971/99, to waive the obligations to publish disclosure documents in the event of significant operations such as mergers, demergers, capital increases by means of the transfer of assets in kind, acquisitions and disposals.

RELATED-PARTY TRANSACTIONS

Pursuant to Art. 5, paragraphs 8 and 9, of Consob Regulation no. 17221 of March 12, 2010 concerning "Related-party transactions" and subsequent amendments, in the first half of 2026 financial year there are no transactions of greater importance, as defined by the Art. 4, paragraph 1, letter. a) of the aforementioned regulation which have significantly influenced the financial situation or results of the TIM Group.

In addition, there were no transactions concluded in the first half of 2026 that significantly impacted the equity position or results of the TIM Group, nor were there any changes or developments with respect to the related-party transactions described in the 2025 Report on Operations which had a significant effect on the financial position or on the performance of the TIM Group in the first half of 2026.

With reference to the first half of 2026, the following is noted:

- for the purposes of the half-year financial report as of June 30, 2026, the **Ministry of Economy and Finance (MEF)** continues to be a Related Party; furthermore, as required by IAS 24 paragraph 26, a qualitative analysis was carried out on the existing relationships with the subsidiaries of the MEF. The analysis showed that these relationships are mainly related to purchases of goods and services (energy, transportation, postal services) that are conducted at normal market conditions. With exclusive reference to the application of the Procedure for related-party transactions of the company, the Board of Directors resolved, on September 25, 2025, to exclude the Ministry of Economy and Finance (MEF) and its subsidiaries from the list of related parties in application of the provisions of Law no. 118 of August 8, 2025 (converting Decree Law no. 95 of June 30, 2025) which excluded the existence of correlation relationships for the purposes of article 2391-bis of the Civil Code between public administrations that do not exercise management and coordination powers and the companies indirectly owned by the latter;
- the **Poste Italiane Group**, which as of the end of June 2025 is included in "Other Related Parties'". In particular, as of June 30, 2026, Poste Italiane S.p.A. held a 20.104% stake in the share capital of TIM S.p.A., following the share capital transactions completed by TIM S.p.A. during the first half of 2026, pursuant to the resolutions adopted at the Shareholders' Meetings of TIM S.p.A. of January 28, 2026 and April 15, 2026.

With reference to the periods under comparison, the following should be noted:

- as from March 2025, the **Cassa Depositi e Prestiti (CDP) group** and its subsidiaries have no longer been included under "Other Related Parties" following the disposal of the 9.81% stake held in TIM S.p.A.;
- as from the end of June 2025, **Vivendi S.A.** and the companies of the group it belongs to, have no longer been included under "Other Related Parties" following the disposal of a portion - equal to 15% of the ordinary capital - of the stake held in the ordinary capital of TIM S.p.A..

Related-party transactions, when not dictated by specific laws, were conducted at arm's length. They were performed in compliance with the internal procedure, which sets forth rules designed to ensure the transparency and fairness of the transactions in accordance with Consob Regulation 17221/2010. The current procedure is available on the website gruppotim.it, under the Group - Governance - Governance Tools - Other Codes and Procedures section.

For information on transactions with related parties, see the Financial Statement Statements and the Note "Related-party transactions" of the TIM Group Half-Year Condensed Consolidated Financial Statements at June 30, 2026.

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 expense (income) from investments
+/-	Share of losses (profits) of associates and *joint ventures* accounted for using the equity method
EBIT – Operating profit (loss)	
+/-	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	

- **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
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**

- **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 non-recurring items, for the amounts connected with the accounting treatment of 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 -** 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, this 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
-	Payments in lease contracts (principal share of lease payments)
	Equity Free Cash Flow After Lease

Equity Free Cash Flow After Lease is a useful indicator of the ability to generate Free Cash Flow.

INNOVATION, RESEARCH AND DEVELOPMENT

Innovation and research

Innovation is a fundamental component of the TIM Group, which invests in new businesses and technologies, skills, research, and partnerships with the aim of supporting Italy's digital transformation, enabling the competitiveness of businesses, the evolution of public administration and citizen services, and the growth of an innovative and sustainable ecosystem.

Historically – from CSELT to the most recent TIM Innovation Lab – the focus has always been on opening laboratories and research centers that anticipate technologies and standards, contributing to the development of the Italian telecommunications industry and the ICT sector. A tradition that has been strengthened through an increasingly open model in terms of open innovation.

Partnerships, public-private collaborations, laboratories, innovation hubs, centers of expertise, patents, and projects now make up a system capable of transforming research into concrete solutions for citizens, businesses, and local institutions.

TIM, the leading infrastructure operator in Italy, is committed to developing solutions and technologies that enable new business models and service models, improving the quality of the digital experience: artificial intelligence, cloud and edge computing, 5G and next-generation networks, the Internet of Things with particular reference to smart land, cybersecurity, extended reality, data analytics and the development of new skills.

In the consumer and small and medium-sized business segments, TIM is evolving towards a customer platform model that goes beyond traditional telco services, positioning itself as a single point of access to customers' digital lives, simplifying the experience and integrating selected quality services in the entertainment, energy, and insurance sectors, as well as value-added digital platforms.

The entire system is geared towards creating real value, scalable solutions and measurable impacts. Innovation interventions are articulated with specific use cases and solutions, with innovative digital platforms and digital services and in the long term with technological research and contribution to international standards.

Domestic Innovation, research and development

The first six months of 2026 have seen the TIM Group become the spokesperson for cross-cutting innovation activities, central to technological, market and competitive change. The Technological Innovation and Business Innovation function, with offices in Turin, Milan, Rome and Catania, employing around 160 people, focuses on activities that give the Company a competitive advantage in terms of business and technological innovation and recognition of the brand’s innovative value, both in terms of revenue growth and corporate efficiency. More generally, TIM engages 1,450 people in research and development activities in Italy. It has strengthened its adherence to the open innovation paradigm as an operating model by focusing on:

- the creation of a large ecosystem of partners (start-ups, companies, universities, public administration, etc), to encourage the meeting of “demand” and “supply”;
- the creation of lasting relationships with strategic partners;
- a platform model approach in which TIM provides access to functionalities used by subjects (both internal and external) involved in the innovation process to create new digital products/services.

Network innovation and 5G based services

TIM is strongly committed to technological development and transformation: At the Group level, approximately 6 billion euros is planned for 5G, Cloud, Artificial Intelligence and IoT in the 2025-2027 strategic plan.

Capital expenditure in the mobile network will accelerate the development of 5G, enabling further innovation in the industrial, public and private sectors, with advanced and sustainable Cloud-based, AI-based and IoT based solutions.

TIM continues to extend 5G coverage, with the aim of reaching – from a base of 77% in 2024 – 90% of the population by 2027. The service is already available in the main cities and in thousands of municipalities for citizens and businesses at a speed of up to 2 Gigabits per second.

In recent years, TIM has participated in more than 30 European research and innovation projects relating to the evolution of 5G, most notably Horizon Europe, which cover the activities promoted by the 6G Industry Association. In fact, TIM is one of the most active operators in Europe in terms of number of projects funded (more than ten new projects in the last three years) and volume of funding. Standout examples include the recent “6G-Sustain” European project for future mobile network sustainability; 6GREEN (a project for the energy efficiency of upcoming system) and Trialsnet, which trials innovative 5G solutions.

In November 2025, TIM announced a major agreement with Nokia for the expansion and modernization of the 5G network, ensuring advanced services to the Group's customers and helping to bring ultra-broadband to underserved areas. The agreement will allow TIM's customers to benefit from even faster and more stable mobile connections, higher network quality in urban and rural areas, faster response times for digital applications and cloud services, and a more efficient experience for streaming, il gaming, remote collaboration, and digital services for companies and the Public Administration.

TIM, in January 2026, defined with Fastweb+Vodafone a preliminary agreement to start a cooperation for the development of mobile access networks through a radio access network (RAN) sharing model. The agreement – preparatory to the finalization of a final contract, expected by the second quarter of 2026 – aims to accelerate the expansion of 5G in Italy. The project, subject to the authorizations of the Ministry of Business and Made in Italy (MIMIT), AGCM (the Italian Competition Authority), and the Italian Communications Authority (AGCOM), represents an important step forward in the efficient use of existing infrastructures and to achieve a wider and more sustainable 5G coverage. The agreement provides that each operator may use – in the areas concerned – the radio-mobile access infrastructure of the other, avoiding duplication of infrastructure. The efficiencies will extend the coverage of high-performance 5G networks to underserved low-density areas, improving digital inclusion and QoS for households and businesses.

Recent applications of 5G

- **TIM Enterprise has joined MOST** - Centro Nazionale per la Mobilità Sostenibile (National Centre for Sustainable Mobility), a project funded by the National Recovery and Resilience Plan (NRRP) to increase efficient mobility and support the development of smart cities by interconnecting vehicles, infrastructure and users. In coordination with the Spoke 7 – Cooperative, Connected and Automated Mobility (CCAM), Connected Networks and Smart Infrastructure – project from the University of Naples "Federico II", TIM Enterprise develops and trials innovative Smart-Road solutions through its proprietary "Via-Nova" platform, which is capable of enabling interoperable Cellular Vehicle-to-Everything (C-V2X) services thanks to the 5G network and the *Edge Cloud*, thus improving safety, traffic management and sustainability.
- Last December in Naples, TIM Enterprise participated in the "National Platform for Connected and Integrated Mobility", the event dedicated to CCAM (Cooperative Connected and Automated Mobility) technologies, during which several demonstration scenarios were presented. TIM Enterprise has made available advanced 5G connectivity, Edge Cloud and the "Via Nova" platform capable of allowing vehicles to communicate with the road infrastructure and city mobility control systems, accelerating the spread of safe and efficient cooperative services, new models for Smart Roads.
- In April 2025, TIM Enterprise takes part in the Smart Port project - carried out by the Ionian Sea Port System Authority, Port of Taranto - which, thanks to the implementation of TIM's 5G network, has become a model for the integrated management of technological applications in the port sector, improving the performance of digital services. The 5G network infrastructure will allow the integrated management of advanced services and solutions capable of covering different areas: arrival and departure of ships, loading and unloading of containers, logistics, warehouses and internal transport of containers.
- Thanks to TIM's private 5G network, it was possible to connect the Port of Livorno and the ship's command bridge at high speed, thus enabling ultra-high precision geolocation services, integrated with GPS systems.
- At the "5G Industrial Experience Hub'" event held at **BI-REX in Bologna**, advanced manufacturing sector solutions using a private 5G network were showcased, ushering in a new era of the wireless "smart factory". At Bi-REX, TIM – in collaboration with Qualcomm – upgraded the latest generation 5G standalone private network with coverage at even 26 GHz millimetric frequencies, thus creating a digitally interconnected environment to foster businesses' technological and digital innovation processes. The BI-REX Competence Centre is an example of a state-of-the-art digital factory where companies can tangibly experience the benefits of adopting 5G integrated with enabling technologies such as IoT, AI, Edge Computing and Cloud Robotics, allowing them to test innovative industry solutions before investing. Examples include TIM Enterprise's "TIM Multi Robot Orchestrator", a software platform that manages robots (terrestrial and drones) in industrial scenarios, while also integrating cloud services for video stream analysis with AI and real-time data analysis. Furthermore, at BI-REX TIM Enterprise presented an Extended Reality solution designed to optimize business operations: technicians, directly from their smartphones, access information in Augmented Reality, receiving interactive and contextualized instructions. This makes it possible to improve the effectiveness of interventions and significantly reduce machine downtime. Using Virtual Reality headsets, it is also possible to simulate operational scenarios in an immersive environment, offering a more engaging, safe and effective learning and training experience, with a direct impact on the optimization of training processes.
- In January, a corneal surgical operation was performed remotely from Bangalore (India) to the Policlinico di Bari, made possible by TIM's 5G technology, working in collaboration with Ericsson. With the installation of the appropriate infrastructure at the Ophthalmology Clinic of the Policlinico di Bari, an adequate transmission latency was thus able to be maintained between the iVis Remote Control Station and the iRes®2 laser. Numerous remote operations using the same technology have already been carried out from Bari to Barcelona, Grosseto, Dubai and Rome.

TIM 5G for consumer and business customers

TIM offers business and consumer customer all mobile and fixed-mobile commercial offerings with a 5G profile. In particular, two profiles are on offer to the consumer segment, offering increasingly higher speeds with less latency: 5G ULTRA up to 2Gbps download and 300Mbps upload speed with mobile network access priority and 5G with up to 250Mbps download and 75 Mbps upload speed. 5G ULTRA is included in the TIM Mobile and TIM Young (for under 30s) consumer portfolio and the TIM 5G Power business packages in Premium+, Unlimited One and Unlimited+ versions. The locations reached by 5G can be found at the following link: https://www.tim.it/fisso-e-mobile/5g#c-116697820.

TIM also offers 5G speed to customers traveling cross-border. With 5G offerings already active and valid in Italy, customers can automatically benefit from the 5G roaming agreements signed between TIM and its main partners across many European and international countries. For more details, please visit https://www.tim.it/fisso-e-mobile/estero/copertura-5g.

Applications and use scenarios of 5G

5G private network offer for businesses

TIM offers a private 5G network offer for all customers who need dedicated connectivity. The solution guarantees low latency, high traffic capacity, data security and reliability, components to optimize competitive success in many market sectors. TIM offers the ability to build a virtual private network using a dedicated 5G APN; and among its business support tools, it can provide 5G M2M SIMs with a dedicated management platform.

Industrial robotics and automation

Interconnect, exchange data and remotely manage industrial plants, ensuring greater efficiency, reliability, safety and significantly improving the production cycle. The use of a dedicated 5G private network achieves the objectives of very low latency and good data security required by production companies.

The NTB-01 robot – developed by Ducati Corse and Lenovo – is evolving with 5G technology. This robot, used for analysis and precision mapping of race tracks and armed with advanced systems such as stereo camera and LiDAR, now has on-board TIM 5G connectivity for real-time data transmission, thus overcoming the need for manual intervention with the advantage that it connects remotely to the Lenovo workstation built into the robot. Another new feature is the introduction of a GPS-RTK localization solution, developed by TIM Enterprise in collaboration with WAY, which provides the robot with centimetric positioning accuracy.

Smart City

- TIM presides over the Venice Control Room for the smart city of the future, bringing together within a single "control room" solutions to improve the mobility and safety of the city by creating an urban intelligence model based on enabling technologies such as IoT, Artificial Intelligence and Cloud. TIM Enterprise made the implementation of the project possible with the "TIM Urban Genius" solution developed in collaboration with Olivetti, a Group company specialized in IoT. "TIM Urban Genius" is a console, equipped with the best digital technologies, which creates a sustainable smart city model capable of responding even to sudden events, to support the administrations, citizens and for the benefit of the community and already adopted by several municipalities of large and small sizes. "TIM Urban Genius" uses the most modern Information Technology technologies, in particular Big Data and Video Analytics and Machine Learning, Internet of Things, Cloud Computing and 5G to provide information and forecasts in real time, to support the decisions of the administrations for the control and measurement of the state of the city, of road and water traffic, for the governance of flows and for assistance with the mobility of citizens, allowing to intervene quickly or in advance in situations of need and to optimize the planning of services.
- TIM is a partner of the new urban laboratory in Turin "La Casa delle tecnologie emergenti - CTE Next" for the development of strategic sectors such as intelligent mobility, industry 4.0 and innovative urban services. It is a widespread technology transfer center on emerging technologies enabled by TIM's 5G.
- TIM is a partner of the CTE COBO (Casa delle Tecnologie Emergenti of the Municipality of Bologna), which promotes the spread of technological infrastructure throughout the Emilia-Romagna region, aimed at bringing innovation and sustainable growth in strategic sectors such as: Industry 4.0, Cultural and Creative Industry and Innovative Urban Services. It is a widespread technology transfer center on emerging technologies enabled by TIM's 5G for the development of new generation digital services and the Casa delle Tecnologie Emergenti (CTE) in Cagliari, which is experimenting with blockchain solutions associated with 5G.
- **TIM is a partner of the Casa delle Tecnologie Emergenti (CTE)** in Naples, an advanced innovation center in the cultural and creative industries sector being built in the East Naples area. TIM will create a 5G network infrastructure indoor dedicated to the new technology center. The infrastructure is aimed at supporting the testing of the services of the companies participating in the project.

Tourism, Culture & Entertainment

The new extended reality technologies represent valid alternatives for contact with spectators and visitors, for the use of contents in museum and archaeological contexts and in the promotion of the territory and culture. The technological platform allows the creation and customization of augmented and virtual reality experiences and is the result of experiments carried out by TIM's Innovation area. Numerous solutions are currently included in the TIM Enterprise catalogue.

TIM is at the forefront of guaranteeing advanced, secure, and widespread connectivity at the Olympic and Paralympic Winter Games in Milan Cortina 2026, thanks to the enhancement of the 5G network with the provision of very high-density connectivity points in the key venues of the Olympics: a technological ecosystem designed to support athletes, organizers, competition venues and sports facilities, the media and the public, but also to accompany the transformation of the territories involved into real smart land.

- TIM Enterprise has unveiled a project for technological innovation at Borgo Panigale, the home of Ducati. This was born from the collaboration between TIM and Ducati Corse across global race circuits and was implemented in partnership with Qualcomm Technologies Inc. The initiative consists of several advanced technological solutions which TIM Enterprise has developed to explore new and immersive experiences for race fans. Thanks to TIM Enterprise's new Virtual Reality digital solutions and 5G technology, visitors to the Ducati Museum will now be able to soak up the atmosphere of the MotoGP™ Official Ducati Team Box, with a 360° point-of-view experience in 8K video quality. Visitors can also retrace the history of the iconic Ducati 916 in a virtual "room of wonders" featuring an interactive collection of images, rare historical images and designs. Unveiled at the opening was a demonstrative use-case highlighting the potential of 5G-connected robots for the industrial and logistics environment, with tracking of all motorcycles moving within the new Ducati logistics hub in Valsamoggia (BO).
- In Florence, TIM Enterprise, together with the Opera di Santa Croce, presented a project that allows you to combine culture and technology to enhance the Italian artistic heritage.

Innovation and research

Funded research activities

Also during 2026, TIM actively participates in innovation and research initiatives funded by the European Union and national governments. In particular, TIM took part in international projects covering key issues for the company. In the period 2021-2027, TIM is engaged – and will continue to be engaged – in a significant number of research projects (10-15 projects a year) included in European research and innovation programs (such as Connecting Europe Facility, Horizon 2020 and its recent evolution Horizon Europe), for which it has obtained total funding of around 1.5-2 million euros per year. In this context, funded project activities – covering the topics of 5G, virtualization and smart mobility services and, more recently, "Beyond 5G" – will help define a new generation of mobile systems in the near future, thus enabling TIM to add to the body of expertise on the one hand and to acquire and consolidate an internationally recognized role on the other.

The Group's Innovation Laboratories, in addition to managing the patent assets, participate in over 20 innovation projects financed at the national and European level – including Horizon Europe and CEF – positioning TIM among the leading Italian companies in terms of volume of funding received.

TIM is also a member of the Restart Foundation, the reference program promoted by MUR and the Ministry of Enterprises and Made in Italy in the field of research and development for telecommunications in Italy. The collaboration involves leading Italian universities with joint projects, degree theses, and PhDs.

The IPCEI-CIS program

TIM is one of the Italian companies that has been awarded funding under the European Union "Important Projects of Common European Interest - Cloud Infrastructure Services" (IPCEI-CIS) – *Next Generation EU*.

The project aims to develop and implement a next-generation "Edge Cloud Continuum" that can offer high performance in terms of latency and minimum guaranteed bandwidth. It will also ensure open and public access to all use cases and related open data management; it will ensure security and compliance with EU data legislation; and it will provide the foundation for new European digital services.

"TIM Edge & Cloud Continuum" is a project launched by TIM under the IPCEIs promoted by the European Commission to promote and fund collaboration between companies and research centers in the implementation of innovative and strategic projects dedicated to industrial development and production in specific sectors.

More specifically, in December 2023 the European Commission authorized the implementation of the first IPCEI focused on technologies that aim to create a European value chain for Cloud Infrastructure and Services (CIS). The goal is to foster interoperability and integration of cloud offerings in Europe, the availability of public and private investment in the Edge and the Cloud, and the entry of new companies into the market, resulting in the growth of the ecosystem.

Innovation and research with universities

As for research and development activities, TIM has always focused on the creation of a real "Open Innovation Ecosystem" centered on collaboration with Italian universities in order to develop new Open Labs and Research Projects, as well as through PhD contributions to internalize specialized knowledge, but also for the sharing of technological trends, heralding new growth opportunities within an increasingly global market.

Open Innovation therefore grafts into an integrated ecosystem with the strategic European and Italian departments comprising orders, PhDs, PoCs, the development of demo prototypes, Community Open Source, financed projects and dissemination.

In its planning of research activities with universities, real, structured courses were identified in 2026 on some medium/long-term topics to complete and enrich the internal know-how and construct an all-round overview; Specifically, the research will involve:

- setting medium-term paths and collaborations;
- continuing the Research Agreements by means of specific Framework Agreements with:
  - the Polytechnic University of Turin, on research projects in the fields of 6G, NTN and satellite communications, Quantum AI for Energy, AI and Big Data, Agentic AI, Radio Evolution, Edge Cloud, advanced quantum-ready algorithms, hardware and software accelerators for quantum optimization, Robotics and Health, and AI and Human–Computer Interaction (HCI).
  - the University of Milan, on research into agentic platforms and LLMs.
  - the CNIT on the topic of 5G, with the aim of defining and developing a realistic simulated environment thanks to the synergic use of MDT data measurement campaigns, network performance data (cell KPI) and electromagnetic simulation software of TIM's TIMPLAN radio mobile networks;
  - the University of Turin, on 2 research projects on the topic of AI&HCI;
  - the University of Catania, on 3 projects on the topics of: "IoT, Nature-Based solutions, Smart Land, Sustainability" and AI, IoT and Multimedia Intelligence. It will be possible to leverage these projects as part of the collaborations ongoing with the Olivetti IoT Factory group, which TIM Enterprise is focusing on to extend its Smart City and Smart Land offering;
  - the University of Pisa, on research projects on the topic of *radio evolution;*
  - the University of Modena and Reggio Emilia, on a project on the topic of innovative *Edge Cloud* models for mobility applications;
  - the University of Genoa, on a project on the topic of *Smart Roads/Smart Mobility*;

Here are some details about our innovation and research with universities:

- research collaborations worth more than 1 million euros for 2026, involving orders across all the technology themes mentioned above, with various departments of leading research centers, some of which as part of the IPCEI-CIS initiative;
- the presence of TIM researchers in various capacities in university courses;
- 6 PhD courses financed by TIM;
- Quantum Academy (first in Italy) with the Polytechnic University of Turin and 5G Academy with the Federico II University of Naples;
- collaboration on European projects – in particular on the Horizon and DEP program;
- national research programs – in particular the MUR NRRP Measure 4.3 RESTART project (completed June 2026).

Proving very fruitful is the collaboration with the research ecosystem in five Industry 4.0 Competence Centers (Birex, CIM 4.0, Smact, Artes, Meditech) and in the Case delle Tecnologie Emergenti (CTE Next in Turin, Genoa, Cagliari, Bologna) promoted by the Ministry of Enterprises and Made in Italy. These collaborations include the deployment of high performance 5G radio coverage, such as public access networks, which provide access both to platforms provided by TIM and to applications available on the Internet, or private access networks, which dedicate the available capacity to the users involved and provide access to locally available applications. The use cases are focused on Museums and Cultural Heritage, Smart City, Industry 4.0 and Urban Air Mobility with the development and integration of technological components relating to Extended Reality, Artificial Intelligence, advanced IoT Monitoring Systems and Security/Blockchain.

National, European and international standardization

Every year TIM, plans how it will be attend the Standardization, Fora and Open Community Bodies so that its participation in developing standards will help achieve the strategy for evolving Networks and Services, in terms of:

- protecting Telco assets (spectrum, network, numbering);
- supporting for expansion into new vertical markets, e.g., Enterprise;
- consolidating its position in traditional markets, e.g. Consumer.

This specialist technical oversight of TIM delegates, some of whom also hold *leadership* roles, is focused on areas of priority to the Telco sphere such as 5G, IoT, OSS orchestration and evolution, AI, energy efficiency, and related regulatory impacts. By contributing to and playing an active role in organizations that are spearheading progress in these critical areas for TIM's business, TIM is able to influence developments and achieve optimal solutions in coordination with its vendors and towards other operators and stakeholders.

The key Entities of strategic importance include:

- ETSI (European Telecommunications Standards Institute), which is officially responsible for setting and issuing telecommunications standards in Europe. It is a European standardization body recognized by the European Commission for the development of harmonized standards.
- ITU (International Telecommunication Union), one of the specialized agencies of the United Nations, which was established to stimulate international cooperation and foster more effective exploitation of resources used in telecommunications worldwide, such as numbering and radio spectrum. ITU is divided into 3 sectors: ITU-R in the radio communications sector; ITU-T in the telecommunications sector; ITU-D in the development sector.
- 3GPP is a collaborative project between entities involved in standardizing telecommunication systems in different regions of the world. It was formed on occasion of work commencing on 3G (3rd Generation Partnership Project). The goal is to create technology standards that can be adopted in all major world markets. These include ETSI (for Europe), ARIB and TTC (Japan), CCSA (China), ATIS (North America), TSDSI (India) and TTA (Korea). From 3G onwards, the 3GPP has produced technical specifications for all mobile radio generations and is now working on developments for 6G.
- GSM Association is an organization that represents the interests of mobile network operators around the world. Founded in 1995, the Association brings together over 750 mobile operators and more than 400 companies active in the industry, including manufacturers, developers and service providers. The GSMA promotes technological standards and policies for innovation and mobile connectivity. It also organizes international events such as the Mobile World Congress. The GSMA plays a key role in developing mobile networks, as well as 4G, 5G and future technologies.

Standardization is fundamental for innovation and economic development because it creates a common language for products and processes, ensures interoperability (especially digital), reduces costs, and increases quality. TIM is the only Italian operator directly contributing to the development of global telecommunications, cloud, and AI standards defined by major international and national bodies, including 3GPP, responsible for mobile standards from 2G and 5G and the future 6G, ETSI, ITU, and IEC, assuming prominent roles within technical and scientific committees, management boards, and national regulatory bodies such as CEI Norme and UNI. The Group participates in major open source projects in the telecommunications sector, actively contributing to the evolution of network technologies, including through participation in international communities such as the Linux Foundation. TIM's participation in the European IPCEI CIS - Cloud Infrastructure & Services program fits into this context. The program aims to create a sovereign cloud and edge computing infrastructure, developed in collaboration with operators such as Orange, Telefónica, and Deutsche Telekom, with the aim of strengthening Europe's technological autonomy.

TIM is also a member of the Restart Foundation, the reference program promoted by MUR and the Ministry of Enterprises and Made in Italy in the field of research and development for telecommunications in Italy. The collaboration involves leading Italian universities with joint projects, degree theses, and PhDs.

Patents and Intellectual Property Rights[1]

In 2026, the size of the Group’s patent portfolio remained comparable to previous years. The production of new patent applications increased slightly (7 patent applications filed for new inventions), as did the number of new patents granted during the year. The rationalization of the patent portfolio continued, leading to the abandonment of certain patents that, with technological evolution, no longer showed potential for further exploitation. The Group’s patenting areas cover the entire ICT sector, particularly excelling in the mobile sector, particularly on radio access.

In more detail, TIM’s patent portfolio at the start of 2026, with over 440 patented inventions, includes more than 2,200 patent applications and patents issued: the latter, granted after examination by the European Patent Office and the national patent offices of 13 countries, represent more than 90% of the total.

A significant aspect of patenting activity is the large number of patents arising from collaboration with universities and research institutes: 15% of patented inventions are the result of such collaborations.

Also of note is participation in several 3G, 4G and 5G patent pools managed by Sisvel and Avanci, with TIM’s patented inventions proving essential to those standards. The patent pools garnered new participants during the year: specifically, Avanci’s 3G+4G automotive patent pool currently includes 66 “standard essential” patent holders and has licensed over 60 automotive brands.

TIM has a policy for granting recognition to first-time patents and patents that have brought a financial return. Inventors receive an award that recognizes importance of the patent as evaluated by an internal committee.

Innovation, research and development in Brazil

TIM Lab is responsible for Technical Research and Development (R&D) activities; its main tasks are to define technological innovation for the network technology, to identify evolutionary needs for technologies and devices, converging strategic alliances in order to use the new business models and guarantee that the network infrastructure evolution is in line with the corporate strategy.

As of June 2026, TIM Lab comprised 25 people, including telecommunications, electrical and electronic engineering and IT specialists, together with other professionals whose skills and experience covered all areas of IT and network technologies, supporting the Group’s innovation needs and research and development activities.

TIM Lab continued to work on projects and initiatives to develop TIM’s business, which can be grouped into the following macro groups:

[1] Intellectual property rights.

- next-generation network;
- with a positive impact on the environment and society;
- future Internet applications;
- Open Lab initiatives.

TIM Lab Innovation Center – From June 2026, TIM Lab, located in the São Cristóvão neighborhood of Rio de Janeiro, in the State of Rio de Janeiro, as an innovation center is composed of two environments that complement each other: the Innovation Lab and the TIM IoT Solutions Showroom. This is the multifunctional environment focused on innovation, which also plays a strategic role in supporting credibility tests and trials, as well as PoCs (proofs of concept), collaborating with the main suppliers and technology partners through knowledge sharing, technological infrastructure for interoperability tests, staff assessment, and the definition of technical requirements; in synergy with the R&D department, it facilitates innovation activities and promotes collaborations with universities and research institutes.

The Innovation Lab has a surface area of 850 m^2 and can also be used as an innovation space open to new opportunities, guiding innovation on the Brazilian telecommunications market and serving as a national point of reference for research and development, as well as strengthening the validation capacity regarding new software, features, solutions, AI technologies, services and devices and expanding the current structure in order to pursue and develop more business and opportunities in 2026.

The TIM IoT Solutions Showroom is a demonstration and networking space, created to showcase the innovative technologies and solutions that make up our TIM IoT Solutions portfolio in a practical and immersive way, applied to the Agriculture, Industry, Utilities, Logistics and Internet of Vehicles (IoV) verticals, with an immersive VR/AR experience.

TIM Guaratiba Valley – Established in 2019 and refurished in November 2025, TIM Guaratiba Valley is an innovative campus for Silicon Valley-inspired infrastructure solutions. It covers an area of approximately 10,000 m^2 and allows for the development of network projects focused on efficiency, agility and low cost. The innovations produced include urban furnishings, such as flowerpots and park benches, biosites, off-grid sites, and extremely low-cost (ELC) solutions used in the Sky Coverage Project, as well as remote monitoring initiatives, Security Site solutions, and testing and approval of batteries and direct current power sources used in base transceiver stations (BTS). During the first half of 2026, the Smart Greenhouse, a demonstration facility located within the TIM Lab Guaratiba Valley innovation campus, was inaugurated to showcase IoT solutions for precision agriculture. The project aims to create a testbed for the development, validation and demonstration of IoT-based agricultural monitoring solutions, with a particular focus on sustainability and operational efficiency.

Next generation network projects

LTE spectrum reallocation – The reallocation of the 1,800 MHz, 850 MHz, and 2,100 MHz bands from 2G/3G to 4G continues, with a multilayer deployment configuration, bringing important competitive advantages for TIM S.A, such as reducing the cost of LTE deployment, enabling the carrier aggregation strategy, improving the customer experience through higher throughput, and better indoor coverage (the use of the 850/1,800/2,100 MHz bandwidths could increase capacity in cities already covered by the 2.6 GHz LTE bandwidth, with little additional cost). In this scenario, more than 99% of current LTE terminals are compatible with our available LTE bands. Therefore, the implementation of LTE multilayer continues to be an excellent strategy that benefits from the spread of devices.

LTE, NB-IoT e NR coverage – Since the end of 2022, TIM S.A. has covered all cities in Brazil, ensuring 100% presence nationwide (with any technology). By the end of 2023, 100% of Brazilian towns and cities (5,570) had 4G coverage. The implementation of the 700 MHz LTE layer has continued to significantly improve coverage expansion and indoor penetration, promoting the presence of LTE on a national level, and consolidating TIM S.A.'s leadership in LTE.

In addition, since 2022 TIM S.A. has been using 78 sites with the 5G band (3,500 MHz), according to the regulatory rollout specified in the auction, which means that all capitals in Brazil have 5G SA (Standalone) coverage provided by TIM. TIM leads its competitors in 5G coverage, being the first operator in Brazil to reach more than 1,000 5G cities: as of June 2026, TIM has 1,101 towns and cities covered by 5G, serving more than 78.1% of the urban population. This frequency band has a bandwidth of 100 MHz, which offers higher throughput.

Another highlight is support for TIM's IoT strategy, where NB IoT network coverage has reached more than 5,558 towns and cities nationwide. This provides an important basis for exploring new business opportunities.

5G Advanced – In February 2024, TIM achieved the speed record in the Americas (11.6 Gbps) by testing 5.5G (5G Advanced) technology in TIM Lab, using all available radio frequency resources. To make the use of 5G Advanced tangible in a real-world scenario, in November 2025 during the Interlagos F1 Grand Prix, using the frequencies available in that region, TIM was the first in Brazil to test the concept of "Differentiated Connectivity" in 5G: refers to the ability to differentiate the experience for certain services, based on the needs of one's customers. Using technologies such as 5G Standalone, Network Slicing, Guaranteed Data Rate (GBR), and programmable APIs, TIM can deliver an even better experience for the user who wants it, continually delivering speed and quality, even in a very crowded environment. TIM recorded the maximum speed in Brazil for 5G Advanced, reaching 5 Gbps outdoors.

Projects entailing a reduction of energy consumption

The expansion of "LTE RAN Sharing", in partnership with other mobile operators in Brazil to fulfill regulatory obligations from the 4G spectrum auction, aims to define the architectural requirements, technical assumptions and specifications for the "LTE RAN sharing[2]" solution, optimizing network resources and costs[3]. At present, this is the largest RAN sharing agreement worldwide and it supplies 4G services to the main cities of Brazil.

The RAN sharing agreement allows TIM S.A. to further the spread of LTE in Brazilian rural areas, thanks to effective sharing of spectrum, access and backhaul. Now, the RAN LTE sharing solution is a partnership between TIM S.A. and Telefónica, based on the

[2] Sharing the Radio Access Network - RAN.
[3] Infrastructure costs are mainly associated with the introduction of new radiating systems and other electronic components, passive site infrastructure and transport networks; therefore, the sharing of the resources supplied by LTE RAN makes for a significant optimization of costs for telecommunications operators.

MOCN architecture, which has expanded the advantages and efficiency of this technical model. The energy consumption recorded for the site, dependent on the access technology and coverage conditions, showed a reduction of up to 10%.

In December 2019, TIM S.A. and Telefónica stipulated new sharing contracts aimed at increasing the network cost efficiency through the following initiatives:

- **Single network**: sharing of the 3G and 4G networks in cities with fewer than 30 thousand inhabitants in which both operators provide their services. The underlying idea is to have, in the cities included in the agreement, a single telecommunications infrastructure that is entirely shared by the operators, thereby allowing them to switch off redundant sites and save on energy, rent and maintenance costs. This also allows for greater efficiency in future investments thanks to the sharing of the spectrum in MOCN mode. As of May 2021, each party had increased its 3G and 4G coverage in more than 300 towns and cities for a total of 422 shared sites each. From 2021 up to June 2026, we included other towns and cities within the single network agreement providing 3G and 4G coverage. One of the operators has switched off 3G and 4G networks across 494 towns and cities (equal to 30% of the total scope under the agreement, by June 2026).
- **2G switch-off**: nationwide sharing of the 2G network using GWCN technology, enabling both operators to switch off part (approximately 50%) of their network with the same technology, consequently saving on energy and maintenance costs. From 2021 to June 2026, operators shared their 2G network in around 5,000 sites each, including in major cities such as Rio de Janeiro, Curitiba, Fortaleza, Brasilia, Belem and Recife via TIM; Belo Horizonte, Salvador, Manaus, Porto Alegre, and Campinas of Telefonica (approximately 94% of the total scope of the agreement implemented by June 2026).
- The addendum to the sharing agreement signed in December 2019 has already been submitted to the CADE (*Conselho Administrativo de Defesa Econômica*). In 2025, the expansion of the original agreement was approved by CADE, subject to safeguards designed to preserve competition and monitoring mechanisms established in coordination with ANATEL, whose approval remains pending.

Next generation network projects, future Internet applications, positive impact on the environment and society

5G Fund – As previously communicated, we established the 5G Fund in partnership with Upload Ventures Growth, LP ("Upload"), with the goal of supporting early-stage companies developing 5G-based technology solutions. The vehicle targets startups and scaleups with validated business models and clear expansion plans, which can also benefit from access to our industrial and technological infrastructure to accelerate scalability. By the second quarter of 2025, the 5G Fund had generated 73 million reais in gains for the Company, with performance supported by all three of the current portfolio companies. The fund's beneficiaries include Topsort, a retail media technology platform; Simetrik, a provider of financial reconciliation infrastructure, and Tractian, a provider of predictive maintenance solutions for industrial applications. The 5G Fund was structured in collaboration with Upload, a venture capital manager recognized for its expertise in technology-based investments and responsible for fundraising, selection, and ongoing monitoring of portfolio companies.

5G for the automotive segment - in June 2023, in collaboration with Stellantis, IP Facens (the Research Institute of the Facens University Center) and the universities of USP - São Carlos, UFSCAR and the German Technische Hochschule Ingolstadt (THI), TIM announced the launch of the project "Conecta 2030: un ecosistema connesso e cooperativo per rilevare dei pedoni agli incroci" (Conecta 2030: a connected, cooperative ecosystem to detect pedestrians at crossroads), aimed at creating a collaborative environment focused on initiatives assuring the safety of pedestrians and cyclists. Since then, the companies involved in "Conecta 2030" have been engaged in developing a concept-ecosystem by February 2027, for the development and implementation of advanced driver assistance systems (ADAS), based on three main pillars: 5G connectivity, artificial intelligence and digital twins.

Also in the automotive sector, in April 2026 TIM concluded another partnership with the Federal University of Pernambuco and Stellantis (along with other companies and universities), which is also supported by the Brazilian government's "Rota 2030" program promoting research and innovation in the vertical automotive segment through the "Vehicle OTA" project. The main goal of this project, launched in 2024, is to implement a secure and integrated electronic module capable of promoting OTA (Over-The-Air) firmware updates in vehicles' electronic control units (ECUs). One of the project's key achievements was TIM's successful support for the integration of an NB-IoT connectivity module into the solution's architecture. Although the original concept relied exclusively on non-3GPP technologies such as Bluetooth and Wi-Fi, the addition of cellular connectivity provides a future pathway for direct over-the-air (OTA) updates via mobile networks, significantly enhancing the solution's scalability and commercial potential.

Network Slicing – In 2024, TIM became the first operator in Brazil to perform 5G network slicing on a public network to allow real-time video streaming. The initiative enabled HD streaming from 10 vehicles travelling at speeds of more than 260 km/h during the final round of the 2024 Porsche Cup season at the Interlagos circuit in São Paulo. In this regard, TIM validated the resource prioritisation policies implemented by its principal RAN slicing vendors, with validation completed for Huawei and Ericsson by March 2025 and for Nokia by May 2025. Multivendor orchestration (NSSMF, NSMF, CSMF) is scheduled for assessment in 2026. As part of our ongoing efforts to develop differentiated connectivity solutions, TIM developed and tested a new concept known as VIP Logo during the first half of 2026: an innovative approach to dynamically identifying opportunities to enhance the network experience for users in high-traffic conditions by leveraging advanced 5G SA Core capabilities such as the Network Data Analytics Function (NWDAF), thereby creating new monetisation opportunities for the network infrastructure.

API Open Gateway/CAMARA –– *Open Gateway APIs* (Application Programmable Interfaces) are of growing strategic importance in the global digital ecosystem. In May 2025, TIM Lab completed the Proof of Concept to exhibit the CAMARA-standardized *Device Location API*, which allows users to verify their location within a specific area. The solution underwent end-to-end validation on the 4G network, covering all flows, measurements, responses integrated into the existing architecture, parameterization and back-up solutions. TIM's *Open Gateway Device Location API* has since been running for commercial activation. During the first half of 2026, TIM continued to advance its Open Gateway strategy by expanding the commercialisation and market adoption of the CAMARA-standardised network APIs, including Number Verify, SIM Swap, Device Location and KYC Match, which were launched in 2025. As part of the GSMA Open Gateway initiative, these capabilities enable enterprises and developers to securely access network capabilities for authentication, fraud prevention, identity verification and location-based services. The initiative reinforces TIM's commitment to open innovation and positions the Company at the forefront of the emerging API economy, creating new monetisation opportunities beyond traditional connectivity services.

eSIM transfer between operating systems – In June 2026, TIM became the first mobile network operator (MNO) in South America to support eSIM transfers between iPhones running iOS and selected Android devices, enabling a fully digital, on-device migration experience without the need for a physical SIM card. Developed in collaboration with leading global operating system providers, the initiative represents an important step towards greater interoperability across mobile ecosystems, enhancing customer autonomy and reinforcing TIM's strategy of delivering seamless, innovative and digital-first connectivity experiences.

COR-Rio Smart City Partnership – In June 2026, TIM formalised a technical cooperation agreement with the Rio Operations Center (COR-Rio) to establish a long-term innovation framework aimed at transforming the city of Rio de Janeiro into an open laboratory for urban management, IoT and mobile connectivity solutions. Structured around three pillars (critical urban sensing, mobility intelligence and simulation-based governance) the initiative will enable innovative technologies to be tested and validated in real-world environments, supporting more efficient urban operations, emergency response and data-driven decision-making. The partnership reinforces TIM's commitment to open innovation and further strengthens its position within the smart city ecosystem by creating opportunities to develop, validate and scale innovative B2B digital solutions.

Open Lab initiatives

TM Forum Catalyst Program – During the first half of 2026, TIM continued its participation in the TM Forum Catalyst program through the project "Spatial Web: Open Gateway to the Immersive Future – Phase II", presented at DTW Ignite 2026 on June 24, 2026. Building on the success of the award-winning initiative presented at DTW Ignite 2025, the project further advanced the application of *Spatial Web* concepts by combining *Open Gateway APIs, TM Forum Open Digital Architecture (ODA)* components and AI-driven orchestration to enable context-aware digital services. The Catalyst demonstrated how telecommunications operators can move beyond connectivity and API exposure to deliver outcome-based services by leveraging spatial intelligence, real-time network capabilities and ecosystem collaboration to create new monetization opportunities and support emerging Industry 4.0 use cases. Through its participation in this initiative, TIM further strengthened its position as an active contributor to industry innovation, helping to explore how open network capabilities, spatial intelligence and artificial intelligence can unlock new opportunities for digital services, ecosystem collaboration and value creation.

Smart Cities Flood Resilience Initiative – As an extension of the innovation ecosystem fostered by the 5G Florianópolis Living Lab, TIM supported the technology developed by SANAPP, a Brazilian start-up specializing in smart sanitation and urban resilience solutions. Through technical collaboration and support for NB-IoT connectivity, TIM contributed to the development and validation of the "Não Enche!" platform, which combines IoT sensors, NB-IoT communications, data integration and analytics to support flood prevention and urban drainage monitoring. Developed under the FAPESC Mulheres+Tec program, the initiative also promotes technology entrepreneurship and women-led innovation. The project demonstrates the practical application of low-power IoT technologies to address critical urban challenges, while also illustrating how open innovation ecosystems and Living Lab initiatives can evolve into real-world smart city solutions with measurable social and environmental impact.

HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2026 OF TIM GROUP

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HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2026 OF THE TIM GROUP

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Assets

(million euros)		notes	6/30/2026	*of which with related parties*	12/31/2025	*of which with related parties*
Non-current assets						
Intangible assets						
Goodwill		5)	11,271	—	11,025	—
Intangible assets with a finite useful life		6)	5,341	—	5,445	—
			16,612	—	**16,470**	—
Tangible assets		7)				
Property, plant and equipment owned			**4,470**	—	**4,114**	—
Rights of use assets		8)	**3,402**	—	**3,240**	—
Other non-current assets						
Investments in associates and joint ventures accounted for using the equity method		9)	45	—	241	—
Other investments		9)	148	—	120	—
Non-current financial receivables arising from lease contracts		10)	37	—	34	—
Other non-current financial assets		10)	437	—	397	—
Miscellaneous receivables and other non-current assets		11)	1,146	—	1,110	3
Deferred tax assets			584	—	510	—
			2,397	—	**2,412**	—
Total Non-current assets	**(a)**		**26,881**	—	**26,236**	—
Current assets						
Inventories			290	—	235	—
Trade and miscellaneous receivables and other current assets		12)	4,936	*377*	5,317	*304*
Current income tax receivables			98	—	89	—
Current financial assets		10)				
Current financial receivables arising from lease contracts			*51*	—	*44*	—
Securities other than investments, other financial receivables and other current financial assets			*1,319*	*269*	*1,538*	*269*
Cash and cash equivalents			*1,070*	*6*	*2,048*	—
			2,440	—	*3,630*	—
Current assets sub-total			**7,764**	—	**9,271**	—
Discontinued operations /Non-current assets held for sale		13)				
of a financial nature			118	—	162	—
of a non-financial nature			1,117	—	1,065	—
			1,235	—	**1,227**	—
Total Current assets	**(b)**		**8,999**	—	**10,498**	—
Total Assets	**(a+b)**		**35,880**	—	**36,734**	—

Equity and liabilities

(million euros)		notes	6/30/2026	of which with related parties	12/31/2025	of which with related parties
Equity		14)				
Share capital issued			**6,000**	—	**11,677**	—
less: Treasury shares			(30)	—	(49)	—
Share capital			**5,970**	—	**11,628**	—
Additional paid-in capital			—	—	—	—
Other reserves and retained earnings (accumulated losses), including profit (loss) for the period			5,545	—	591	—
Equity attributable to owners of the Parent			**11,515**	—	**12,219**	—
Non-controlling interests			1,412	—	1,236	—
Total Equity	**(c)**		**12,927**	—	**13,455**	—
Non-current liabilities						
Non-current financial liabilities for financing contracts and others		15)	8,748	—	7,991	—
Non-current financial liabilities for lease contracts		15)	2,722	—	2,476	—
Employee benefits		19)	332	—	188	—
Deferred tax liabilities			58	—	55	—
Provisions		20)	505	—	439	—
Miscellaneous payables and other non-current liabilities		21)	569	4	612	—
Total Non-current liabilities	**(d)**		**12,934**		**11,761**	
Current liabilities						
Current financial liabilities for financing contracts and others		15)	1,505	—	3,027	—
Current financial liabilities for lease contracts		15)	548	—	515	—
Trade and miscellaneous payables and other current liabilities		22)	7,301	55	7,317	55
Current income tax payables			44	—	63	—
Current liabilities sub-total			**9,398**		**10,922**	
Liabilities directly associated with Discontinued operations/Non-current assets held for sale		13)				
of a financial nature			80	—	89	—
of a non-financial nature			541	—	507	—
			621	—	**596**	—
Total Current Liabilities	**(e)**		**10,019**	—	**11,518**	—
Total Liabilities	**(f=d+e)**		**22,953**	—	**23,279**	—
Total Equity and Liabilities	**(c+f)**		**35,880**	—	**36,734**	—

SEPARATE CONSOLIDATED INCOME STATEMENTS

(million euros)	*notes*	**1st Half 2026**	*of which with related parties*	**1st Half 2025**	*of which with related parties*
Revenues	24)	**6,830**	*184*	**6,597**	*101*
Other income		155	*1*	135	—
Total operating revenues and other income		**6,985**		**6,732**	
Acquisition of goods and services		(4,025)	*(55)*	(3,844)	*(111)*
Employee benefits expenses		(891)	*(37)*	(736)	*(26)*
Other operating expenses		(336)	—	(293)	—
Change in inventories		50	—	5	—
Internally generated assets		134	—	135	—
Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)		**1,917**		**1,999**	
of which: impact of non-recurring items	31)	*(225)*		*(65)*	
Depreciation and amortization		(1,469)	—	(1,473)	—
Gains (losses) on disposals of non-current assets		21	—	3	—
Impairment reversals (losses) on non-current assets		—	—	—	—
Operating profit (loss) (EBIT)		**469**		**529**	
of which: impact of non-recurring items	31)	*(225)*		*(64)*	
Share of losses (profits) of associates and joint ventures accounted for using the equity method	9)	(7)	—	(11)	—
Other income (expenses) from investments		(8)	—	1	—
Finance income	25)	525	*11*	547	*8*
Finance expenses	25)	(992)	—	(1,030)	*(3)*
Profit (loss) before tax from continuing operations		**(13)**		**36**	
of which: impact of non-recurring items	31)	*(236)*		*(74)*	
Income tax expense		(69)	—	(32)	—
Profit (loss) from continuing operations		**(82)**		**4**	
Profit (loss) from Discontinued operations / Non current assets held for sale	13)	**(25)**	*(1)*	**(42)**	*1*
Profit (loss) for the period	26)	**(107)**		**(38)**	
of which: impact of non-recurring items	31)	*(206)*		*(113)*	
Attributable to:					
Owners of the Parent		**(204)**		**(132)**	
Non-controlling interests		97		94	

(euros)		**1st Half 2026**	**1st Half 2025**
Earnings per share:	27)		
Basic and diluted earnings per share (EPS)			
Ordinary share		(0.10)	(0.06)
Savings share		—	(0.06)
of which:			
from continuing assets attributable to owners of the Parent			
ordinary share		(0.09)	(0.04)
savings share		—	(0.04)
of which:			
from Discontinued operations/Non-current assets held for sale attributable to owners of the Parent			
ordinary share		(0.01)	(0.02)
savings share		—	(0.02)

Earnings per share, in accordance with IAS 33, consider the capital transactions carried out by TIM S.p.A. in the first half of 2026 (in particular the reverse stock split); the first half of 2025 was therefore restated.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Note 14

(million euros)		1st Half 2026	1st Half 2025
Profit (loss) for the period	**(a)**	**(107)**	**(38)**
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		3	9
Income tax effect		—	—
	(b)	**3**	**9**
Remeasurements of employee defined benefit plans (IAS 19):			
Actuarial gains (losses)		(1)	—
Income tax effect		—	—
	(c)	**(1)**	**—**
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)**	**2**	**9**
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		(1)	17
Loss (profit) transferred to Separate Consolidated Income Statement		(9)	(11)
Income tax effect		1	—
	(f)	**(9)**	**6**
Hedging instruments:			
Profit (loss) from fair value adjustments		56	(187)
Loss (profit) transferred to Separate Consolidated Income Statement		(55)	224
Income tax effect		—	(12)
	(g)	**1**	**25**
Exchange differences on translating foreign operations:			
Profit (loss) on translating foreign operations		326	7
Loss (profit) on translating foreign operations transferred to Separate Consolidated Income Statement		—	—
Income tax effect		—	—
	(h)	**326**	**7**
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)**	**318**	**38**
Total other components of the Consolidated Statements of Comprehensive Income	**(m=e+k)**	**320**	**47**
Comprehensive income (loss) for the period	**(a+m)**	**213**	**9**
Attributable to:			
Owners of the Parent		**—**	**(97)**
Non-controlling interests		213	106

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Changes from January 1, 2025 to June 30, 2025

	Equity attributable to owners of the Parent										
(million euros)	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	**Total**	**Non-controlling interests**	**Total Equity**
Balance at December 31, 2024	**11,624**	**—**	**(6)**	**(76)**	**(2,439)**	**(66)**	**—**	**2,920**	**11,957**	**1,404**	**13,361**
Changes in equity during the period:											
Dividends approved	—	—	—	—	—	—	—	—	**—**	(164)	**(164)**
Comprehensive income (loss) for the period	—	—	15	25	(5)	—	—	(132)	**(97)**	106	**9**
Other changes	—	—	—	—	—	—	—	(1)	**(1)**	(6)	**(7)**
Balance at June 30, 2025	**11,624**	**—**	**9**	**(51)**	**(2,444)**	**(66)**	**—**	**2,787**	**11,859**	**1,340**	**13,199**

Changes from January 1, 2026 to June 30, 2026 Note 14

	Equity attributable to owners of the Parent										
(million euros)	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	Other reserves and retained earnings (accumulated losses), including profit (loss) for the period	**Total**	**Non-controlling interests**	**Total Equity**
Balance at December 31, 2025	**11,628**	**—**	**5**	**(30)**	**(2,491)**	**(62)**	**—**	**3,169**	**12,219**	**1,236**	**13,455**
Changes in equity during the period:											
Dividends approved	—	—	—	—	—	—	—	—	**—**	(43)	**(43)**
Comprehensive income (loss) for the period	—	—	(6)	1	210	(1)	—	(204)	**—**	213	**213**
Voluntary share capital reduction	(5,677)							5,677	**—**	—	**—**
Savings shares conversion premium	—	—	—	—	—	—	—	(692)	**(692)**	—	**(692)**
Allocation of shares under the 2022–2024 Stock Option Plan and other movements in treasury shares	19	—	—	—	—	—	—	(31)	**(12)**	—	**(12)**
Equity instruments (2025-2027 Long Term Incentive Plan and 2022-2024 Stock Options Plan modified)	—	—	—	—	—	—	—	8	**8**	—	**8**
Other changes	—	—	—	—	—	—	—	(8)	**(8)**	6	**(2)**
Balance at June 30, 2026	**5,970**	**—**	**(1)**	**(29)**	**(2,281)**	**(63)**	**—**	**7,919**	**11,515**	**1,412**	**12,927**

CONSOLIDATED STATEMENTS OF CASH FLOWS

(million euros)	notes	1st Half 2026	1st Half 2025
Cash flows from operating activities:			
Profit (loss) from continuing operations		(82)	4
Adjustments for:			
Depreciation and amortization		1,469	1,473
Impairment losses (reversals) on non-current assets including investments		—	—
Net change in deferred tax assets and liabilities		(6)	(29)
Losses (gains) realized on disposals of non-current assets (including investments)		(22)	(3)
Share of losses (profits) of associates and joint ventures accounted for using the equity method		7	11
Change in employee benefits		178	3
Change in inventories		(50)	(5)
Change in trade receivables and other net receivables		(217)	(89)
Change in trade payables		(197)	(575)
Net change in income tax receivables/payables		(27)	18
Net change in miscellaneous receivables/payables and other assets/liabilities	(°)	827	148
Cash flows from (used in) operating activities	**(a)**	**1,880**	**956**
Cash flows from investing activities:			
Purchases of intangible, tangible and rights of use assets on a cash basis		(936)	(946)
Contributions for plants received		—	—
Acquisition of control of companies or other businesses, net of cash acquired		(152)	—
Acquisitions/disposals of other investments		(17)	(18)
Change in financial receivables and other financial assets (excluding hedging and non-hedging derivatives under financial assets)	(1)	261	84
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		4	1
Cash flows from (used in) investing activities	**(b)**	**(840)**	**(879)**
Cash flows from financing activities:			
Change in current financial liabilities and other		(637)	241
Proceeds from non-current financial liabilities (including current portion)		735	—
Repayments of non-current financial liabilities (including current portion)		(1,343)	(1,630)
Changes in hedging and non-hedging derivatives		16	8
Consideration paid/received for the purchase of equity instruments		(28)	—
Share capital increases/reimbursements (including subsidiaries)	(°°)	(692)	—
Dividends paid(*)		(87)	(85)
Changes in ownership interests in subsidiaries		—	(8)
Cash flows from (used in) financing activities	**(c)**	**(2,036)**	**(1,474)**
Cash flows from (used in) Discontinued operations/Non-current assets held for sale	**(d)**	**(37)**	**(54)**
Aggregate cash flows	**(e=a+b+c+d)**	**(1,033)**	**(1,451)**
Net cash and cash equivalents at beginning of the period	**(f)**	**2,104**	**2,924**
Net foreign exchange differences on net cash and cash equivalents	**(g)**	52	(1)
Net cash and cash equivalents at end of the period	**(h=e+f+g)**	**1,123**	**1,472**
(*) of which from related parties		—	—

(1) This item includes investments in marketable securities of 959 million euros in the first half of 2026 (996 million euros in the first half of 2025) and redemptions of marketable securities of 1,050 million euros in the first half of 2026 (1,133 million euros in the first half of 2025), relating to TIM S.A. and Telecom Italia Finance S.A..

(°) This item includes 1,012 million euros relating to the settlement of the receivable arising from the 1998 License Fee judgment, as described in the note "Trade and miscellaneous receivables and other current assets".

(°°) The item refers to the premium payment on the conversion of TIM S.p.A. savings shares.

Purchases of intangible, tangible and rights of use assets

(million euros)	notes	1st Half 2026	1st Half 2025
Purchase of intangible assets	5)	(370)	(382)
Purchase of tangible assets	6)	(478)	(431)
Purchase of right of use assets	7)	(659)	(337)
Total purchases of intangible, tangible and rights of use assets on an accruals basis(*)		**(1,507)**	**(1,150)**
Change in payables arising from purchase of intangible, tangible and rights of use assets		571	204
Total purchases of intangible, tangible and rights of use assets on a cash basis		**(936)**	**(946)**
(*) of which from related parties		—	—

Additional Cash Flow information

(million euros)	1st Half 2026	1st Half 2025
Income taxes (paid) received	(79)	(38)
Interest expense paid	(547)	(584)
Interest income received	195	177
Dividends received	1	2

Analysis of Net Cash and Cash Equivalents

(million euros)	1st Half 2026	1st Half 2025
Net cash and cash equivalents at beginning of the period:		
Cash and cash equivalents	2,104	2,924
Bank overdrafts repayable on demand	—	—
	2,104	**2,924**
Net cash and cash equivalents at end of the period:		
Cash and cash equivalents	1,123	1,480
Bank overdrafts repayable on demand	—	(8)
	1,123	**1,472**

The supplementary disclosures required by IAS 7 are provided in Note 16 "Net financial debt".

NOTE 1
FORM, CONTENT AND OTHER GENERAL INFORMATION

Form and content

Telecom Italia S.p.A. (the "**Parent Company**"), also known in short as "TIM S.p.A.", and its subsidiaries form the "**TIM Group**" (the "**Group**").

TIM is a joint-stock company (S.p.A.) organized under the laws of the Republic of Italy.

The registered offices of the Parent, TIM, are located in Milan, Italy at Via Gaetano Negri 1.

The duration of TIM S.p.A., as stated in the company's bylaws, extends until December 31, 2100.

The TIM Group operates mainly in Europe, the Mediterranean Basin and South America.

The Group is engaged principally in the communications sector and, particularly, the fixed and mobile national and international telecommunications sector. Moreover, following the amendment of the Articles of Association, passed by resolution of the Shareholders' Meeting on June 24, 2025, TIM S.p.A. may also operate in sectors such as energy, gas, financial products and insurance, subject to having the appropriate legal authorizations.

The TIM Group's Half-Year Condensed Consolidated Financial Statements at June 30, 2026, have been prepared on a going concern basis (further details are provided in Note 2 - "Accounting Policies") and in accordance with the recognition and measurement criteria of the International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the European Union (designated as "**IFRS**"), as well as laws and regulations in force in Italy.

In addition, the TIM Group's Half-Year Condensed Consolidated Financial Statements at June 30, 2026 have been prepared in accordance with IAS 34 (Interim Financial Statements) and, as permitted by this standard, they do not include all information required by annual consolidated financial statements; therefore, they should be read together with the TIM Group's consolidated financial statements prepared for the year 2025.

In the first six months of 2026, the Group adopted accounting policies consistent with those of the previous year, except for the changes to the accounting standards issued by the IASB and in force as of January 1, 2026. See Note 2 - "Accounting Policies" for more details. The consolidated financial statements have been prepared under the historical cost convention, except for financial assets measured at fair value through other comprehensive income, financial assets measured at fair value through profit and loss, and derivative financial instruments, which have been measured at fair value. The carrying amounts of hedged assets and liabilities have been adjusted to reflect the changes in fair value of the hedged risks (fair value hedge).

In accordance with IAS 1 (Presentation of Financial Statements) comparative information included in the consolidated financial statements refers, unless otherwise indicated, to the previous year.

It should also be noted that the Sparkle group, active in the development of fiber optic networks for wholesale customers in the international field (International wholesale), is classified, pursuant to IFRS 5, as "Assets available for sale," as the sale is considered highly probable. For comparison purposes only, consolidated income and cash flow data already published in the Half-Year Condensed Consolidated Financial Statements at June 30, 2025 have been reclassified consistently, as required by IFRS 5.

For details on the Sparkle Group transaction, please refer to the description in the Note "Discontinued operations/non-current assets held for sale."

The TIM Group's Half-Year Condensed Consolidated Financial Statements at June 30, 2026 are expressed in euro (rounded to the nearest million unless otherwise indicated).

The TIM Group's Half-Year Condensed Consolidated Financial Statements at June 30, 2026 was approved by resolution of the Board of Directors on July 29, 2026.

The TIM Group Half-Year Condensed Consolidated Financial Statements at June 30, 2026 are subject to a limited audit.

Financial statement formats

The financial statement formats adopted are consistent with those indicated in IAS 1. More specifically:

- the **Consolidated Statements of Financial Position** has been prepared by classifying assets and liabilities according to the "current and non-current" criterion;
- the **Separate Consolidated Income Statements** have been prepared by classifying operating costs by nature of expense as this form of presentation is considered more appropriate and representative of the specific business of the Group, conforms to internal reporting, and is in line with the TIM Group's industrial sector.

In addition to EBIT or Operating profit (loss), the Separate Consolidated Income Statements include the alternative performance measure of EBITDA or Operating profit (loss) before depreciation and amortization, Capital gains (losses) and Impairment reversals (losses) on non-current assets.

In particular, besides EBIT, EBITDA is used by TIM as the financial target in internal presentations (business plans) and in external presentations (to analysts and investors). This indicator represents a useful unit of measurement for assessing the operating performance of the Group (as a whole and at Business Unit level).

EBIT and EBITDA are calculated as follows:

Profit (loss) before tax from continuing operations	
+	Finance expenses
-	Finance income
+/-	Income (Expenses) from investments
+/-	Share of losses (profits) of associates and *joint ventures* accounted for using the equity method
EBIT – Operating profit (loss)	
+/-	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	

- the **Consolidated statements of comprehensive income** include the profit or loss for the year as shown in the Separate Consolidated Income Statement and all other non-owner changes in equity;
- the **Consolidated Statement of Cash Flows** have been prepared by presenting cash flows from operating activities according to the “indirect method”, as permitted by IAS 7 (Statement of Cash Flows).

Furthermore, as required by Consob Resolution 15519 of July 27, 2006, in the separate consolidated income statement, income and expenses relating to transactions which by nature do not occur during normal operation (non-recurring transactions) have been specifically identified and their impacts on the main intermediate levels have been shown separately, when they are significant. Specifically, one-off income/(expenses) include, for instance: income/expenses arising from the sale of property, plant and equipment, business segments and investments; expenses stemming from company reorganization and streamlining processes and projects, also in connection with corporate transactions (mergers, spin-offs, etc.); expenses resulting from litigation and regulatory sanctions and related liabilities; other provisions and related reversals; costs for the settlement of disputes other than regulatory disputes; adjustments, realignments and other non-recurring items, also relating to previous years; impairment losses on goodwill and/or other intangible and tangible assets.

Also in reference to the above Consob Resolution, the amounts relating to balances or transactions with related parties have been shown separately in the consolidated financial statements.

Segment reporting

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are regularly reviewed by the entity’s chief operating decision maker to make decisions about resources (for the TIM Group, the Board of Directors of the Parent) to be allocated to the segment and assess its performance; and
- for which separate financial information is available.

The TIM Group operating segments are in line with and continuing on from the information given in the Consolidated Annual Financial Report at December 31, 2025, are represented for the part relating to the telecommunications business, on the basis of the related geographic location (Domestic and Brazil). It should also be noted that the economic results of the activities relating to the Sparkle Group, which is active in the development of fiber optic networks for wholesale customers in the international field (International wholesale), are classified, pursuant to IFRS 5, as Assets Held for Sale, as the sale is considered highly probable.

The term "operating segment" is considered synonymous with "Business Unit".

The operating segments of the TIM Group are as follows:

- **Domestic**: includes the activities in Italy relating to voice and data services on fixed and mobile networks for end users (retail) and other operators (MVNOs)), the operations of Noovle S.p.A. (Cloud and Edge Computing solutions), the activities of Olivetti (products and services for Information Technology), and, Domestic sector support structures;
- **Brazil**: includes mobile and fixed telecommunications operations in Brazil (TIM S.A.);
- **Other operations**: include the financial companies (Telecom Italia Capital S.A. and Telecom Italia Finance S.A.) and other minor companies not strictly related to the TIM Group's core business.

The TIM Group is still involved in a transformation process aimed at overcoming the vertically integrated model and based on separate entities (specifically Consumer and Enterprise in the Domestic segment) with different industrial and economic focuses. These entities cannot currently be considered an "operating segment" pursuant to IFRS 8 – Operating Segments, as they are still in a phase of analytical design and implementation and, therefore, do not yet have a detailed economic and financial information set.

The Group expects to complete the sale of the Sparkle Group in 2026 and, based on the specific indications provided by the standard for the purpose of identifying operating segments (autonomy of operating flows, methods of allocating financial resources, management reporting, etc.), will continue monitoring and analyzing the process to ensure the correct representation of the Group's Business Units.

NOTE 2
ACCOUNTING POLICIES

Going concern

The Half-Year Consolidated Financial Statements at June 30, 2026 have been prepared on a going concern basis, as there is the reasonable expectation that TIM will continue conducting its business in the foreseeable future (and, in any event, over a period of at least twelve months).

In particular, the following factors have been taken into consideration:

- the main risks and uncertainties (that are for the most part of an external nature) to which the Group and the various activities of the TIM Group are exposed:
  - variations in business conditions, also related to competition;
  - technological risks such as cyber security, ICT network development and maintenance, artificial intelligence;
  - financial risks (interest rate and/or exchange rate trends, changes in the Group's credit rating by rating agencies);
  - macroeconomic changes in the Italian, European and Brazilian markets and financial market volatility due to inflationary risks;
  - the factors of geopolitical instability brought about by ongoing conflicts with possible negative effects on energy security and global supply chains, including possible new tariffs;
  - risks in the supply chain of products and services including the exclusive wholesale supply of connectivity by the supplier FiberCop;
  - changes in the legislative and regulatory context (changes in prices and tariffs or decisions that may influence technological choices); and
  - the outcome of the legal and regulatory authority proceedings;

These risks and uncertainties are also addressed within the Group's Enterprise Risk Management framework, which supports the monitoring of the Group's risk profile and the related risk mitigation measures.

- the optimal mix between risk capital and debt capital, as well as the policy for the remuneration of risk capital, as described in the section "Share capital information" under the Note "Equity".
- the policy for financial risk management (market risk, credit risk and liquidity risk), as described in the Note "Financial risk management" in the Consolidated Financial Statements for the year ended December 31, 2025.

Based on these factors, the Management believes that, at the present time, there are no elements of uncertainty regarding the Group's ability to continue as a going concern.

Accounting policies and Principles of consolidation

The accounting policies and consolidation principles adopted for the preparation of the Half-Year Condensed Consolidated Financial Statements at June 30, 2026 are consistent with those applied for Consolidated Financial Statements for the year ended December 31, 2025, to which reference should be made, except for:

- the amendments to the standards issued by the IASB and adopted starting from January 1, 2026, as described below;
- the adaptations required by the nature of figures.

Moreover, in the Half-Year Condensed Consolidated Financial Statements at June 30, 2026, income taxes for the period of individual consolidated companies were determined based on the best possible estimate in relation to available information and the reasonable forecast of operating performance at the end of the tax period. As is conventional, the tax liabilities (current and deferred) on income of each consolidated company for the interim period are posted in "Deferred tax liabilities" net of advances and tax credits (only those for which no reimbursement has been requested) and net of deferred tax assets; if this balance is positive, it is posted in "Deferred tax assets", as is conventional.

Use of accounting estimates

By adopting IFRS standards in its preparation of the Half-Year Condensed Consolidated Financial Statements at June 30, 2026 and the notes to those financial statements, the Management is required to make some estimates and assumptions on its subjective judgments, past experience and assumptions considered reasonable and realistic in relation to the information known at the time of the estimate. These estimates have an effect on the values of balance sheet assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date, as well as the revenues and expenses posted in the reporting period. Actual results may differ, sometimes even significantly, from these estimates as a result of possible changes in the factors considered when determining these estimates. Estimates are reviewed periodically.

With regard to the most significant accounting estimates, reference should be made to those illustrated in the annual consolidated financial statements for the year ended December 31, 2025.

New standards and interpretations endorsed by the EU and in force from January 1, 2026

As required by IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors), the following is a brief description of the IFRS in force commencing as of January 1, 2026.

Annual Improvements to IFRS Accounting Standards — Volume 11

On July 9, 2025, Regulation (EU) 2025/1331 was adopted, incorporating the package of clarifications, simplifications, corrections and amendments intended to improve the consistency of the various IFRS Accounting Standards.

The accounting principles in question are:

- IFRS 1 *First-time Adoption of International Financial Reporting Standards*;
- IFRS 7 *Financial Instruments: Disclosure and its accompanying Guidance on implementing IFRS 7*;
- IFRS 9 *Financial Instruments*;
- IFRS 10 *Consolidated Financial Statements*;
- IAS 7 *Statement of Cash Flows*.

Amendments to IFRS 9 and IFRS 7 – Nature-dependent Electricity Contracts

On June 30, 2025, Regulation (EU) 2025/1266 was adopted, endorsing amendments to IFRS 9 and IFRS 7 aimed at improving the reporting of the financial effects of nature-dependent electricity contracts (both physical and virtual) linked to renewable energy sources, such as solar and wind power.

Changes include:

- clarification of the application of the own-use exception requirements (IFRS 9);
- the ability to apply hedge accounting where such contracts are designated as hedging instruments (IFRS 9);
- the introduction of new disclosure requirements to enable investors to understand the effects of these contracts on an entity's financial performance and cash flows (IFRS 7).

Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

On May 27, 2025, Regulation (EU) 2025/1047 was adopted, endorsing amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments.

Changes include:

- **Settlement of liabilities through electronic payment systems**: a financial liability is generally derecognized on the settlement date. The amendments introduce an accounting treatment that permits the derecognition of financial liabilities before the settlement date where an electronic payment system is used, provided that specified conditions are met.
- **Classification of financial instruments with environmental, social and governance (ESG) and similar features**: the classification of financial instruments with ESG characteristics has been clarified. In particular, depending on their characteristics, financial instruments may be measured either at amortized cost or at fair value. The measurement must be based on the contractual cash flow characteristics.

The amendments also address non-recourse loans and derivative instruments.

* * *

The adoption of these amendments had no effect on the condensed consolidated interim financial statements as of June 30, 2026.

New Standards and Interpretations issued by IASB but not yet endorsed by the EU

There are no new Standards and Interpretations issued by IASB but not yet endorsed by the EU

New Standards and Interpretations issued by the IASB but not yet applicable

At the date of preparation of these consolidated financial statements, the IASB had issued the following new Standards and Interpretations which have not yet come into force:

	Mandatory application starting from
New Standards and Interpretations not yet endorsed by the EU	
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1/1/2027
IAS 21 – Use of a hyperinflationary presentation currency	1/1/2027
IFRS 20 – Regulatory Assets and Regulatory Liabilities	1/1/2029
IAS 28 - Amendments to the Fair Value Option (Investments in Associates and Joint Ventures)	1/1/2027
New Standards and Interpretations endorsed by the EU	
IFRS 18 – Presentation and Disclosure in Financial Statements	1/1/2027

Any impacts on the Group's consolidated financial statements resulting from the application of these new Standards/ Interpretations are currently being assessed; However, it is considered that they are not significant with respect to financial and economic results.

It should be noted that in April 2024 the IASB issued IFRS 18, which will replace IAS 1 – Presentation of the annual report.

IFRS 18, together with the amendments to other accounting standards, is effective for financial years beginning on or after January 1, 2027; Early application is permitted. IFRS 18 will be applied retrospectively.

IFRS 18 introduces new presentation requirements in the income statement, including specifically defined totals and subtotals. In addition, entities are required to classify all income and expenses in the income statement into one of the following five categories: operating activities, investing activities, loan activities, income tax expense, and discontinued operating activities.

The standard requires specific disclosure on the new performance measures defined by management ("MPM"), represented by subtotals of income and expenses, and also introduces new requirements regarding the aggregation and disaggregation of financial information.

In addition, limited scope amendments have been made to IAS 7 – Cash Flow, which include:

- the change in the starting point for determining cash flows generated from operating activities using the indirect method, which shifts from "profit or loss for the year" to "operating result"; and
- the elimination of the classification options for cash flows relating to interest and dividends.

Consequential amendments to several other accounting standards are also envisaged.

The Group is currently conducting an analysis aimed at identifying all the impacts that the changes introduced by the new standard will have on the primary financial statements and on the notes to the annual report, as well as on the new determination of performance indicators.

NOTE 3
SCOPE OF CONSOLIDATION

The changes in the scope of consolidation at June 30, 2026 compared to December 31, 2025 are listed below.

Entry/exit/merger of subsidiaries into/out of the scope of consolidation:

Company		Business Unit	Month
Entry:			
V8 CONSULTING S.A.	New acquisition	Brazil	January 2026
I-SYSTEMS SOLUÇÕES DE INFRAESTRUTURA S.A.	Increase in share held	Brazil	May 2026
Exit:			
MED 1 SUBMARINE CABLES LTD	Liquidated	Domestic	February 2026

In addition to the above, a further change in the scope of consolidation at June 30, 2026 compared to June 30, 2025 is listed below.

Entry/exit/merger of subsidiaries into/out of the scope of consolidation:

Company		Business Unit	Month
Entry:			
MINDICITY S.r.l. Società benefit	Increase in share held	Domestic	September 2025

The breakdown by number of subsidiaries, joint ventures and associates of the TIM Group is as follows:

	6/30/2026		
Companies:	**Italy**	**Outside Italy**	**Total**
subsidiaries consolidated line-by-line	11	44	55
joint ventures accounted for using the equity method	2	—	2
associates accounted for using the equity method	4	—	4
Total companies	**17**	**44**	**61**

	12/31/2025		
Companies:	**Italy**	**Outside Italy**	**Total**
subsidiaries consolidated line-by-line	11	43	54
joint ventures accounted for using the equity method	2	—	2
associates accounted for using the equity method	6	1	7
Total companies	**19**	**44**	**63**

	6/30/2025		
Companies:	**Italy**	**Outside Italy**	**Total**
subsidiaries consolidated line-by-line	12	43	55
joint ventures accounted for using the equity method	2	—	2
associates accounted for using the equity method	7	1	8
Total companies	**21**	**44**	**65**

Further details are provided in the Note 35 "List of companies of the TIM Group".

NOTE 4
BUSINESS COMBINATIONS

Acquisition of control of V8 Consulting S.A. ("V8.Tech")

On January 30, 2026, TIM S.A. (Brazil Business Unit) acquired a 100% stake in V8 Consulting S.A. ("V8.Tech"). V8.Tech is a technology company specializing in the integration of digital solutions and managed services, with a strong focus on digital transformation, cloud computing and artificial intelligence.

The accounting effects of the business combination are summarized below:

- the consideration is equal to 139 million reais (22 million euros);
- All the identifiable assets acquired and liabilities assumed were measured at their acquisition-date fair values.
- In addition to the value of the acquired assets and assumed liabilities, provisional goodwill amounting to 106 million reais (17 million euros) was recognized, determined as follows:

		Values at Fair Value provisional (million euros) (*)	Values at Fair Value provisional (million Brazilian reais)
Measurement of consideration	**(a)**	**22**	**139**
Value of acquired assets	**(b)**	30	187
Value of liabilities assumed	**(c)**	(25)	(154)
Goodwill	**(a-b-c)**	**17**	**106**

(*) BRL/EUR exchange rate: 6.23304

V8 Consulting S.A. ("V8.Tech") – Values at the acquisition date

		Values at Fair Value provisional	Carrying amounts	Values at Fair Value provisional	Carrying amounts
		(million euros)(*)		(million Brazilian reais)	
Goodwill		17	—	106	—
Other non-current assets		9	4	54	24
Current assets		21	21	133	133
of which Cash and cash equivalents		*8*	*8*	*47*	*47*
Total Assets	**(a)**	**47**	**25**	**293**	**157**
Total Non-Current Liabilities		10	8	61	52
of which Non-current financial liabilities		*7*	*7*	*45*	*45*
Total Current Liabilities		15	15	93	93
of which Current financial liabilities		*4*	*4*	*22*	*22*
Total Liabilities	**(b)**	**25**	**23**	**154**	**145**
Net assets	**(a-b)**	**22**	**2**	**139**	**12**

(*) BRL/EUR exchange rate: 6.23304

During 2026 – and in any event within 12 months of the acquisition date – the provisional amounts recognized for the assets acquired and liabilities assumed may be adjusted retrospectively, as permitted by IFRS 3, with a corresponding adjustment to goodwill.

It should also be noted that, had the acquisition of control of V8 Consulting S.A. been completed on January 1, 2026, the TIM Group's condensed consolidated interim financial statements as of June 30, 2026 would not have been materially affected in terms of revenue or net profit attributable to the Owners of the Parent.

Acquisition of control of I-Systems Soluções de Infraestrutura S.A. ("I-Systems")

On May 6, 2026, TIM S.A. (Brazil Business Unit) acquired the remaining 51% equity interest in I-Systems Soluções de Infraestrutura S.A. ("I-Systems"). TIM S.A. already owned 49% of the share capital of I-Systems. Accordingly, following the acquisition, I-Systems is now a wholly owned subsidiary of the TIM Group.

I-Systems operates in the neutral fiber optic network sector in the Brazilian market, offering independent infrastructures for the wholesale segment.

The accounting effects of the business combination are summarized below:

- the consideration is equal to 1,857 million reais (318 million euros). The consideration paid was 947 million reais (162 million euros);

- The fair value measurement of all assets acquired and liabilities assumed of the acquired company is still in progress.
- In addition to the value of the acquired Assets and assumed Liabilities, provisional Goodwill of 149 million euros was recognized, determined as follows:

		Values at Fair Value provisional (million euros) (*)	Values at Fair Value provisional (million Brazilian
Measurement of consideration	**(a)**	**318**	**1,857**
Value of acquired assets	**(b)**	302	1,763
Value of liabilities assumed	**(c)**	(133)	(777)
Goodwill	**(a-b-c)**	**149**	**871**

(*) BRL/EUR exchange rate: 5.83696

I-Systems Soluções de Infraestrutura S.A. ("I-Systems") – values at the acquisition date

		Values at Fair Value provisional	Carrying amounts	Values at Fair Value provisional	Carrying amounts
		(million euros)(*)		(million Brazilian reais)	
Goodwill		149	—	871	—
Other non-current assets		277	277	1,617	1,617
Current assets		25	25	146	146
of which Cash and cash equivalents		*19*	*19*	*112*	*112*
Total Assets	**(a)**	**451**	**302**	**2,634**	**1,763**
Total Non-Current Liabilities		93	93	542	542
of which Non-current financial liabilities		*85*	*85*	*495*	*495*
Total Current Liabilities		40	40	235	235
of which Current financial liabilities		*12*	*12*	*71*	*71*
Total Liabilities	**(b)**	**133**	**133**	**777**	**777**
Net assets	**(a-b)**	**318**	**169**	**1,857**	**986**

(*) BRL/EUR exchange rate: 5.83696

During 2026 – and in any event within 12 months of the acquisition date – the provisional amounts recognized for the assets acquired and liabilities assumed may be adjusted retrospectively, as permitted by IFRS 3, with a corresponding adjustment to goodwill.

It should also be noted that, had the acquisition of control of I-Systems Soluções de Infraestrutura S.A. been completed on January 1, 2026, the TIM Group's condensed consolidated financial statements as of June 30, 2026 would not have recorded material impacts on revenues or on the net result for the period attributable to the Owners of the Parent.

NOTE 5
GOODWILL

In the first half of 2026, this item was broken down as follows:

(million euros)	12/31/2025	Increase	Decrease	Impairments	Exchange differences and other changes	6/30/2026
Domestic	**10,184**					**10,184**
Brazil	**841**	166			80	**1,087**
Other operations	**—**					**—**
Total	**11,025**	**166**	**—**	**—**	**80**	**11,271**

During the first half of 2026, goodwill increased by246 million euros, from 11,025 million euros at the end of 2025 to 11,271 million euros as of June 30, 2026, primarily as a result of the goodwill recognized by the Brazil Business Unit following the acquisitions of control of I-Systems Soluções de Infraestrutura S.A. ("I-Systems") (149 million euros) and V8 Consulting S.A. ("V8.Tech") (17 million euros). For more details, see Note 4 "Business Combinations".

The exchange differences relating to goodwill of the Brazil Cash Generating Unit were positive and amounted to 80 million euros (the point exchange rate used for the conversion of the Brazilian real into euro, expressed in terms of units of local currency per 1 euro, changed from 6.46532 at December 31, 2025 to 5.89753 at June 30, 2026).

In accordance with IAS 36, goodwill is not subject to amortization, but is tested for impairment at least on an annual basis, when preparing the company's consolidated financial statements. Moreover, if specific trigger events occur that could lead to a presumption that Goodwill has suffered impairment, impairment testing is also carried out during the preparation of the interim financial statements.

The Company, in accordance with its business procedures and the relevant accounting standards,checked for trigger events when preparing the half-yearly report at June 30, 2026.

With reference to the Domestic CGU in particular, it was noted among other things that, during the first half of 2026:

- TIM's share price had increased significantly in both absolute and relative (comparable) terms;
- the actual results of the Domestic CGU are broadly in line with the planned objectives.
- the consensus forecasts of external financial analysts resulted in estimates for the Domestic CGU that are consistent with those assumed by management;
- changes in benchmark interest rates compared with the levels prevailing as of December 31, 2025, are such that the sensitivity analyses performed as of December 31, 2025, continue to indicate sufficient headroom.
- the major rating agencies either raised or maintained the rating they had assigned to the TIM Group.

In addition, the share price attributable to the Brazil CGU, whose recoverable value at December 31, 2025 had been estimated on a market cap basis, did not show a trend that would indicate the need to impair goodwill.

In light of the tests carried out, there were no indications of impairment of Goodwill at June 30, 2026, and it was therefore not necessary to perform any specific impairment tests.

NOTE 6
INTANGIBLE ASSETS WITH A FINITE USEFUL LIFE

The breakdown and movements are as follows:

(million euros)	12/31/2025	Investments	Depreciation and amortization	Impairment (losses) / reversals	Disposals	Exchange differences	Other changes	6/30/2026
Industrial patents and intellectual property rights	**1,618**	267	(409)			45	131	**1,652**
Concessions, licenses, trademarks and similar rights	**3,547**	6	(237)			113	2	**3,431**
Other intangible assets with a finite useful life	**27**		(4)			2	5	**30**
Work in progress and advance payments	**253**	97				5	(127)	**228**
Total	**5,445**	**370**	**(650)**	**—**	**—**	**165**	**11**	**5,341**

Investments for the first half of 2026 include 89 million euros of internally generated assets.

The balance of "other changes" mainly includes the impact from the Brazilian companies I-Systems and V8.Tech being included in the scope of consolidation, totaling +13 million euros.

Industrial patent rights and intellectual property rights are essentially represented by application and plant operating software acquired as property and under license; They are amortized over a period of between 2 and 6 years and mainly refer to TIM S.p.A. (914 million euros), the Brazil Business Unit (561 million euros) and Noovle S.p.A. (127 million euros).

Concessions, licenses, trademarks and similar rights mainly refer to the residual cost of telephone licenses and similar rights (2,195 million euros for TIM S.p.A. and 1,229 million euros for the Brazil Business Unit).

Work in progress and advance payments mainly relate to TIM S.p.A. (146 million euros) and TIM S.A. (Brazil Business Unit) (55 million euros) and refer mainly to software developments.

NOTE 7
TANGIBLE ASSETS

Property, plant and equipment owned

The breakdown and movements are as follows:

(million euros)	12/31/2025	Investments	Depreciation and amortization	Impairment (losses) / reversals	Disposals	Exchange differences	Other changes	6/30/2026
Land	**47**					1		**48**
Buildings (civil and industrial)	**218**		(5)			0	1	**214**
Plant and equipment	**3,207**	280	(460)		(3)	163	389	**3,576**
Manufacturing and distribution equipment	**4**	1	(1)		(1)			**3**
Other	**265**	34	(72)		(1)	9	31	**266**
Construction in progress and advance payments	**373**	163				6	(179)	**363**
Total	**4,114**	**478**	**(538)**	**—**	**(5)**	**179**	**242**	**4,470**

Investments for the first half of 2026 include 45 million euros of internally generated assets. They also include the Parent company TIM S.p.A.'s capitalization of expenses to restore proprietary equipment (21 million euros), installed at some transmission sites.

The balance of "other changes" mainly includes the impact from the Brazilian companies I-Systems and V8.Tech being included in the scope of consolidation, totaling +261 million euros.

Land comprises both built-up land and available land and is not subject to depreciation. The balance as of June 30, 2026 refers mainly to the Domestic Business Unit (41 million euros).

Buildings (civil and industrial) mainly includes buildings for industrial use hosting data centers. Specifically, the balance as of June 30, 2026 refers mainly to Noovle S.p.A. (203 million euros).

Plant and equipment mainly includes transmission and power systems and equipment, data network and switching, and radio base stations (RBS) infrastructure and commercial products. The amount at June 30, 2026 was mainly attributable to the Brazil Business Unit (2,113 million euros) and the Domestic Business Unit for (1,463 million euros).

Manufacturing and distribution equipment mainly included the equipment needed for the infrastructural completion of Telsy S.p.A. laboratories.

Other mainly consists of hardware for the functioning of the network and for work stations, furniture and fixtures and, to a minimal extent, transport vehicles and office machines.

Construction in progress and advance payments refer to the internal and external costs incurred for the acquisition and internal production of tangible assets, which are not yet in use.

NOTE 8
RIGHTS OF USE ASSETS

The breakdown and movements are as follows:

(million euros)	**12/31/2025**	Investments	Increases in lease contracts	Depreciation and amortization	Disposals	Exchange differences	Other changes	**6/30/2026**
Property	**839**	1	93	(63)	(129)	48	(22)	**767**
Plant and equipment	**2,290**		541	(209)	(203)	120	(16)	**2,523**
Other tangible assets	**40**		10	(7)	(1)			**42**
Construction in progress and advance payments	**65**	14					(13)	**66**
Intangible assets	**6**			(2)				**4**
Total	**3,240**	**15**	**644**	**(281)**	**(333)**	**168**	**(51)**	**3,402**

Capital expenditures in the first half of 2026 refer to the Domestic Business Unit and mainly relate to the acquisition by the Parent Company TIM S.p.A. of IRU capacity (rights of use under the Master Service Agreement signed with Fibercop S.p.A.).

Increases in lease contracts include the higher value of user rights entered following new lease contracts payables, increase of lease payments and renegotiations of existing contracts. In accordance with IFRS 16 (Leases), in view of such increases, lease liabilities are presented through the recognition of a financial liability in the statement of financial position at the present value of future lease payments, against the recognition of a rights-of-use asset of the leased asset.

These increases in the first half of 2026, totaling 644 million euros, relate to the Brazil Business Unit for 507 million euros, and to the Domestic Business Unit for 137 million euros. In particular, the increase relating to the Domestic Business Unit was primarily attributable to the exercise of contractual termination rights in respect of certain lease contracts, which required those leases to be remeasured based on the estimated termination dates.

The disposals are representative of the carrying amount of the assets from lease agreements that terminated early.

Other changes refer mainly to changes related to the lower value of rights of use recorded as a result of contractual changes during the period and also include transfers in operation.

The item Property includes buildings and land subject to finance lease contracts and the related building adaptations. It refers to the Brazil Business Unit for 449 million euros and the Domestic Business Unit for 318 million euros.

The item **plant and equipment** mainly includes rights of use on radio base stations (SRB) and infrastructures for backbone and backhauling telecommunications services as well as rights of use on B2B connections. It refers to the Brazil Business Unit for 1,438 million euros and the Domestic Business Unit for 1,085 million euros.

In addition, in the first half of 2026, the Brazil Business Unit benefited from one-off income of approximately 80 million reais (approximately 13 million euros) arising from a change in the accounting treatment of the existing contractual arrangements with American Tower do Brasil - Cessão de Infraestruturas S.A. ("ATC"). This followed the execution in March 2026 of a new strategic agreement covering the entire scope of the relationship between TIM S.A. and ATC, encompassing approximately 9,000 towers, representing around 30% of TIM's total infrastructure.

In addition to consolidating all existing agreements into a single contract with a common expiry date of 2034, the new contractual framework streamlines and enhances the efficiency of infrastructure portfolio management, particularly in relation to:

- the updating and alignment of the contractual clauses with current market conditions, ensuring greater cost sustainability and predictability;
- the consolidation and harmonization of contractual terms and conditions, resulting in reduced administrative effort and more efficient management processes;
- greater predictability in the delivery of new projects, together with the flexibility to implement solutions aligned with the network development plan.

Other tangible assets mainly comprises the leases on motor vehicles.

The item **Intangible assets** mainly includes the right of use of the subsidiary Telsy for the use of a cloud computing platform created for the exclusive benefit of the company for the exercise of security services.

NOTE 9
INVESTMENTS

Investments in associates and joint ventures accounted for using the equity method are reported **below in detail:**

(million euros)		6/30/2026	12/31/2025
I-Systems S.A.		—	195
W.A.Y. S.r.l.		3	4
Total Associates	**(a)**	**3**	**199**
TIMFin S.p.A.		33	33
Polo Strategico Nazionale S.p.A.		9	9
Total Joint Ventures	**(b)**	**42**	**42**
Total investments accounted for using the equity method	**(a+b)**	**45**	**241**

The changes to the item **Investments in associates and joint ventures accounted for using the equity method** during the first half of 2026, are as follows:

(million euros)	12/31/2025	Investments	Disposals and reimbursements of capital	Valuation using equity method	Other changes	6/30/2026
I-Systems S.A.	195			(7)	(188)	—
W.A.Y. S.r.l.	4			(1)		**3**
Total Associates	**199**	**—**	**—**	**(8)**	**(188)**	**3**
TIMFin S.p.A.	33			1	(1)	**33**
Polo Strategico Nazionale S.p.A.	9					**9**
Total Joint Ventures	**42**	**—**	**—**	**1**	**(1)**	**42**
Total investments accounted for using the equity method	**241**	**—**	**—**	**(7)**	**(189)**	**45**

"Other changes" mainly include the *derecognition*, in May 2026, of the investment in the Brazilian company I-Systems following its acquisition of control by the TIM Group and the resulting full consolidation. For further details, see Note 4"Business Combinations".

The list of investments accounted for using the equity method is presented in the Note 35 "List of companies of the TIM Group".

Other holdings are detailed as follows:

(million euros)	6/30/2026	12/31/2025
Upload Ventures Growth LP	59	52
SECO S.p.A.	33	30
UV T-Growth	40	25
Other	16	13
Total	**148**	**120**

At June 30, 2026, the TIM Group had a subscription commitment for units:

- of the **UV T-Growth** fund for an amount equal to 13.3 million euros;
- in the **Northgate CommsTech Innovations Partners L.P.** fund for 2.6 million USD, equal to approximately 2.3 million euros at the exchange rate as of June 30, 2026.

NOTE 10
NON-CURRENT AND CURRENT FINANCIAL ASSETS

Non-current and current financial assets were broken down as follows:

(million euros)		6/30/2026	12/31/2025
Other non-current financial assets			
Securities other than investments		1	1
Receivables from employees		8	9
Hedging derivatives relating to hedged items classified as non-current assets/liabilities of a financial nature		398	383
Non-hedging derivatives		—	4
		437	**397**
Financial receivables for lease contracts		**37**	**34**
Total non-current financial assets	**(a)**	**474**	**431**
Securities other than investments, other financial receivables and other current financial assets			
Securities other than investments			
Measured at amortized cost (AC)		—	—
Measured at Fair Value Through Comprehensive Income (FVTOCI)		823	815
Measured at Fair Value Through Profit or Loss (FVTPL)		332	555
		1,155	**1,370**
Financial receivables and other current financial assets			
Receivables from employees		3	3
Hedging derivatives relating to hedged items classified as current assets/liabilities of a financial nature		37	29
Non-hedging derivatives		93	70
Other short-term financial receivables		31	66
		164	**168**
	(b)	**1,319**	**1,538**
Financial receivables for lease contracts	**(c)**	**51**	**44**
Cash and cash equivalents	**(d)**	**1,070**	**2,048**
Total current financial assets	**e=(b+c+d)**	**2,440**	**3,630**
Financial assets relating to Discontinued operations/Non-current assets held for sale	**(f)**	**118**	**162**
Total non-current and current financial assets	**g=(a+e+f)**	**3,032**	**4,223**

Further details on Financial Instruments are provided in Note 20 "Supplementary disclosures on financial instruments".

Financial receivables for lease contracts refer to:

- finance leases on user rights and equipment;
- agreements for the sale of network infrastructure in IRU with deferred collection over time recognized using the financial method envisaged by IFRS 16 given the contractual term substantially close to the economic life of the asset;
- lease contracts for commercial products with customers.

Hedging derivatives relating to hedged items classified among non-current and current financial assets refer to cash flow hedge derivatives.

Non-hedging derivatives classified as current financial assets (93 million euros) consisted of 61 million euros relating to the Brazil Business Unit and 32 million euros relating to *Total Return Equity Swaps* of TIM S.p.A.

Further details are provided in the Note 19 "Derivatives".

Other short-term financial receivables include the credit line that TIM S.p.A. (30 million euros) due from *Discontinued Operations*.

Securities other than investments included in current financial assets relate to:

- 823 million euros of listed securities, of which 303 million euros of Italian and foreign treasury bonds purchased by Telecom Italia Finance S.A. as well as 520 million euros of bonds purchased by Telecom Italia Finance S.A. with different maturities, all with an active market and consequently readily convertible into cash. Under IFRS 9 and consistently with the Business model, such securities are classified as financial assets measured at fair value through other comprehensive income (FVTOCI). The purchases of the above government bonds, which, pursuant to Consob Communication no. DEM/11070007 of August 5, 2011, represent investments in “Sovereign debt securities”, have been made in accordance with the Guidelines for the “Management and control of financial risk” adopted by the TIM Group;

- 332 million euros of investments in monetary funds by the Brazil Business Unit, which, under IFRS 9, are classified as financial assets measured at fair value through profit or loss (FVTPL).

Further details are provided in Note 2 “Accounting policies”.

Cash and cash equivalents amounted to 1,070 million euros (2,048 million euros at December 31, 2025) and were broken down as follows:

(million euros)	6/30/2026	12/31/2025
Liquid assets with banks, financial institutions and post offices	617	1,493
Securities other than investments (due within 3 months)	453	549
Other financial receivables	—	6
Total	**1,070**	**2,048**

The different technical forms of use of available cash at June 30, 2026 had the following characteristics:

- maturities: investments have a maximum maturity of three months;
- counterparty risk: deposits are made with leading high-credit-quality banks and financial institutions with a rating of at least BBB and a non-negative outlook regard to Europe, and with leading local counterparts with regard to investments in South America;
- Country risk: deposits are made mainly in major European financial markets.

Securities other than investments (due within 3 months) included 453 million euros (549 million euros at December 31, 2025) of Brazilian bank certificates of deposit (*Certificado de Depósito Bancário*) held by the Brazil Business Unit with premier local banking and financial institutions.

NOTE 11
MISCELLANEOUS RECEIVABLES AND OTHER NON-CURRENT ASSETS

This item consisted of:

(million euros)		6/30/2026	12/31/2025
Miscellaneous receivables (non-current)	**(a)**	**477**	**472**
Other non-current assets			
Deferred contract costs		522	520
Other deferred costs		147	118
	(b)	**669**	**638**
Total	**(a+b)**	**1,146**	**1,110**

Miscellaneous receivables (non-current) totaled 477 million euros (472 million euros at December 31, 2025) and included Non-current income tax receivables of 70 million euros (66 million euros at December 31, 2025).

The item mainly includes:

- 332 million euros related to the Brazil Business Unit pertaining mainly to judicial deposits (120 million euros), indirect taxes (121 million euros) and direct taxes (40 million euros);
- 144 million euros relating to the Domestic Business Unit, mainly recorded by the Parent Company TIM S.p.A. in relation to the non-current portion of the receivable from FiberCop S.p.A. for services related to the Master Services Agreement (MSA) (107 million euros) and receivables from the Treasury for income tax expense (30 million euros).

Other non-current assets amounted to 669 million euros (638 million euros at December 31, 2025). They mainly break down as follows:

- **Deferred contract costs** of 522 million euros (520 million euros at December 31, 2025), mainly related to the deferral of costs related to the activation and acquisitions of new customer contracts in the fixed and mobile sectors.

  For mobile network customers, contractual costs (mainly costs for commissions to the sales network) are deferred and recognized in a separate profit or loss based on the expected duration of the contractual relationship, estimated at 4 years.

  For fixed-line customers, the deferral and recognition of contract costs in profit or loss are linked to the period over which the one-off costs are expected to be recovered economically, which has been determined to be four years.

  At June 30, 2026, total (non-current and current) deferred contract costs amounted to 946 million euros (929 million euros at December 31, 2025) and break down as follows:

(million euros)	6/30/2026	12/31/2025
Deferred contract costs		
Non-current deferred contract costs	522	520
Current deferred contract costs	424	409
Total	**946**	**929**

(million euros)	6/30/2026	12/31/2025
Deferred contract costs		
Contract acquisition costs	764	756
Contract execution costs	182	173
Total	**946**	**929**

Deferred contract costs will be recognized in the income statements for future years and, in particular, for approximately 230 million euros in the second half of 2026 and for approximately 354 million euros in 2027, based on the amount at June 30, 2026 and without taking into account the new deferred portions.

(million euros)	6/30/2026	Period of recognition in the income statement				
		2nd Half 2026	FY 2027	FY 2028	FY 2029	FY 2030
Contract acquisition costs	764	192	288	184	90	10
Contract execution costs	182	38	66	51	25	2
Total	**946**	**230**	**354**	**235**	**115**	**12**

- **Other deferred costs** equal to 147 million euros, mainly attributable to TIM S.p.A. (82 million euros, essentially attributable to rental costs of third-party assets) and to the Brazil Business Unit (56 million euros).

NOTE 12

TRADE AND MISCELLANEOUS RECEIVABLES AND OTHER CURRENT ASSETS

This item consisted of:

(million euros)		6/30/2026	12/31/2025
Trade receivables	**(a)**	**2,633**	**2,345**
Miscellaneous receivables (current)			
Other receivables	**(b)**	**1,059**	**2,030**
Other current assets			
Contract assets		73	41
Deferred contract costs		424	409
Other deferred costs		712	462
Other		35	30
	(c)	**1,244**	**942**
Total	**(a+b+c)**	**4,936**	**5,317**

Trade receivables amount to 2,633 million euros (2,345 million euros at December 31, 2025) and are stated net of 330 million euros of the related receivables write-down provision (317 million euros at December 31, 2025).

Trade receivables relate, in particular, to TIM S.p.A. (1,694 million euros) and the Brazil Business Unit (887 million euros).

Miscellaneous receivables (current) refer to other receivables of 1,059 million euros (2,030 million euros at December 31, 2025) and are net of a write-down provision of 13 million euros (13 million euros at December 31, 2025) and are detailed as follows:

(million euros)	6/30/2026	12/31/2025
Receivable connected to the 1998 License Fee ruling	—	1,011
Advances to suppliers	145	165
Receivables from employees	12	7
Tax receivables	509	479
Receivables for grants from the government and public entities	33	18
Sundry receivables	360	350
Total	**1,059**	**2,030**

On June 11, 2026, TIM S.p.A. received reimbursement of the 1998 License Fee. The payment follows the Italian Supreme Court's Judgment No. 33241 of December 19, 2025, which upheld the Company's claims and made final the decision of the Court of Appeal no. 2320/2024 of April 3, 2024, and the total amount of compensation for damages to be paid by the Presidency of the Council of Ministers to Telecom Italia. The amount received relates to the damages awarded (approximately 973 million euros in total, including indexation and interest accrued through April 3, 2024) and statutory interest (approximately 39 million euros).

As of June 30, 2026, "tax receivables" refer to the Brazil Business Unit for 311 million euros and to the Domestic Business for 198 million euros.

Receivables for grants from the government and public entities (million euros) mainly relate to projects non-network infrastructure related projects financed by the Italian Ministry of Economic Development and the European Community, particularly projects related to Emerging Technology Centers and cloud (IPCEI-CIS project) and edge computing services, which accounted for the 15 million euro increase compared with December 31, 2025. Recognition of these grants in the income statement is made, in the case of capital grants, on a systematic basis over the useful life of the assets to which the grants relate or, in the case of operating grants, on a systematic basis over the periods in which the Parent Company TIM S.p.A. reports to the financing entities the eligible costs incurred.

"Sundry receivables" specifically include the following receivables of TIM S.p.A.:

- receivables from social security and pension institutions (89 million euros);
- current portion (85 million euros) of the receivable from FiberCop S.p.A. for services related to the *Master Service Agreement* (MSA);
- receivables for Universal Service (52 million euros);
- miscellaneous receivables from other TLC operators (27 million euros);
- receivables for with-recourse assignments to factoring companies (11 million euros).

Other current assets included:

- **Contract assets**. This item mainly includes:
  - 58 million euros of TIM S.p.A. connected to the work carried out in relation to the "5G Coverage Plan", the “5G Backhaulling Plan” and the “1G Plan”, within the NRRP;

- 11 million euros attributable to TIM S.p.A. due to the effect of the early recognition of revenues for those bundle contracts (such as bundles of products and services) with individual performance obligations with a different recognition timing, in which the goods recognized "at a point in time" are sold at a discounted price, or for those contracts which, by providing for a discount for a period of time shorter than the minimum contract term, require, pursuant to IFRS 15, a reallocation of the discount over the minimum contractual term. These Contract Assets are net of the related impairment provision of 1 million euros.

- **Deferred contract costs** (424 million euros; 409 million euros at December 31, 2025): are contract costs (mainly technical activation costs and costs for commissions to the sales network) subject to deferral and recognized in the separate income statement:
  - for mobile network customers depending on the expected duration of the contractual relationship with customers;
  - for fixed network customers according to the period over which the economic recoverability of the "one-off" costs is achieved.

  For further details, please refer to Note 10 "Miscellaneous receivables and other non-current assets".

- **Other deferred costs** mainly concern:
  - the Parent TIM S.p.A. essentially for costs relating to:
    - rental charges and other lease and rental costs (480 million euros);
    - the purchase of products and services (51 million euros);
    - after-sales expenses on application offers (37 million euros);
    - maintenance fees (5 million euros);
    - insurance premiums (2 million euros);
  - the Brazil Business Unit (75 million euros) included the deferral of the charge relating to TIM S.A.'s FISTEL telecommunications services fee (28 million euros), as well as items relating mainly to marketing activities and maintenance contracts.

NOTE 13
DISCONTINUED OPERATIONS /NON-CURRENT ASSETS HELD FOR SALE

On April 14, 2025, TIM and Boost BidCo – a vehicle controlled by the Ministry of Economy and Finance (MEF) and invested in by Retelit – signed an agreement for the sale of Telecom Italia Sparkle, a company active in the development of fiber-optic networks for international wholesale customers. This agreement was based on the offer approved by TIM's Board of Directors on February 12, 2025, which had previously received the favorable opinion of the Related Parties Committee.

The agreement provides for an enterprise value of the Telecom Italia Sparkle group of 700 million euros. The price for the sale will be equal to the enterprise value, adjusted on the basis of the value of net financial debt and on the basis of the usual price adjustments related to certain objectives relating to economic performance and deviations from target working capital of the Telecom Italia Sparkle group at closing.

Finally, the arrangement also foresees that, at closing, TIM and Sparkle will sign an agreement regulating the post-closing services that will be provided between the companies.

Since the first quarter of 2025, the TI Sparkle Group has been classified as a group held for sale. Accordingly, the related Income Statement items are classified under "Profit (loss) from discontinued operations/Non-current assets held for sale", while the related items in the Consolidated Statement of Financial Position are classified under "Discontinued operations/Non-current assets held for sale" and "Liabilities directly associated with Discontinued operations/Non-current assets held for sale".

As of June 30, 2026, the Sparkle Group continued to be classified as a group held for sale. The closing of the sale of Sparkle to Boost BidCo, a vehicle controlled by the Ministry of Economy and Finance (MEF) and jointly owned with Retelit, is expected to take place in the second half of 2026, subject to receipt of the required regulatory approvals in the United States. Moreover, as disclosed on April 14 of this year, the long-stop date for completion of the transaction has been extended to October 15, 2026.

Finally, it should be noted that, until the sale of the controlling interest in TI Sparkle is completed, no material changes to the governance of the company or its subsidiaries are expected. Accordingly, TIM will continue to:

(i) the ability to direct the relevant activities of the investee;

(ii) the right to variable returns; and

(iii) the ability to use its decision-making to determine the amount of the returns relating to its shareholding in the entity.

A breakdown of the Assets held for sale and the Liabilities directly related to them is given below:

(million euros)		6/30/2026	12/31/2025
Discontinued operations /Non-current assets held for sale:			
of a financial nature		118	162
of a non-financial nature		1,117	1,065
Total	**(a)**	**1,235**	**1,227**
Liabilities directly associated with Discontinued operations/Non-current assets held for sale			
of a financial nature		80	89
of a non-financial nature		541	507
Total	**(b)**	**621**	**596**
Net value of Discontinued operations / Non current assets held for sale	**(a-b)**	**614**	**631**

Assets of a financial nature are composed as follows:

(million euros)	6/30/2026	12/31/2025
Non-current financial assets	8	7
Current financial assets	110	155
Total	**118**	**162**

Assets of a non-financial nature are composed as follows:

(million euros)	6/30/2026	12/31/2025
Non-current assets		
Goodwill	—	—
Intangible assets with a finite useful life	*86*	*79*
Tangible assets	*406*	*382*
Rights of use assets	*201*	*198*
Other non-current assets	*49*	*66*
	742	**725**
Current assets	**375**	**340**
Total	**1,117**	**1,065**

Liabilities of a financial nature are composed as follows:

(million euros)	6/30/2026	12/31/2025
Non-current financial liabilities	46	15
Current financial liabilities	34	74
Total	**80**	**89**

Liabilities of a non-financial nature are composed as follows:

(million euros)	6/30/2026	12/31/2025
Non-current liabilities	248	204
Current liabilities	293	303
Total	**541**	**507**

The component items of "Profit (loss) from Discontinued operations/Non-current assets held for sale" within the consolidated separate income statement are as follows:

(million euros)		1st Half 2026	1st Half 2025
Economic effects of Discontinued operations / Non-current assets held for sale:			
Revenues		**309**	**353**
Other income		1	1
Acquisition of goods and services		(248)	(282)
Employee benefits expenses		(36)	(32)
Other operating expenses/Change in inventories/Internally generated assets		(1)	(3)
Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)		**25**	**37**
Depreciation and amortization		(44)	—
Gains (losses) on disposals of non-current assets		(1)	—
Impairment reversals (losses) on non-current assets		—	(57)
Operating profit (loss) (EBIT)		**(20)**	**(20)**
Share of profits (losses) of associates and joint ventures accounted for using the equity method and Other income/(expenses) from investments		—	—
Net financial income/expense		(2)	(12)
Earnings before tax from Discontinued operations/Non-current assets held for sale		**(22)**	**(32)**
Income tax expense		—	—
Earnings after tax from Discontinued operations/Non-current assets held for sale	**(a)**	**(22)**	**(32)**
Other economic impacts:			
Other items		(3)	(1)
Other income/ (expenses) related to disposals from previous years			(9)
	(b)	**(3)**	**(10)**
Profit (loss) from Discontinued operations / Non current assets held for sale	**(a+b)**	**(25)**	**(42)**
Attributable to:			
Owners of the Parent		**(25)**	**(42)**
Non-controlling interests		—	—

Earnings per share from Discontinued operations/Non-current assets held for sale attributable to the Shareholders of the Parent Company for the first half of 2026 and the first half of 2025 were as follows:

(euros)	1st Half 2026	1st Half 2025
Basic earnings per share from Discontinued operations/Non-current assets held for sale		
ordinary share	(0.01)	(0.02)
savings share	—	(0.02)
Diluted earnings per share from Discontinued operations/Non-current assets held for sale		
ordinary share	(0.01)	(0.02)
savings share	—	(0.02)

Earnings per share, in accordance with IAS 33, consider the capital transactions carried out by TIM S.p.A. in the first half of 2026 (in particular the reverse stock split); the first half of 2025 was therefore restated.

In addition, within the scope of the consolidated statements of comprehensive income in relation to “Discontinued operations/non-current assets held for sale”:

- the change in the actuarial gains/losses included in the Reserve for remeasurements of defined benefit plans, which in the first half of 2026 were nil (nil in the first half of 2025);
- the change in the translation reserve was positive for 5 million euros in the first half of 2026 (negative for 17 million euros in the first half of 2025).

Therefore, the total income from “Discontinued operations/non-current assets held for sale” was negative for 20 million euros in the first half of 2026 and negative for 59 million euros in the first half of 2025.

In the Consolidated Statement of Cash Flows, the net impacts (expressed in terms of contribution to consolidation) of "Discontinued operations/Non-current assets held for sale" are detailed as follows:

(million euros)	1st Half 2026	1st Half 2025
Discontinued operations /Non-current assets held for sale:		
Cash flows from (used in) operating activities	9	(17)
Cash flows from (used in) investing activities	(40)	(25)
Cash flows from (used in) financing activities	(6)	(12)
Total	**(37)**	**(54)**

NOTE 14
EQUITY

This item consisted of:

(million euros)	6/30/2026	12/31/2025
Equity attributable to owners of the Parent	11,515	12,219
Non-controlling interests	1,412	1,236
Total	**12,927**	**13,455**

Equity attributable to owners of the Parent was as follows:

(million euros)	6/30/2026	12/31/2025
Share capital	5,970	11,628
Additional paid-in capital	—	—
Other reserves and retained earnings (accumulated losses), including profit (loss) for the period	5,545	591
Reserve for financial assets measured at fair value through other comprehensive income	(1)	5
Reserve for hedging instruments	(29)	(30)
Reserve for exchange differences on translating foreign operations	(2,281)	(2,491)
Reserve for remeasurements of employee defined benefit plans (IAS 19)	(63)	(62)
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 year	7,919	3,169
Total	**11,515**	**12,219**

In accordance with the resolution passed by the Shareholders' Meeting on April 15, 2026, the loss booked for 2025, resulting form the financial statements of the Parent Company TIM S.p.A. (155 million euros) was hedged through the partial use of the legal reserve.

Following the shareholders' resolutions adopted on January 28, 2026, and April 15, 2026, the following transactions were carried out during the first half of 2026, affecting the Equity and Share Capital of the Parent, TIM S.p.A.:

- the voluntary reduction of the Share Capital from 11,677 million euros to 6,000 million euros and allocation of the reduction to the Legal reserve and to the Available net equity reserve; the Legal reserve at June 30, 2026 was therefore equal to 1,200 million euros, representing 20% of the Share Capital;
- the conversion of savings shares into ordinary shares, with a conversion ratio of 1 ordinary share for each savings share and a differentiated cash premium for optional conversion (0.12 euros per share) and mandatory conversion (0.04 euros per share); the total outlay paid as the conversion premium came to 692 million euros, with a corresponding reduction in TIM S.p.A. reserves;
- the reverse stock split of the ordinary shares comprising the Share Capital, at a ratio of 1 new ordinary share with full dividend rights for every 10 ordinary shares outstanding. this split is without accounting effects;
- approval of a share buyback program for TIM S.p.A. ordinary shares, for a maximum aggregate consideration of 400 million euros and up to 70,000,000 shares (following the reverse stock split). As of 21 July 2026, the first tranche of the program had been completed, with the repurchase of 14,000,000 ordinary shares for a total consideration of approximately 109 million euros.

For further details, please refer to section “Information relating to the resolutions of the Shareholders' Meetings of January 28, 2026 and April 15, 2026 and to the share capital transactions of TIM S.p.A”.

It should be noted that, following the voluntary reduction of the share capital, the accounting par value changed from 0.5467 euros per share at December 31, 2025 to 0.28093 euros per share; following the 10-1 reverse stock split, the accounting par value at June 30, 2026 was 2.8093 euros per share.

At June 30, 2026, the share capital amounted to 5,970million euros after discounting the treasury shares of 30million euros. At December 31, 2025, share capital amounted to 11,628million euros, already net of treasury shares of 49 million euros;

The change in share capital of 5,658 million euros mainly refers to the voluntary reduction in share capital (approved by the Shareholders’ Meeting of January 28, 2026), for -5,677 million euros, as well as the impacts from the start of the first tranche of the buyback of treasury shares (approved by the Shareholders’ Meeting of April 15, 2026) and the allocation of treasury shares to beneficiaries of the 2022-2024 Stock Option Plan.

It bears noting that share capital no longer carries a tax suspension restriction (1,191 million euros at December 31, 2025). The aforementioned constraint now applies to reserves and was reduced by 692 million euros as a result of the payment of the premium upon the conversion of savings shares into ordinary shares.

Movements in share capital during the first half of 2026 are shown in the tables below:

Reconciliation between the number of shares outstanding at December 31, 2025 and June 30, 2026

(number of shares)		At 12/31/2025	Share assignments for incentive plans	Conversion of savings shares	Share buyback	At 6/15/2026 before reverse stock split
Ordinary shares Issued	(a)	15,329,466,496	—	6,027,791,699	—	21,357,258,195
less: treasury shares	(b)	(89,040,415)	47,940,061	—	(30,434,780)	(71,535,134)
Ordinary shares outstanding	(c)	15,240,426,081	47,940,061	6,027,791,699	(30,434,780)	21,285,723,061
Savings shares issued and outstanding	(d)	6,027,791,699	—	(6,027,791,699)	—	—
Total shares issued	**(a+d)**	**21,357,258,195**	**—**	**—**	**—**	**21,357,258,195**
Total shares outstanding	**(c+d)**	**21,268,217,780**	**47,940,061**	**—**	**(30,434,780)**	**21,285,723,061**

(number of shares)		At 6/15/2026 after reverse stock split	Share assignments for incentive plans	Share buyback	At 6/30/2026	% of Share Capital
Ordinary shares Issued	(a)	2,135,725,819	—	—	2,135,725,819	100.00
less: treasury shares	(b)	(7,153,513)	34,935	(3,640,000)	(10,758,578)	
Ordinary shares outstanding	(c)	2,128,572,306	34,935	(3,640,000)	2,124,967,241	
Savings shares issued and outstanding	(d)	—	—	—	—	—
Total shares issued	**(a+d)**	**2,135,725,819**	**—**	**—**	**2,135,725,819**	**100.00**
Total shares outstanding	**(c+d)**	**2,128,572,306**	**34,935**	**(3,640,000)**	**2,124,967,241**	

Reconciliation between the value of shares outstanding at December 31, 2025 and June 30, 2026

(million euros)		Share capital at 12/31/2025	Share assignments for incentive plans	Voluntary share capital reduction	Conversion of savings shares	Share buyback	Share capital at 6/30/2026
Ordinary shares Issued	(a)	8,381		(4,075)	1,694	—	6,000
less: treasury shares	(b)	(49)	22	16	—	(19)	(30)
Ordinary shares outstanding	(c)	8,332	22	(4,059)	1,694	(19)	5,970
Savings shares issued and outstanding	(d)	3,296		(1,602)	(1,694)	—	—
Total share capital issued	**(a+d)**	**11,677**	**—**	**(5,677)**	**—**	**—**	**6,000**
Total share capital outstanding	**(c+d)**	**11,628**	**22**	**(5,661)**	**—**	**(19)**	**5,970**

Future potential changes in share capital

Reference should be made to Note 30 "Share-based Payment Arrangements".

Information relating to the resolutions of the Shareholders' Meetings of January 28, 2026 and April 15, 2026 and to the share capital transactions of TIM S.p.A.

Voluntary reduction of share capital and conversion of savings shares into ordinary shares

The Ordinary Shareholders' Meeting and the Special Meeting of Savings Shareholders of TIM S.p.A., which met on January 28, 2026, approved the proposal for the voluntary reduction of share capital and the conversion of TIM savings shares into ordinary shares, in accordance with the proposal presented by the Board of Directors.

In particular, at its extraordinary session, the Ordinary Shareholders' Meeting of TIM S.p.A. approved the following interconnected resolutions, which were to be implemented as a single, indivisible transaction:

- the voluntary reduction of the share capital to 6 billion euros, allocating the resulting amount to the legal reserve and to the available net equity reserve (the “Capital Reduction”);
- the optional conversion of savings shares into ordinary shares, based on a conversion ratio equal to 1 ordinary share for each savings share held, plus a cash premium of 0.12 euros (the “Optional Conversion”);
- the mandatory conversion of savings shares that have not been subject to optional conversion, on the basis of the same conversion ratio and with a premium of 0.04 euros (the "Mandatory Conversion" and, together with the Optional Conversion, the "Conversion").

The Special Meeting of Savings Shareholders of TIM S.p.A., in turn, approved the proposal for the Mandatory Conversion.

Pursuant to Article 2445(3) of the Italian Civil Code, the Capital Reduction could be implemented only after the expiry of the 90-day period following the registration of the relevant shareholders' resolution with the Companies Register. The resolution was registered on January 29, 2026; accordingly, the 90-day period expired on April 29, 2026. The Capital Reduction could then be implemented provided that no creditor of the Company whose claim pre-dated the registration had filed an objection during that period. If an objection had been filed, implementation required authorization from the competent court pursuant to Article 2445(4) of the Italian Civil Code. Such authorization could be granted within six months of the registration of the resolution, a period that the Company could extend by up to a further three months.

As no objections were raised by the Company's creditors, the Capital Reduction became effective on April 29, 2026. As a result, the Company's share capital was reduced from 11,677,002,855.10 million euros to 6,000,000,000.00 euros, with no change in the number of TIM shares outstanding. Consequently, the implied accounting par value of each share was reduced, as the Company's shares have no express nominal value.

As reported previously, savings shareholders who did not vote in favor of the mandatory conversion resolution at the Special Meeting of Savings Shareholders were granted a right to withdraw, which must be exercised within 15 days of the date of registration of the shareholders' meeting resolution, which took place on January 29, 2026. The right to withdraw was therefore validly exercised in the period from January 29, 2026 to February 13, 2026 for a total of 2,014,231 savings shares representing 0.0334% of the total savings shares. On March 2, 2026, the offer and pre-emption of rights for the shares subject to withdrawal was published, the acceptance period of which ran from March 2, 2026 to April 1, 2026. The unit liquidation value of the savings shares subject to withdrawal has been set at €0.5117. Following the completion of the Offer, 459,369 shares subject to withdrawal were acquired through the exercise of pre-emption rights (at a ratio of one share for every 10,555 rights exercised). The remaining 1,554,862 unsubscribed shares, all of which were subject to pre-emption requests, were allocated among the requesting shareholders in proportion to the pre-emption rights they had exercised. Accordingly, all the shares subject to withdrawal were acquired by the Company's shareholders for a total consideration of 1,030,682 euros.

The Conversion was subject to the following conditions:

- the maximum disbursement to be made by the Company for the liquidation of the shares subject to withdrawal that were not purchased by the shareholders or placed with third parties, following the procedure referred to in Article 2437-quater of the Italian Civil Code, must not have exceeded a total amount equal to 100,000,000.00 euro (the "stop-loss" condition);
- no objection to the Capital Reduction must have been raised by the Company's creditors by April 29, 2026 or, if an objection was raised, the competent court must have authorized the Capital Reduction pursuant to Article 2445(4) of the Italian Civil Code, with the result that the Capital Reduction became effective.

Both conditions were satisfied and, on May 20, 2026, the Optional Conversion became effective. Holders of 5,634,300,438 TIM savings shares, representing 93.5% of all shares in that class, elected to participate in the Optional Conversion, resulting in a cash premium of 676,116,053 euros. Finally, on May 21, 2026, the Mandatory Conversion became effective in respect of the remaining 393,491,261 savings shares, resulting in a cash premium of 15,739,650 euros.

Upon completion of the Conversion, the savings shares were delisted from the Euronext Milan regulated market operated by Borsa Italiana. At the same time, a total of 6,027,791,699 ordinary shares of the Company (corresponding to the number of savings shares then outstanding) were issued, bringing the total number of TIM ordinary shares outstanding to 21,357,258,195 as of May 21, 2026.

As the conditions for the Conversion resolution to become effective were satisfied, the withdrawal rights exercised by the holders of the Company's savings shares who had not voted in favor of the Conversion at the Special Meeting likewise became effective.

Reverse stock split of TIM S.p.A. Ordinary Shares

At the Shareholders' Meeting of TIM S.p.A. held on April 15, 2026, the shareholders, among other resolutions, approved in extraordinary session a proposal to consolidate the Company's ordinary shares on the basis of one new ordinary share, carrying full dividend rights, for every 10 ordinary shares then outstanding. As a result, the total number of ordinary shares outstanding was reduced from 21,357,258,195 to 2,135,725,819.

The share consolidation, which was conditional upon completion of the share capital transactions approved by the Shareholders' Meeting on January 28, 2026, was implemented on June 15, 2026. To facilitate the consolidation, five ordinary shares were cancelled and 2,135,725,819 new TIM ordinary shares, likewise with no express nominal value (ISIN IT0005712671), having the same rights and characteristics as the existing ordinary shares, were issued.

Buyback of TIM S.p.A. Ordinary Shares

At the Shareholders' Meeting held on April 15, 2026, the shareholders, acting on a proposal from the Board of Directors, authorized the purchase and disposal of treasury shares, including in multiple tranches, for an aggregate maximum consideration of 400 million euros and up to a maximum of 700,000,000 ordinary shares. Following the share consolidation described above, this maximum was reduced to 70,000,000 ordinary shares, representing approximately 3.3% of the Company's share capital. In addition, in extraordinary session, the Shareholders' Meeting authorized the cancellation of treasury shares without any reduction in the Company's share capital, with a corresponding increase in the implied accounting par value of the shares not cancelled, up to a maximum of 700,000,000 ordinary shares. Following the share consolidation, this maximum was reduced to 70,000,000 ordinary shares. The authorization applies to treasury shares that may be acquired and are not used to satisfy obligations arising under the Company's remuneration plans.

By resolution of the Board of Directors dated May 27, 2026, the launch of the first tranche of the share buyback program was approved, to be completed by December 31, 2026. The tranche covers up to 140 million TIM shares (reduced, after the reverse stock split, to a maximum of 14,000,000 ordinary shares, equal to approximately 0.7% of the share capital and to a value, based on the closing market price on May 26, 2026, of approximately 100 million euros), to be used to satisfy obligations arising under the approved remuneration and incentive plans.

For the purposes of implementing the program, TIM appointed an authorized intermediary to carry out the purchases. The intermediary makes all purchasing decisions independently, including as to the timing of the transactions, on Euronext Milan and the other eligible multilateral trading facilities (MTFs), within the limits of the authorization granted by the Shareholders' Meeting on April 15, 2026 and in accordance with Article 5 of Regulation (EU) No 596/2014 and Article 3 of Commission Delegated Regulation (EU) 2016/1052.

At June 30, 2026, 6,683,478 ordinary shares had been purchased, on July 21, 2026, this first tranche for the purchase of 14,000,000 ordinary shares, for a value of approximately 109 million euros, was completed.

NOTE 15
NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

Non-current and current financial liabilities (gross financial debt) are broken down as follows:

(million euros)		6/30/2026	12/31/2025
Non-current financial liabilities for financing contracts and others			
Medium/long-term financial liabilities:			
Bonds		6,949	6,918
Amounts due to banks		1,365	630
Other financial payables		274	255
		8,588	**7,803**
Other medium/long-term financial liabilities:			
Hedging derivatives relating to hedged items classified as non-current assets/liabilities of a financial nature		142	167
Non-hedging derivatives		17	20
Other liabilities		1	1
		160	**188**
	(a)	**8,748**	**7,991**
Non-current financial liabilities for lease contracts	**(b)**	**2,722**	**2,476**
Total non-current financial liabilities	**c=(a+b)**	**11,470**	**10,467**
Current financial liabilities for financing contracts and others			
Short-term financial liabilities:			
Bonds		268	1,188
Amounts due to banks		980	1,497
Other financial payables		180	288
		1,428	**2,973**
Other short-term financial liabilities:			
Hedging derivatives relating to hedged items classified as current assets/liabilities of a financial nature		37	24
Non-hedging derivatives		40	30
Other liabilities		—	—
		77	**54**
	(d)	**1,505**	**3,027**
Current financial liabilities for lease contracts	**(e)**	**548**	**515**
Total current financial liabilities	**f=(d+e)**	**2,053**	**3,542**
Financial liabilities directly associated with Discontinued operations/Non-current assets held for sale	**(g)**	**80**	**89**
Total financial liabilities (Gross financial debt)	**h=(c+f+g)**	**13,603**	**14,098**

Further details on Financial Instruments are provided in the Note 20"Supplementary disclosures on financial instruments".

Gross financial debt according to the original currency of the transaction is as follows:

	6/30/2026		12/31/2025	
	(millions in foreign currency)	(million euros)	(millions in foreign currency)	(million euros)
USD	2,026	1,778	2,027	1,725
BRL	22,753	3,858	24,201	3,743
JPY	20,059	108	20,052	109
EUR		7,779		8,432
Total		**13,523**		**14,009**
Discontinued Operations		80		89
Total		**13,603**		**14,098**

For the exchange rates used for the conversion of amounts in foreign currency, see the Note 33 "Other information".

The breakdown of gross financial debt by effective interest-rate bands applicable to the original currency is provided below, excluding the effect of any derivative hedging instruments:

(million euros)	6/30/2026	12/31/2025
Up to 2.5%	1,716	1,411
From 2.5% to 5%	3,043	3,955
From 5% to 7.5%	2,693	2,886
From 7.5% to 10%	2,136	2,200
Over 10%	3,464	3,043
Accruals/deferrals, MTM and derivatives	471	514
Total	**13,523**	**14,009**
Discontinued Operations	80	89
Total	**13,603**	**14,098**

Following the use of hedging instruments, on the other hand, gross financial debt by nominal interest rate band is as follows:

(million euros)	6/30/2026	12/31/2025
Up to 2.5%	2,474	2,124
From 2.5% to 5%	3,700	4,571
From 5% to 7.5%	1,662	1,702
From 7.5% to 10%	1,461	1,410
Over 10%	3,755	3,688
Accruals/deferrals, MTM and derivatives	471	514
Total	**13,523**	**14,009**
Discontinued Operations	80	89
Total	**13,603**	**14,098**

The maturities of financial liabilities according to the expected nominal repayment amount, as defined by contract, are the following:

(million euros)	maturing by June 30 of the year:						
	2027	2028	2029	2030	2031	After 2031	Total
Bonds	90	1,458	1,249	237	737	3,225	6,996
Loans and other financial liabilities	121	455	147	159	786	(111)	1,557
Finance lease liabilities	490	511	439	378	257	1,137	3,212
Total	**701**	**2,424**	**1,835**	**774**	**1,780**	**4,251**	**11,765**
Current financial liabilities	1,050	—	—	—	—	—	1,050
Total	**1,751**	**2,424**	**1,835**	**774**	**1,780**	**4,251**	**12,815**
Discontinued Operations	79	—	—	—	—	—	79
Total	**1,830**	**2,424**	**1,835**	**774**	**1,780**	**4,251**	**12,894**

The main components of financial liabilities are commented below.

Bonds are broken down as follows:

(million euros)	6/30/2026	12/31/2025
Non-current portion	6,949	6,918
Current portion	268	1,188
Total carrying amount	**7,217**	**8,106**
Fair value adjustment and measurements at amortized cost	(221)	(276)
Total nominal repayment amount	**6,996**	**7,830**

In nominal value terms, the bonds totalled 6,996 million euros, down 834 million euros from December 31, 2025 (7,830 million euros).

The main changes affecting the bond issues during the first half of 2026 were as follows:

(millions of original currency)	Currency	Amount	Repayment date
Repayments			
TIM S.p.A. 678 million euros 3.625%	EUR	678	5/25/2026
TIM Brasil 5,000 million BRL CDI+0.35% (1)	BRL	1,400	6/15/2026
TIM S.A. 1,600 million BRL HICP+4.1682%	BRL	533	6/15/2026

(1) On June 15, 2026, TIM Brasil completed the full early redemption of its BRL 1,400 million bond maturing on December 15, 2026.

The following table summarizes the bonds issued by TIM Group companies, listed by issuing company, expressed at the nominal repayment amount, net of bond buy-backs, and at market value:

Currency	Total (millions)	Nominal repayment amount (million euros)	Coupon	Issue date	Maturity date	Issue price (%)	Market price at June 30, 2026 (%)	Market value at June 30, 2026 (million euros)
Bonds issued by TIM S.p.A.								
Euro	742	742	2.375%	10/12/17	10/12/27	99.185	99.956	742
Euro	625	625	6.875%	1/27/23	2/15/28	(*) 100.240	104.969	656
Euro	750	750	7.875%	7/20/23	7/31/28	(*) 100.998	108.152	811
Euro	499	499	1.625%	1/18/21	1/18/29	99.074	95.866	479
Euro	500	500	3.625%	9/30/25	9/30/30	100	100.472	502
Euro	440	440	5.250%	3/17/05	3/17/55	99.667	102.994	453
Subtotal		**3,556**						**3,643**
Bonds issued by Telecom Italia Finance S.A. and guaranteed by TIM S.p.A.								
Euro	656	656	7.750%	1/24/03	1/24/33	(*) 109.646	122.486	803
Subtotal		**656**						**803**
Bonds issued by Telecom Italia Capital S.A. and guaranteed by TIM S.p.A.								
USD	500	438.8	6.375%	10/29/03	11/15/33	99.558	104.623	459
USD	500	438.8	6.000%	10/6/04	9/30/34	99.081	102.307	449
USD	500	438.8	7.200%	7/18/06	7/18/36	99.440	109.462	480
USD	500	438.8	7.721%	6/4/08	6/4/38	100	114.771	504
Subtotal		**1,755**						**1,892**
Bonds issued by TIM S.A.								
BRL	1,067	181	IPCA+4.1682%	6/15/21	6/15/28	100	84.690	153
Subtotal		**181**						**153**
Bonds issued by TIM Brasil Serviços e Participações S.A.								
BRL	2,792	473.4	CDI+0.70%	7/23/25	7/23/30	100	103.140	488
BRL	2,208	374.4	CDI+0.85%	7/23/25	7/23/32	100	103.654	388
Subtotal		**848**						**876**
Total		**6,996**						**7,367**

(*) Weighted average issue price for bonds issued with more than one tranche.

The regulations and the offering circulars relating to the bonds of the TIM Group are available on the Group's website gruppotim.it.

Medium- to long-term **amounts due to banks** amounted to 1,365 million euros (630 million euros as of December 31, 2025), following the drawdown of the remaining 735 million euros available under the 750 million euro Term Credit Facility entered into in July 2025. As of December 31, 2025, 15 million euros had been drawn under the facility. Amounts due to banks (short-term) totaled 980 million euros (1,497 million euros at December 31, 2025) and included 135 million euros as the current portion of amounts due to banks (medium/long-term). The reduction in Amounts due to banks (short-term) is mainly due to the repayment of the debt relating to the assignment of the 1998 License Fee credit and to new Repurchased Credit Agreements.

Other medium/long-term financial payables amounted to 274 million euros (255 million euros at December 31, 2025) and refer, for 107 million euros, to the Telecom Italia Finance S.A. loan for JPY 20,000 million, maturing in 2029. Other short-term financial payables amounted to 180 million euros (288 million euros at December 31, 2025) and included 21 million euros as the current portion of other medium/long-term financial payables and 52 million euros in short-term financial payables that TIM S.p.A. has towards *Discontinued Operations*.

Medium/long-term financial liabilities for lease liabilities amounted to 2,722 million euros (2,476 million euros at December 31, 2025), while short-term financial liabilities amounted to 548 million euros (515 million euros at December 31, 2025) and include 506 million euros as the current portion of medium/long-term financial liabilities for lease liabilities.

With reference to the financial lease liabilities net of *Discontinued Operations* in the first half of 2026 and 2025, the following is noted:

(million euros)	1st Half 2026	1st Half 2025
Principal reimbursements	204	202
Cash out interest portion	173	146
Total	**377**	**348**

Hedging derivatives relating to items classified as non-current financial liabilities amount to 142 million euros (167 million euros as of December 31, 2025), while hedging derivatives relating to items classified as current financial liabilities amount to 37 million euros (24 million euros as of December 31, 2025). They refer mainly to cash flow hedge derivatives.

Non-hedging derivatives classified as non-current financial liabilities came to 17 million euros (20 million euros at December 31, 2025), while non-hedging derivatives classified as current financial liabilities amounted to 40 million euros (30 million euros at

December 31, 2025). These also include the measurement of derivatives which, although put into place for hedging purposes, do not possess the formal requisites to be considered as such under IFRS.

Covenants and negative pledges outstanding at June 30, 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 June 30, 2026, this was the only outstanding loan 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 loan agreements granted to certain TIM Group companies outstanding as of June 30, 2026, 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 of June 30, 2026, no *covenant*, *negative pledge* or other clause relating to the above-described debt position had in any way been breached or violated, nor are any difficulties expected in complying with the *covenants* in the near future.

Revolving Credit Facility and Term Credit Facility

The following table shows committed credit lines:

(billion euros)	6/30/2026		12/31/2025	
	Agreed	Drawn down	Agreed	Drawn down
Revolving Credit Facility – April 2030 (*)	3.000	—	3.000	—
Term Credit Facility - July 2030	0.750	0.750	0.750	0.015
Total	**3.750**	**0.750**	**3.750**	**0.015**

(*) 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).

Rating

At June 30, 2026, the three rating agencies – Standard & Poor's, Moody's and Fitch Ratings – rated TIM as follows:

	Rating	Outlook
STANDARD & POOR'S	BB+	stable
MOODY'S	Ba1	stable
FITCH RATINGS	BB+	stable

NOTE 16
NET FINANCIAL DEBT

The table below shows the breakdown of net financial debt of the TIM Group determined in accordance with the provisions of the "Guidelines on disclosure requirements under the Prospectus Regulation" issued by the ESMA (*European Securities & Markets Authority*) on March 4, 2021 (ESMA32-382-1138) and incorporated by Consob with its Note of Attention no. 5/21 dated April 29, 2021.

This table also shows the reconciliation of the net financial debt determined according to the aforementioned criteria indicated by the ESMA and net financial debt calculated according to the criteria of the TIM Group.

(million euros)		**6/30/2026**	**12/31/2025**
Liquid assets with banks, financial institutions and post offices	(a)	617	1,493
Other cash and cash equivalents	(b)	453	555
Securities other than investments	(c)	1,155	1,370
Liquidity	**(d=a+b+c)**	**2,225**	**3,418**
Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(e)	1,060	1,671
Current portion of non-current financial debt	(f)	863	1,772
Current financial debt	**(g=e+f)**	**1,923**	**3,443**
Net current financial debt	**(h=g-d)**	**(302)**	**25**
Non-current financial debt (excluding current portion and debt instruments)	(i)	4,123	3,162
Debt instruments	(j)	6,949	6,918
Trade payables and other non-current debt	(k)	122	51
Non-current financial debt	**(L=I+J+K)**	**11,194**	**10,131**
Total net financial debt as per ESMA guidelines 32-382-1138	**(m=h+l)**	**10,892**	**10,156**
Trade payables and other non-current debt		(122)	(51)
Non-current financial receivables arising from lease contracts		(37)	(34)
Current financial receivables arising from lease contracts		(51)	(44)
Financial receivables and other current financial assets		(34)	(69)
Other financial receivables and other non-current financial assets		(39)	(10)
Financial assets/liabilities relating to discontinued operations/non-current assets held for sale		(38)	(73)
Subtotal	**(n)**	**(321)**	**(281)**
Net financial debt carrying amount (*)	**(p=m+n)**	**10,571**	**9,875**
Reversal of fair value measurement of derivatives and related financial liabilities/assets	(q)	(92)	(97)
Adjusted Net Financial Debt	**(r=p+q)**	**10,479**	**9,778**

(*) For the impact of Related-Party Transactions on Net Financial Debt, reference should be made to the table included in the Note "Related-party transactions".

Additional cash flow information required by IAS 7

(million euros)		12/31/2025	Cash movements		Non-cash movements		Other changes and reclassifications	6/30/2026
			Receipts and/or Issues	Payments and/or reimbursements	Exchange differences	Fair value changes		
Medium/long-term financial liabilities:								
Bonds		8,106		(1,000)	174	(7)	(56)	7,217
Amounts due to banks		733	735	(119)	12		139	1,500
Other financial payables		295		(20)	15		5	295
	(a)	**9,134**	**735**	**(1,139)**	**201**	**(7)**	**88**	**9,012**
of which short-term		*1,331*						*424*
Medium/long-term finance lease liabilities:		2,963		(204)	205		264	3,228
	(b)	**2,963**	**—**	**(204)**	**205**	**—**	**264**	**3,228**
of which short-term		*487*						*506*
Other medium/long-term financial liabilities:								
Hedging derivative liabilities relating to hedged items classified as non-current assets/liabilities of a financial nature		190			(13)	(13)	15	179
Non-hedging derivative liabilities		50				(6)	(1)	43
Other liabilities		1						1
	(c)	**241**	**—**	**—**	**(13)**	**(19)**	**14**	**223**
of which short-term		*53*						*63*
Short-term financial liabilities:								
Amounts due to banks		1,394					(549)	845
Other financial payables		249			13	1	(90)	173
Short-term finance lease liabilities		28					14	42
	(d)	**1,671**	**—**	**—**	**13**	**1**	**(625)**	**1,060**
Financial liabilities directly associated with Discontinued operations/Non-current assets held for sale:	**(e)**	**89**	**—**	**(1)**	**—**	**—**	**(8)**	**80**
Total financial liabilities (Gross financial debt)	**(f=a+b+c+d+e)**	**14,098**	**735**	**(1,344)**	**406**	**(25)**	**(267)**	**13,603**
Hedging derivative assets relating to hedged items classified as non-current and current assets/liabilities of a financial nature	**(g)**	412			40	(21)	4	435
Non-hedging derivative receivables	**(h)**	74			29	1	(11)	93
Total	**(i=f-g-h)**	**13,612**	**735**	**(1,344)**	**337**	**(5)**	**(260)**	**13,075**

The change in short-term payables to banks (549 million euros) is due to a change in cash flows mainly due to the settlement of the sum due for the disposal of the 1998 concession fee and changes in *repurchased credit agreements*.

The value of the paid and collected interest expense for Continuing Operations reported in the Statements of Cash Flows takes into account the movements relating to transactions in CCIRS derivatives to hedge underlying assets in both the assets component (collections) and the liabilities component (payments) without netting the positions.

(million euros)	1st Half 2026	1st Half 2025
Interest expense paid	(547)	(584)
Interest income received	195	177
Net total	**(352)**	**(407)**

To consider the components of CCIRS derivatives as a single transaction, a representation is given with interest flows in and out shown net. This approach gives the following results:

(million euros)	1st Half 2026	1st Half 2025
Interest expense paid	(483)	(516)
Interest income received	131	109
Net total	**(352)**	**(407)**

NOTE 17
DERIVATIVES

For hedge accounting we continued to apply the rules established by IAS 39.

Derivative financial instruments are used by the TIM Group to hedge its exposure to foreign exchange rate risk and to manage interest rate risk and to diversify the parameters of debt so that costs and volatility can be reduced to within predetermined operational limits.

Derivative financial instruments existing at June 30, 2026 are principally used to manage debt positions. They include interest rate swaps (IRSs) used to reduce the interest rate exposure of fixed-rate bank loans and bonds, as well as cross currency and interest rate swaps (CCIRs) and currency forwards to convert the loans/receivables secured in currencies different from the functional currencies of the various Group companies. Commodity swaps are also in place to hedge the risk of changes in energy prices, as are currency options to hedge the Group's equity free cash flow.

IRS transactions, provide for or may entail, at specified maturity dates, the exchange of flows of interest, calculated on the notional amount, at the agreed fixed or variable rates.

The same also applies to CCIRS transactions which, in addition to the settlement of periodic interest flows, may provide for the exchange of principal, in the respective currencies of denomination, at maturity and possibly spot.

In commodity swaps, periodic cash flows are exchanged based on: (i) the variable reference price of the hedged commodity and (ii) a fixed price predetermined by the contract. In currency forwards and currency options, currency flows are agreed to be exchanged under predetermined conditions or upon the occurrence of certain market conditions, respectively.

The following tables break down the financial derivatives by type of risk for each kind of hedging, separating financial assets and liabilities. For CCIRS, the notional amount refers to the contractual value in euros, whereas for non-euro IRS the value is indicated at the market exchange rate; for commodity swaps, the notional is the sum of solely the cash flows to be paid to the counterparty.

Type (million euros)	**Hedged risk**	**Notional amount at 6/30/2026**	**Notional amount at 12/31/2025**	**Mark to Market Spot* (Clean Price) at 6/30/2026**	**Mark-to-market Spot* (Clean Price) at 12/31/2025**
Interest rate swaps	Interest rate risk	400	400	(2)	1
Cross Currency and Interest Rate Swaps (CCIRS)	Interest rate risk and currency exchange rate risk	—	—	—	—
Total Fair Value Hedge Derivatives		**400**	**400**	**(2)**	**1**
Interest rate swaps	Interest rate risk	2,276	2,236	16	32
Cross Currency and Interest Rate Swaps (CCIRS)	Interest rate risk and currency exchange rate risk	1,953	1,954	169	117
Energy Swap	Energy price risk	76	52	10	(2)
FX forward	Foreign exchange risk	136	151	1	(1)
Total Cash Flow Hedge Derivatives		**4,441**	**4,393**	**196**	**146**
Total Non-Hedge Accounting Derivatives		**1,217**	**595**	**(20)**	**(42)**
Total TIM Group's Derivatives		**6,058**	**5,388**	**174**	**105**

* Spot Mark-to-market above represents the market measurement of the derivative net of the accrued portion of the flow in progress.

NOTE 18
SUPPLEMENTARY DISCLOSURES ON FINANCIAL INSTRUMENTS

Measurement at fair value

The fair value measurement of the financial instruments of the Group has been classified in the three levels set out in IFRS 7. In particular, the fair value hierarchy comprises the following levels:

- Level 1: quoted prices in active markets;
- Level 2: prices calculated using observable market inputs;
- Level 3: prices calculated using inputs that are not based on observable market data.

The following tables contain supplementary information about financial instruments, including a schedule of the hierarchical levels for each class of assets and liabilities, measured at fair value as of June 30, 2026.

Key for IFRS 9 categories

	Acronym
Financial assets measured at:	
Amortized cost	**AC**
Fair Value Through Other Comprehensive Income	**FVTOCI**
Fair Value Through Profit or Loss	**FVTPL**
Financial liabilities measured at:	
Amortized cost	**AC**
Fair Value Through Profit or Loss	**FVTPL**
Hedge Derivatives	**HD**
Not applicable	**N/A**

Levels of hierarchy for each class of financial assets/liabilities measured at fair value as of June 30, 2026

(million euros)		IFRS 9 categories	notes	Carrying amount at June 30, 2026	Levels of hierarchy		
					Level 1 (*)	Level 2 (*)	Level 3 (*)
ASSETS							
Non-current assets							
Other investments							
		FVTOCI	(9)	92	33		59
		FVTPL	(9)	56	56		
Securities, financial receivables and other non-current financial assets							
of which securities		FVTOCI	(10)	*1*	*1*		
of which hedging derivatives		HD	(10)	*398*		*398*	
of which non-hedging derivatives		FVTPL	(10)	—			
	(a)			**547**	**90**	**398**	**59**
Current assets							
Securities							
		FVTOCI	(10)	*823*	*823*		
		FVTPL	(10)	*332*	*332*		
Financial receivables and other current financial assets							
of which hedging derivatives		HD	(10)	*37*		*37*	
of which non-hedging derivatives		FVTPL	(10)	*93*		*93*	
	(b)			**1,285**	**1,155**	**130**	
Total	**(a+b)**			**1,832**	**1,245**	**528**	**59**
LIABILITIES							
Non-current liabilities							
of which hedging derivatives		HD	(15)	*142*		*142*	
of which non-hedging derivatives		FVTPL	(15)	*17*		*17*	
	(c)			**159**		**159**	
Current liabilities							
of which hedging derivatives		HD	(15)	*37*		*37*	
of which non-hedging derivatives		FVTPL	(15)	*40*		*40*	
	(d)			**77**		**77**	
Total	**(c+d)**			**236**		**236**	

(*) Level 1: quoted prices in active markets;
Level 2: prices calculated using observable market inputs;
Level 3: prices calculated using inputs that are not based on observable market data.

During the first half of 2026 there were no transfers between different hierarchy levels of financial assets and liabilities measured at fair value.

NOTE 19
EMPLOYEE BENEFITS

This item consisted of:

(million euros)		12/31/2025	Increases/ Present value	Decrease	Exchange differences and other changes	6/30/2026
Provision for employee severance indemnities	**(a)**	**175**	**4**	**(3)**	**1**	**177**
Provision for pension and other plans		13			(1)	12
Provision for termination benefit incentives and corporate restructuring		—	181			181
Total other employee benefits	**(b)**	**13**	**181**	**—**	**(1)**	**193**
Total	**(a+b)**	**188**	**185**	**(3)**	**—**	**370**
of which:						
Non-current portion		**188**				**332**
Current portion (*)		**—**				**38**

(*) The current portion refers only to Other provisions for employee benefits.

The **Provision for employee severance indemnities (T.F.R.)** only refers to Italian companies and increased by 2 million euros compared with December 31, 2025.

The changes recorded in “Increases/Present value” in the first half of 2026 were as follows:

(million euros)	1st Half 2026
Current service cost (*)	—
Finance expenses	3
Net actuarial (gains) losses for the period	1
Total	**4**
Effective return on plan assets	there are no assets servicing the plan

(*) The portions intended for the INPS Treasury Fund or for the supplementary pension funds have been recorded under “Employee benefits expenses” under “Social security expenses”. The latter account is used only for the severance indemnity expenses of companies with less than 50 employees.

As of June 30, 2026, the technical-economic parameters used in the valuation of the Provision for Employee Severance Indemnities changed only slightly compared to December 31, 2025.

In particular, the inflation rate has remained unchanged with respect to the value at December 2025 (2.00%) while the discount rate increased, going from the 3.37% used at December 31, 2025 to 3.43% at June 30, 2026.

The **Provision for pension and other plans** mainly represented pension plans in place at foreign companies of the TIM Group.

Provisions for early retirement schemes and corporate restructuring increased by a total of 181 million euros, primarily reflecting provisions recognized in connection with early retirement programs, as provided for in the agreements entered into in March 2026 by TIM S.p.A. and Noovle S.p.A. with the trade unions, using the extraordinary allowance provided under the Bilateral Solidarity Fund for the Telecommunications Supply Chain;

NOTE 20
PROVISIONS

This item increased, compared to December 31, 2025, by 79 million euros, and is broken down as follows:

(million euros)	**12/31/2025**	Increase	Taken to income	Used directly	Exchange differences and other changes	**6/30/2026**
Provision for taxation and tax risks	**141**	7		(7)	22	**163**
Provision for restoration costs	**120**	24				**144**
Provision for legal disputes	**497**	33		(36)	11	**505**
Provision for commercial risks	**112**	33		(8)		**137**
Provision for risks and charges on investments and corporate-related transactions	**11**					**11**
Other provisions	**14**					**14**
Total	**895**	**97**	**—**	**(51)**	**33**	**974**
of which:						
Non-current portion	**439**					**505**
current portion	**456**					**469**

The **provision for taxation and tax risks** increased by 22 million euros compared to December 31, 2025, essentially relating to the Brazil Business Unit.

The **provision for restoration costs** refers to the provision for the costs expected to be incurred for the restoration of leased properties and proprietary equipment installed at sites used in the mobile sector; at June 30, 2026, this item is mainly attributable to the parent company TIM S.p.A. (141 million euros).

The **provision for legal disputes** includes allocations for disputes with other counterparties and with employees. The amount at June 30, 2026 included 394 million euros for the Domestic Business Unit and 111 million euros for the Brazil Business Unit.

The **provision for commercial risks** relates to the Domestic Business Unit and mainly the Parent Company TIM S.p.A..

NOTE 21

MISCELLANEOUS PAYABLES AND OTHER NON-CURRENT LIABILITIES

This item consisted of:

(million euros)		6/30/2026	12/31/2025
Miscellaneous payables (non-current)			
Payables to social security agencies		183	224
Current income tax payables		—	—
Other payables		79	71
	(a)	**262**	**295**
Other non-current liabilities			
Deferred revenues from customer contracts (Contract liabilities)		104	91
Other deferred revenues and income		149	201
Capital grants		54	25
	(b)	**307**	**317**
Total	**(a+b)**	**569**	**612**

Miscellaneous payables (non-current) include:

- **Payables to social security agencies**, primarily relating to the non-current liability to INPS in connection with the early retirement schemes launched in 2022 and 2023.
- **other payables** referring mainly to the Brazil Business Unit.

The **other non-current liabilities** include:

- **Deferred revenues from contracts with customers (contract liabilities)** amounting to 104 million euros (91 million euros at December 31, 2025). Based on the duration resulting from the contractual obligations between the parties, the item will be recognized in the income statement on average over 5 years. This includes in particular deferred revenues of TIM S.p.A. for subscription charges and rent and maintenance payments (91 million euros);
- **other deferred revenues and income** amounting to 149 million euros which mainly include:
  - the non-current portion of deferred revenues related to the *Master Services Agreement* (MSA) signed by TIM S.p.A. with FiberCop S.p.A. (86 million euros);
  - the non-current portion of the deferred gain related to the “*sale and lease back*” transaction for the disposal of telecommunication towers by the Brazil Business Unit (approximately 56 million euros).
- **Capital grants** amounting to 54 million euros; the item represents the component to be charged to the income statement on the basis of the residual useful life (estimated to be about 18 years) of the assets to which the grants refer, and is mainly related to the implementation of activities under the NRRP, in particular in relation to the "5G Coverage Plan" the "5G Backhauling Plan" and the "1G Plan".

NOTE 22

TRADE AND MISCELLANEOUS PAYABLES AND OTHER CURRENT LIABILITIES

This item consisted of:

(million euros)		6/30/2026	12/31/2025
Trade payables	**(a)**	**4,282**	**4,483**
Tax payables	**(b)**	**143**	**128**
Miscellaneous payables			
Payables for employee compensation		182	160
Payables to social security agencies		219	250
Payables for TLC operating fee		820	673
Dividends approved, but not yet paid to shareholders		47	91
Other		227	220
Employee benefits (except for employee severance indemnities) for the current portion expected to be settled within 12 months		37	—
Provisions for risks and charges for the current portion expected to be settled within 12 months		469	456
	(c)	**2,001**	**1,850**
Other current liabilities			
Liabilities from customer contracts (Contract liabilities)		781	764
Other deferred revenues and income		94	92
	(d)	**875**	**856**
Total	**(a+b+c+d)**	**7,301**	**7,317**

Trade payables, amounting to 4,282 million euros (4,483 million euros as of December 31, 2025), mainly refer to companies of the Domestic Business Unit (3,396 million euros) and the Brazil Business Unit (885 million euros).

As of June 30, 2026, trade payables due in more than 12 months amounted to 43 million euros (40 million euros as of December 31, 2025) and are mainly represented by payables of the Brazil Business Unit for the renewal of telecommunications licenses.

Supplier finance arrangements

TIM S.p.A. makes available to suppliers the use of certain financial instruments that enable them to advance the collection of invoices (so-called *reverse factoring*).

These instruments do not involve TIM S.p.A. in any modification of the payment terms contractually established with the supplier, as they are solely available to the suppliers themselves to manage, at their discretion, more efficiently the relationship with financial institutions.

In addition, in some cases, TIM S.p.A. negotiates extensions of payment terms with specific suppliers so as to bring them into line with the usual payment terms of the relevant product category.

In the first half of 2026, these transactions resulted in payment terms of 120 days from the last day of the month in which the invoice is rendered, with no significant impacts on cash flow.

Tax payables are equal to 143 million euros and mainly refer to both the tax payables of the Brazil Business Unit (102 million euros) and the payables of TIM S.p.A. (38 million euros), mostly relating to the payable to the Treasury for withholdings made as a tax substitute (21 million euros), the debt for the government concession tax (14 million euros) and the VAT payable (1 million euros).

Miscellaneous payables mainly comprise:

- the debt position of the Brazil Business Unit for the Taxa *de Fiscalização de Funcionamento* (TFF), a contribution suspended from 2020;
- payables to INPS (social security institution) under the early retirement schemes launched in previous years;
- the item "Other", includes advances on contributions paid by the Italian State and public authorities to the Parent Company TIM S.p.A. in relation to:
  - "5G Coverage Plan" under the NRRP (54 million euros);
  - Projects financed by MIMIT and the European Community (42million euros), in particular projects relating to Emerging Technologies Centers and cloud (IPCEI-CIS project) and edge computing services;
  - projects financed by the European Community (million euros), partly related to implementations of 6g technologies and partly related to network infrastructure;
- the current portion of provisions for employee benefits and provisions for risks and charges amounted to 469 million euros.

Other current liabilities amount to 875 million euros (856 million euros at December 31, 2025) and include:

- **Liabilities arising from contracts with customers (**Contract liabilities**)**, amounted to 781 million euros. This item includes liabilities to customers related to the obligations of Group companies to transfer goods and services for which they have received consideration. Liabilities with customers, generally with a maturity of up to 12 months, are shown below.

  Specifically:

  - ***contract liabilities*** amounting to 6 million euros; the item includes bundle contracts (good and services packages) with performance obligations with different timing for the recognition of revenues and consequent deferral of the fees originally recognized;
  - **customer-related items**, equal to 293 million euros; the item includes trade payables following contractual relationships, such as the payable for prepaid traffic and the subscription charges charged in advance;
  - **progress payments and advances** equal to 37 million euros relating to trade payables following prepayments, such as deposits made by subscribers for telephone calls;
  - **deferred revenues from contracts with customers**, equal to 445 million euros, essentially including the deferred revenues of the Parent Company TIM S.p.A. for rental and maintenance fees (401 million euros) and subscription fees (27 million euros).
- **Other deferred revenues and income**, amounting to 94 million euros, mainly refer to the current portion of the deferred income of the Parent Company TIM S.p.A. in connection with the *Master Service Agreement* entered into with FiberCop S.p.A..

NOTE 23

DISPUTES AND PENDING LEGAL ACTIONS, OTHER INFORMATION, COMMITMENTS AND GUARANTEES

An overview of the most significant judicial, arbitration and tax disputes in which TIM Group companies are involved at June 30, 2026, as well as those that came to an end during the first half of 2026 is given below.

The TIM Group has posted liabilities totaling 314 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 of the disputes listed below, based on the information available as of the closing date of this Financial Report and with particular reference to the complexity of the proceedings, their stage of progress, as well as the elements of technical-procedural uncertainty, it was not possible to make a reliable estimate of the charges and/or the timing of any potential payments. Moreover, in those cases in which disclosure of information on 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 Art. 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 2025 Annual Report:

- Universal Service.

International tax and regulatory disputes

At June 30, 2026, 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 25.4 billion reais (24.5 billion reais at December 31, 2025), corresponding to approximately 4.3 billion euros at June 30, 2026.

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 1.9 billion reais.

Overall, the risk for these cases, considered to be possible, amounts to 5.3 billion reais (5 billion reais at December 31, 2025).

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 13.4 billion reais (13 billion reais at December 31, 2025).

Municipal taxes

Among disputes classified with a “possible” degree of risk, there are some relating to municipal taxes for a total amounting to around 2 billion reais (around 2 billion reais at December 31, 2025).

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 4.7 billion reais (4.5 billion reais at December 31, 2025).

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.

The extraordinary appeal to the President of the Republic, against the decree of November 2, 2017 exercising the special powers, was dismissed.

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 Regional Administrative Court 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 July 7, 2027.

On September 13, 2023, TIM was notified that more than five years had elapsed since the appeal was filed, in accordance with Art. 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. In its ruling of May 23, 2025, the Lazio Regional Administrative Court rejected the appeal and upheld the legality of the fine imposed on TIM. On July 28, 2025, TIM appealed the ruling in the Council of State, with an application for a precautionary suspension of the collection of the fine. At the hearing on August 28, the Council of State, having acknowledged the submission of a new guarantee replacing the one issued for the first instance of proceedings, granted the precautionary request by suspending the measure until the hearing on the merits, which has been scheduled for March 31, 2026. At the end of the hearing, the case was reserved for 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 Supreme Court 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 Supreme Court declared that Consob's petition was unacceptable, consequently ordering it to pay the dispute expenses.

Colt Technology Services - A428

With writ of summons before the Milan Court served in August 2015, the operator Colt Technology Services filed a damages claim based on the A428 decision, requesting compensation for alleged damages suffered from 2009 to 2011 as a result of purportedly inefficient and discriminatory conduct by TIM in the wholesale service supply process. The damage claimed was quantified as 27 million euros in loss of profits for the alleged non-acquisition of new customers, or for the alleged impossibility of supplying new services to the customers it had already acquired; the other party also formulated a request for compensation for the damages to its image and commercial reputation. This case follows the extrajudicial claim for approximately 23 million euros, previously advanced by Colt in June 2015, which the Company rejected in its entirety. TIM filed an appearance, contesting all of the plaintiff's allegations. In a judgment of February 21, 2024, the Court of Milan rejected in its entirety Colt's claim for damages in the amount of 27 million euros.

Colt served a notice of appeal against the judgment. At the hearing in the Milan Court on February 18, 2025, the judge rejected the opposing party's preliminary motions and remanded the case for decision. The hearing for closing arguments was set for March 25, 2026. At the end of the hearing, the case was reserved for judgement. The proceedings were subsequently restored to the court's docket for the appointment of a court-appointed expert, and a hearing was scheduled for February 10, 2027 to examine the expert's report.

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.

At the hearing of May 20, 2025, the investigating judge, having taken note of Open Fiber's waiver of certain preliminary motions, granted a time limit (i) until May 30, 2025 for Open Fiber to clarify its positions and (ii) until June 10, 2025 for TIM and Enel to counterclaim on this point, setting the hearing for June 18, 2025. The parties filed their respective pleadings.

At the hearing of June 18, 2025, the investigating judge asked the parties to summarize their considerations on the possible anti-competitive effects of TIM's conduct sanctioned in Measure A514, as ascertained by the AGCM as the case may be, assigning a deadline until July 30, 2025 and setting the next hearing for October 1, 2025, later adjourned to November 5, 2025. The judge, upon lifting the reservation, by order dated December 12, 2025, submitted to the parties a draft expert question, scheduling a hearing on March 18, 2026 for the continuation of the evidentiary activities. Following the hearing, the court reserved its decision on the outstanding evidentiary matters. When delivering its decision on the reserved matters, the court ordered a court-appointed expert report and adjourned the proceedings until October 12, 2027 for the filing of the expert report.

Italian Data Protection Authority - Initiation of proceedings to adopt corrective and sanctioning measures regarding telemarketing

On February 9, 2026, the Italian Data Protection Authority notified TIM of the initiation of proceedings to adopt corrective measures and sanctions regarding telemarketing following an inspection that took place in March 2025.

The Guarantor, while acknowledging with approval the initiatives undertaken by TIM in the meantime and its full cooperation during and following the investigation, contested the Company's alleged violation of certain provisions of the GDPR in the context of telemarketing activities and the management of requests to exercise rights by interested parties.

TIM submitted its written observations and requested an oral hearing, which was held on May 6, 2026.

Following the hearing, the Company submitted supplementary written observations to the Authority on May 14, 2026.

On July 29, 2026, the Data Protection Authority notified TIM of decision no. 556 of July 23, 2026, settling the fine order. The Authority imposed a number of measures on TIM and a fine of 9,516,000 euros, which may be reduced to half in the case of a settlement concession and if paid within 30 days from notification.

28-day billing

AGCOM resolution 121/17/CONS introduced instructions on billing intervals for telephony, prescribing, for fixed telephony, that the interval should be monthly, or multiples thereof, and, for mobile telephony, that it should be at least four-weekly. TIM appealed Resolution 121/17/CONS to the Regional Administrative Court. The judgment rejecting the appeal was published in February 2018. TIM appealed this judgment to the Council of State in June 2018. On September 23, 2020, the non-definitive ruling was published whereby the Council of State joined the appeals submitted by TIM, Vodafone, Fastweb and Wind Tre and ordered the prejudicial deferral to the European Union Court of Justice (CJEU) on whether or not the Authority had the power to regulate the frequency of renewal of the commercial offers and invoicing periods, at the same time rejecting the other grounds of appeal submitted by the operators and suspending proceedings. On June 8, 2023, the EU Court of Justice published its decision concluding that the Italian legislation granting AGCom the power to impose a monthly or multi-monthly billing requirement on fixed and convergent telephone service operators for the renewal and invoicing of such offers, is not contrary to EU law. When proceedings resumed before the Council of State in December 2023, TIM requested that its appeal be ruled inadmissible due to a lack of interest. On January 18, 2024, the State Council declared the right to be extinguished.

With its Resolution 499/17/CONS, having confirmed the breach of Resolution 121/17/CONS, AGCOM fined TIM 1,160,000 euros, ordering it to make provision – when the billing cycle was restored to monthly intervals or multiples thereof – to return the amounts corresponding to the fee for the number of days that, from June 23, 2017, had not been used by the users in terms of the supply of service due to the misalignment of the four-weekly and monthly billing cycles.

In March 2018 with resolution no. 112/18/CONS, AGCOM (i) revoked the preceding resolution 499/17/CONS in the part in which TIM was ordered to repay the amounts presumably lost from June 23, 2017 onwards, with the four-weekly billing cycle, (ii) cautioned TIM, with regard to fixed-line voice services only, against postponing the starting date of invoices issued after the return to monthly invoicing by the same number of days as those presumably deducted starting from June 23, 2017 with the four-weekly invoicing cycle.

Under Presidential Decree 9/18/PRES, AGCOM amended the provisions of Decision 112/18/CONS requiring the deferment of billing once the billing cycle was restored to monthly intervals, or multiples thereof, while also ordering that the timescales for complying with the order would be identified after hearings with the operators and the main consumer protection associations.

In July 2018, AGCOM issued resolution 269/18/CONS, with which it set December 31, 2018 as the date by which the operators had to return to their fixed network customers a number of days of service equal to those eroded as an effect of 28-day billing, or propose to the affected customers any alternative compensatory measures, after having notified them to AGCOM. TIM has appealed all of the above resolutions.

With the judgment published in November 2018, the Regional Administrative Court (TAR) canceled the pecuniary administrative sanction of 1.16 million euros imposed with Resolution 499/17/CONS, and confirmed the obligation of restitutio in integrum to the fixed-line customers by December 31, 2018, the grounds for the judgment were instead published on May 10, 2019. TIM appealed the judgment to the Council of State.

In judgment 39 of January 2, 2024, the Council of State rejected TIM's main appeal, in keeping with its prior rulings in the appeals brought by the other operators, and upheld the legitimacy of the measures adopted by AGCOM. In the same decision, the administrative court of appeal also rejected AGCOM's counter-appeal aimed at reinstating the 1,160,000 euro sanction that had originally been imposed on TIM and was later annulled by the Lazio Regional Administrative Court.

In August 2019, AGCOM initiated a new sanctions procedure (CONT 12/19/DTC) for failing to comply with the order to refund fixed and converged network customers for the days eroded by 28-day billing, through the procedures established in resolutions 112/18/CONS and 269/18/CONS. At the end of this procedure, the Authority found in Resolution 75/20/CONS that TIM had failed to comply with these resolutions and imposed a fine of 3 million euros. In July 2020, TIM appealed the decision before the Regional Administrative Court. We are waiting for a date to be fixed for the discussion hearing.

In the civil proceedings, by judgment published on October 14, 2021 the Court of Milan, under the scope of the case on the merits brought by Associazione Movimento dei Consumatori in 2018 regarding the pricing and 28-day renewal for fixed line and converging offers, confirmed the order given on June 4, 2018 by the same Court upon closure of the complaint brought by TIM pursuant to Art. 669 terdecies of the Italian Code of Civil Procedure and the measures set out therein, ordering TIM to fulfill the requests for repayment of prices paid as a result of customer maneuvers - including discontinued, as indeed TIM had already been doing since 2018, at the same time also extending the period relevant to the recognition of the reimbursement through to April 1, 2017 and therefore earlier than June 23, 2017, the date on which the operators will need to comply with Resolution no. 121/17/CONS. TIM has appealed the judgment of the Court of Milan, at the same time filing a request for suspension of its enforcement. With order of January 11, 2022, the Court of Appeal of Milan partially accepted TIM's request, suspending the charge in the judgment relating to the order to send a registered letter to all discontinued customers that were subject to billing every 28 days to inform them of the possibility to obtain a refund of the additional amounts paid as a result of the maneuver. By judgment published on December 9, 2022, the Milan Court of Appeal confirmed the first instance judgment in full. On January 12, 2023, TIM notified the appeal to the Supreme Court and on January 16, 2023 it also filed the appeal pursuant to Art. 373 of the Italian Code of

Civil Procedure with the Milan Court of Appeal, asking that enforcement of the ruling be suspended until the judgment pending before the Supreme Court had been settled.

By order of February 14, 2023, the Milan Court of Appeal, in partially upholding TIM's appeal, ordered suspension of the judgment in connection with the order to send the recorded delivery letters to former customers, whilst awaiting the decision of the Supreme Court. By Order published on February 15, 2024, the Supreme Court rejected TIM's appeal.

On January 24, 2025, a public hearing was held on the appeal brought by TIM against Resolution no. 75/20/CONS in which AGCOM – alleging TIM to have failed to comply with previous resolutions setting out the procedures for the restitution of "eroded days" to customers as a result of 28-day billing - had ordered the Company to pay a fine of 3 million euros. This is the last dispute still pending on the 28-day billing issue, the outcome of which could be influenced by the ruling of the aforementioned action brought by the Consumer Movement Association in the civil courts. In fact, the Civil Court of Milan, having ascertained the commercial practice introduced by TIM to be unlawful, had ordered TIM to put in place a series of restorative measures to compensate customers for the detrimental effects of 28-day billing (all of which were punctually fulfilled) in a decision that was upheld in full by the Supreme Court in 2024. Consequently, the assumptions underlying Resolution no. 75/20 regarding TIM's alleged non-compliance are disproved by the documentary evidence attached in the judgment of the Regional Administrative Court, which attest that TIM fully complied with the decision-making rules of the Ordinary Judicial Authority which formed the basis of the judgment. At the hearing on January 24, the case was reserved for judgment by the court following discussion. On February 13, 2025, the Lazio Regional Administrative Court's ruling was published rejecting the appeal filed by TIM against Resolution no. 75/20/CONS.

TIM filed an appeal (served on May 12, 2025). At the hearing held on May 21, 2026, the case was submitted for decision. On June 5, 2026, the ruling was published rejecting TIM's appeal, and upholding the lawfulness of decision 75/2020 and therefore the fine imposed on and paid by TIM.

Antitrust case I820

On February 19, 2018, AGCM (the Italian Competition Authority) initiated a I820 preliminary proceeding against the companies TIM, Vodafone, Fastweb, Wind Tre and the industry association ASSTEL to investigate the alleged existence of an agreement among the major fixed-line and mobile telephone operators to restrict competition by coordinating their respective commercial strategies, in breach of Art. 101 of the TFUE.

The presumed coordination, according to the opening provision of the proceedings by AGCM (the Italian Competition Authority), would take the form of the implementation of the obligation introduced by Art. 19-quinquiesdecies of Legislative Decree 148/2017 (converted by Law 172/2017) which requires operators of electronic communication services to send out monthly (or monthly multiples) bills and renewed offers for fixed and mobile services.

On March 21, 2018, AGCM (the Italian Competition Authority) issued a provisional precautionary measure against all the operators involved in the proceedings with which it ordered the suspension, pending the proceedings, of the implementation of the agreement concerning the determination of repricing communicated to users at the time of reformulating the billing cycle in compliance with Law 172/17 and to independently redetermine its commercial strategy. In its decision no. 27112 of April 11, 2018, AGCM (the Italian Competition Authority) confirmed the precautionary measure.

On June 12, 2018, TIM filed an appeal with the Regional Administrative Court for the quashing of said measure.

On January 31, 2020, TIM was notified of the decision to close the investigation, in which AGCM (the Italian Competition Authority) confirmed the existence of the agreement between TIM, Vodafone, Fastweb, Wind Tre, but excluding Asstel from participation in the agreement. The fine imposed on TIM for participation in the anticompetitive agreement was 114,398,325.00 euros. In April 2020, TIM also challenged the fine order.

In a ruling published on July 12, 2021, the Lazio Regional Administrative Court upheld the petition and the grounds added and submitted by TIM, canceling the measures taken by AGCM (the Italian Competition Authority), including that relating to the existence of the agreement and application of the fine.

On September 11, 2021, AGCM (the Italian Competition Authority) presented a petition to the Council of State, requesting the cancellation of the judgment given by the regional administrative court.

On July 25, 2023, the Council of State reformed the decision of the Lazio Regional Administrative Court, upholding the validity of AGCM ((the Italian Competition Authority) measure in case I820 and referring to the Authority to redetermine the sanction in view of the reduced duration of the infringement.

In view of the rulings of the Council of State on the quantum of the sanction, TIM – in a petition dated August 28, 2023 – asked the AGCM (the Italian Competition Authority) for the redetermination of the sanction to take place in full adversarial proceedings between the parties as part of a special investigation procedure.

In its order of September 26, 2023, served on the Company on October 3, 2023, the AGCM (the Italian Competition Authority) informed TIM that it had quantified the fine at 100,670,526.00 euros, holding that it had no margins for discretion in executing the judgment of the Council of State. On October 12, 2023, TIM filed an appeal to overturn the judgment of the Council of State; the hearing to discuss the revocation application was set for March 6, 2025 and has subsequently been postponed to April 10, 2025. In a judgment published on May 30, 2025, the Council of State declared the appeal for revision inadmissible.

On October 13, 2023, TIM filed an appeal before the Lazio Regional Administrative Court to annul the measure redetermining the sanction; TIM also requested the precautionary suspension of the measure, but this was rejected by order of November 9, 2023. On October 14, 2025, the Regional Administrative Court ruling rejecting TIM's appeal was published. The judgment was appealed by TIM with an appeal to the Council of State.

In a communication dated December 6, 2023, the Authority urged TIM to pay the penalty of 100,670,526.00 euros plus legal interest accrued from November 3, 2023 until the day of actual payment amounting to 5,535,913.60 euros.

In a communication dated December 12, 2023, TIM contested the dueness of such interest due to the absence of the prerequisites of liquidity and collectability required by Art. 1282 of the Italian Civil Code, as well as an error in identifying the start date for the calculation.

The Authority's Budget Office responded on February 2, 2024, acknowledging an error in the calculation of legal interest, which was therefore restated to the amount of 4,121,837.47 euros, but reiterating that the same is due.

At TIM's request, AGCM granted the Company the right to pay the fine in thirty monthly installments.

On March 29, 2024, TIM lodged an appeal with the Lazio Regional Administrative Court against the communication from the Budget Office, contesting both the error in the calculation of the interest due and a defect in the competence of the Budget Office.

In February 2026, the Authority again recalculated the interest amount for the current year, notifying the Company of a new installment plan until August 2026.

Antitrust case I857

On July 6, 2021, AGCM (the Italian Competition Authority) started an investigation in regard to TIM and DAZN for a possible understanding reached with a view to restricting competition in connection with the agreement for the distribution and technological support for TV rights for Serie A football in the 2021-2024 period.

The investigation also aims to verify the restrictive nature of the understanding with reference to additional elements regarding the possible adoption by TIM of technical solutions not available for competitor telecommunications operators and which may effectively hinder the adoption of their own technological solutions.

At the same time, the Authority has also initiated proceedings for the potential adoption of protective measures.

By resolution passed on July 27, 2021, AGCM (the Italian Competition Authority) closed the interim proceedings, considering that the initiatives and amendments to the agreement proposed by TIM and DAZN in the meantime are presently able to prevent any serious and irreparable damage to competitors while investigations are completed.

Indeed, said measures aim, as a whole, to avoid possible discrimination in the use of the DAZN service, due to its activation by users using Internet connection services other than those offered by TIM. In addition, the agreement between TIM and DAZN has been amended to guarantee DAZN complete freedom in applying discounts and promotions. TIM has also undertaken to provide DAZN with a sufficient number of white label set-top-boxes to also guarantee DAZN customers the viewing of matches over digital terrestrial TV, in the event of connection problems.

Finally, TIM has undertaken to supply wholesale services to OAOs interested therein to manage traffic peaks deriving from live data transmissions, regardless of the type of content transmitted.

On October 29, 2021 TIM submitted a proposal for undertakings to AGCM (the Italian Competition Authority) with a view to resolving the competitive concerns that were the subject of the investigation and closing the proceedings without the finding of any infringement and therefore without any sanction being applied.

On December 14, 2021, AGCM (the Italian Competition Authority) approved the publication of the aforementioned proposal for undertakings on the Authority's website, as these undertakings, taken as a whole, do not appear to be manifestly unfounded and are capable of removing the restrictions to competition hypothesized in the measure initiating the investigation in question.

On January 5, 2022, with the publication on the AGCM (the Italian Competition Authority) website, market testing began.

The deadline for rebuttal arguments and proposing any accessory amendments to the commitments presented by TIM and DAZN is scheduled for March 7, 2022.

On February 23, 2022, TIM and DAZN were convened separately to the AGCM (the Italian Competition Authority) offices. During the hearing, the Offices informed TIM – and thereafter confirmed this in the hearing meetings – that in a hearing held on February 15, the Board deemed it necessary to make certain “accessory” changes in order to approve the commitments submitted.

On March 4, 2022, TIM and DAZN requested an extension of the deadline for the submission of observations, also in view of the new aspects that had emerged on February 23. The new deadline was set as March 23, 2022.

On March 22, 2022, TIM informed the Authority that the additional changes considered necessary by the Board to approve the commitments would have entailed a complete overhaul of the contents and economic balance of the agreements signed by TIM and DAZN, such as to make it no longer possible to pursue the hypothesized business model. At the same time, TIM informed the Authority of the start of negotiations with DAZN possibly concerning the revision of the distribution exclusivity clause, which was the main object of the Authority’s investigation. Considering the complexity of negotiations, TIM requested an extension of another 30 days for submission of observations. The extension was authorized and the new deadline set as April 23, 2022.

On April 20, 2022, in consideration of the extension of negotiations, also due to the complexity and economic relevance of that being negotiated, DAZN and TIM requested an additional extension. The new deadline was set as May 9, 2022.

On May 9, 2022, TIM informed the Authority that it had declared willing to DAZN to waive the exclusivity of the distribution of Serie A football rights, as currently regulated by the Deal Memo, with DAZN consequently having the faculty to distribute such rights also through third party operators and that, in exchange for the willingness to waive this right, the Parties had begun negotiations for a review of the contracted economic commitment envisaged by TIM.

On June 7, 2022, the Authority ruled on the rejection of the commitments submitted, which “would appear, both where considered comprehensively and individually, to be unable to eliminate the anticompetitive aspects identified in the resolution that started the proceedings, insofar as they do not resolve the competition concerns highlighted in the initial proceedings, where not translated into shared contractual amendments such as to eliminate the critical competition issues” highlighted by the Authority.

Again on June 7, 2022, the Authority ruled on the deferral of the deadline for the conclusion of proceedings to March 31, 2023.

On August 2, 2022, TIM informed the Antitrust Authority that it had reached a new agreement with DAZN, under which the latter has the faculty to distribute football rights through any third party, surpassing the previous system of exclusivity in TIM’s favor.

On January 20, 2023, notification was given of the investigation results (CRI).

AGCM (the Italian Competition Authority) believes that the agreement reached on January 27, 2021 (the “Deal Memo”) had contents and resulted in effects that reduced competition for its entire duration (and therefore until stipulation of the new agreement on August 3, 2022).

On January 31, 2023, AGCM (the Italian Competition Authority) resolved to extend the deadline for conclusion of the proceedings until May 31, 2023.

TIM filed its statement of defense March 28, 2023, and the final hearing with the Authority was held on April 4, 2023.

On April 18, 2023, AGCM (the Italian Competition Authority) decided to again extend the deadline for the conclusion of the proceedings to June 30, 2023, due to the complexity of the defense put forward by the Parties in their pleadings.

On June 28, 2023, AGCM (the Italian Competition Authority) ruled that the conduct of TIM and DAZN constitutes an agreement restricting competition in breach of Art. 101 TFEU (the "AGCM Measure").

Yet the arrangement – in particular regarding exclusivity – only lasted for approximately one month and its potentially restrictive effects on competition were neutralized by the Authority's timely initiation of the investigation procedure on July 6, 2021.

Indeed, the precautionary sub-proceedings instigated at the start of the first football season of the three-year period 2021-2024 actually prevented the effects of the arrangement from occurring, as at the beginning of August 2021 TIM and DAZN discontinued the application of the disputed contractual clauses through their own

voluntary action. The original agreement was then replaced by a new contract, entered into in August 2022, in which any exclusivity was completely eliminated, thus rooting out the antitrust concerns about exclusivity of

distribution.

Consequently, and in light of the mitigating circumstances recognized, AGCM (the Italian Competition Authority) imposed a fine of 760,776.82 euros on TIM and a fine of 7,240,250.84 euros on DAZN.

On September 20, 2023, TIM paid the fine with reservations in view of the appeal brought by the Company with the Lazio Regional Administrative Court against the decision against it.

On May 11, 2024, the Lazio Regional Administrative Court threw out the appeals of TIM and DAZN for the annulment of the AGCM Measure and, without annulling the AGCM Measure (which will therefore continue in effect until any amendment by the AGCM itself), declared that the AGCM (the Italian Competition Authority) has a duty to resume the measure in accordance with the Lazio Regional Administrative Court's ruling.

In a nutshell, the Lazio Regional Administrative Court has valued the following reason, which is common to the appeals of both Sky and Fastweb: According to the CRI, the prohibited agreement would have had effects on the market from January 27, 2021 to August 4, 2022, while the Decision reduced the duration of the violation to the period from July 1, 2021, the date on which the commercialization of the rights began based on the Deal Memo, until the implementation at the beginning of August 2021 of the voluntary measures adopted by TIM and DAZN within the scope of the interim proceedings. There would therefore be a contradiction between the AGCM Measure and the CRI, without the Panel having adequately justified its decision to depart from the findings of the investigation. TIM has decided to proceed with the appeal, which has been served on all parties involved. With an order published on October 4, 2024, the Council of State rejected TIM's request for a stay, and with a ruling published on June 19, 2025, the Council of State rejected TIM's appeal.

On November 12, 2024, following Judgment no. 09315/2024 of the Regional Administrative Tribunal rendered on May 11 which found that the initial decision of the AGCM was lacking in grounds, the Authority ruled to initiate proceedings under Art. 14 of Law no. 287/1990 (I857C) with the aim of redetermining the duration of the infringement referred to in the I857 proceedings.

At its hearing of June 24, 2025, the AGCM passed resolution extending the deadline for conclusion of the proceedings until December 31, 2025.

On September 24, 2025, AGCM notified TIM of the Communication of the Investigation Results (CRI), setting the final hearing for November 11. The DAZN proceedings were concluded without any increase in the penalty imposed on TIM. TIM filed an appeal with the Lazio Regional Administrative Court (TAR) challenging the decision to conclude the proceedings.

Wind Tre S.p.A. – I857

By writ of summons brought before the Court of Milan and served in January 2024, operator Wind Tre S.p.A. requested that TIM S.p.A. and DAZN limited be ordered to compensate, jointly and severally, Wind Tre S.p.A. for the damage allegedly suffered by it as a result of the defendants' alleged violation of Art. 102 of the TFEU (abuse of a dominant position) due to having signed a mutual agreement in January 2021 (the "Deal Memo") which – in the claimant's opinion – would result in damage quantifiable in 69,803,012.00 euros.

In addition, Wind Tre S.p.A. is requesting that TIM S.p.A. be ordered to pay 10,266,377.00 euros in compensation for the damage allegedly resulting from advertising campaigns which were intended, according to the claimant, to suggest to customers that subscribing to TIM's FTTH service, or subscribing to TIMVISION's offer, was the only way to access DAZN service content.

On April 29, 2024, TIM entered an appearance and counterclaim in which it called for Wind's claims to be thrown out and for the proceedings to be suspended pending the Lazio Regional Administrative Court's ruling on TIM and DAZN's application to annul the measure adopted by AGCM (the Italian Antitrust Authority) on June 28, 2023 (in which AGCM resolved that the conduct of TIM and DAZN in signing the Deal Memo constituted an agreement restricting competition). The preliminary hearing was initially scheduled for July 8, 2024, but has since been moved to March 11, 2025. In an Order dated February 28, 2025, the Court of Milan ex officio ordered that the first hearing be further moved to September 10, 2025 and then again to October 15, 2025.

At the hearing on October 15, 2025, the case was adjourned to May 12, 2026.

At the hearing held on May 12, 2026, the court reserved its decision and indicated two possible courses for the further conduct of the proceedings:

- to adjourn the proceedings pending the decision of the Lazio Regional Administrative Court (TAR) (and, if applicable, the Council of State on any appeal against the TAR's decision) regarding the duration of the infringement under Article 101 TFEU;
- to appoint a court-appointed expert, also directing the expert to attempt to facilitate a settlement, while continuing the evidentiary phase of the proceedings pending clarification of the duration of the infringement, after which the court would determine how to proceed.

By an order dated May 26, 2026, the court, having reserved its decision following the hearing held on May 12, 2026, decided to proceed with the evidentiary phase of the proceedings by appointing a court-appointed expert. Given the complexity of the case, the court preferred to leave it to the parties to propose the terms of reference for the court-appointed expert. It therefore set a deadline of November 5, 2026 for the filing of a brief submission setting out the proposed terms of reference and identifying each party's court-appointed technical expert.

The proceedings were adjourned until November 17, 2026 for the court-appointed expert to be sworn in.

Sky Italia S.r.l. and Sky Limited – I857

By a writ of summons filed with the Court of Milan and served on TIM on March 25, 2026, SKY Italia and SKY Ltd. ("Sky") commenced proceedings against TIM and DAZN, seeking an order that they be held jointly and severally liable for the damages allegedly suffered by Sky as a result of TIM's and DAZN's infringement of Article 101 TFEU.

The action is a follow-on action based on the AGCM's infringement decision (Decision No. 29063 of June 28, 2023), by which the Authority found that the agreement between TIM and DAZN dated January 27, 2021 constituted an agreement restricting competition. That decision was subsequently amended on December 22, 2025 to extend the duration of the infringement from 32 days to one year and seven months (from January 27, 2021 to August 3, 2022).

According to the claimants, the agreement was intended to exclude Sky from the market and to damage its customer base following the licence agreement for the Serie A broadcasting rights for the 2021–2024 season. Sky seeks damages in a total amount of between 1.8 billion euros and 1.9 billion euros (to be apportioned between TIM and DAZN, if appropriate, on the basis of criteria to be determined). The claim comprises 1.076 billion euros in lost profits, representing lost operating profit (plus 499 million euros in interest), and between 280 million euros and 380 million euros in direct losses in respect of the alleged diminution in the value of the Sky brand. These amounts are based on two confidential expert reports prepared on behalf of the claimants. The key hearings in the proceedings are scheduled to take place during the final quarter of 2026.

Antitrust case I874

On December 17, 2024, the AGCM (the Italian Competition Authority) ruled to initiate a preliminary investigation proceeding to assess the possible anti-competitiveness of certain clauses contained in the Master Service Agreement between TIM and FiberCop regulating the relations between those entities following the transfer of fixed network activities from TIM to FiberCop.

In June 2025, TIM and FiberCop submitted Commitments pursuant to Art. 14-ter of Law no. 287/1990, consisting of measures aimed at overcoming the competition concerns raised by the Authority in the opening phase of the proceedings.

On February 23, 2026, the Authority published the closing order of the procedure with which it accepted, and therefore made mandatory, the commitments proposed by TIM and FiberCop, having deemed them suitable to remove the competitive concerns that had led to the initiation of the procedure.

The proceeding was therefore closed without ascertaining the infringement.

The Commitments concern the duration and scope of the exclusivity between TIM and FiberCop, the FiberCop intermediation mechanism in TIM's customer migration choices, the methods of applying the discounts, and the rights of use of the fiber connections used by TIM in the offer to its business customers. The Parties shall prepare and submit to the Authority a report on the implementation of the commitments undertaken within 6 months from the conclusion of the proceedings. The Authority has reserved the right to review the adequacy of the commitments, in light of market conditions, at the latest 2 years after the notification of the measure.

Antitrust proceeding I882

On April 21, 2026, the AGCM resolved to open formal proceedings in relation to the RAN-sharing agreement between TIM and Fastweb, known as Project PRISM.

The Authority will therefore assess whether the agreement between the two largest mobile network operators in Italy is capable of restricting competition by affecting service quality, pricing and incentives to invest, including through the sharing of network infrastructure and spectrum. If those competition concerns are confirmed, the Authority will then assess the project's potential benefits, its effects on consumers, and whether it does not eliminate competition in respect of a substantial part of the market, in accordance with Article 101(3) TFEU.

The proceedings must be completed by April 30, 2027.

Dispute relating to “Adjustments on license fees” for the years 1994-1998

With regard to the judgments sought in previous years concerning the Ministry of Communications' request for payment of the balance of the amounts paid in license charges for the years 1994-1998 (for a total of 113 million euros), the Lazio Regional Administrative Court (TAR) rejected the Company’s appeal against the request for adjustment of the license fee for 1994 in the amount of approximately 11 million euros, 9 million euros of which against turnover not received due to bad debts. TIM lodged an appeal. On the outcome of proceedings, with the ruling of December 2019, the Council of State partially accepted TIM's position, establishing the principle, according to which, the receivables referring to 1994 not collected for reasons not attributable to the operator, could have been deducted from the tax base for calculating the License Fee. As the Ministry of Economic Development has not followed up on TIM’s requests aimed at obtaining fulfillment of the judgment, TIM has submitted a further petition to the Council of State for failure to execute the judgment, but with judgment given in April 2022, the request for compliance brought by TIM was rejected. TIM appealed for revocation of this judgment to the Council of State. This appeal was declared inadmissible in judgment 3318/2023.

With two further judgments the Lazio Regional Administrative Court (TAR), reiterating the reasons expressed previously, also rejected the appeals in which the Company challenged the requests for payment of outstanding balances of license fees for the years 1995 and 1996-1997-1998, in the amount of approximately 46 million euros. TIM has appealed before the Council of State also against these judgments. By judgment published in April 2022, the Council of State stressed the principles already set for 1994, namely that receivables that have become uncollectable for reasons not the fault of the operator, correctly handled in the accounts, on the financial statements and in terms of tax, can be deducted from the tax base for calculating the License Fee.

With reference to the 1998 fee adjustment (equal to about 41 million euros), the Lazio Regional Administrative Court, by Regional Administrative Court order of December 2018, suspended the judgment, raising preliminary questions with the EU Court of Justice on the correct scope of EC Directive no. 97/13 (in the matter of general authorizations and individual licenses in the field of telecommunications services on the basis of the currently pending litigation on the 1998 license fee, currently pending before the Rome Court of Appeal and illustrated in a subsequent paragraph).

The referred questions were based, inter alia, on the question posed to the Court of Justice on the possible conflict between the aforementioned EC Directive 97/13 and national law, which extended the obligation for telecommunications license-holders to pay the license fee for 1998 (commensurate with a portion of turnover), despite the liberalization process underway. In its judgment of March 2020, the EU Court of Justice held that the EU regulatory system must be interpreted as not allowing national legislation to extend to 1998 the obligation imposed on a telecommunications undertaking that was previously the concession holder (such as TIM) to pay a fee calculated on the basis of turnover and not only the administrative costs connected with the granting, management, control and implementation of the general authorizations and individual licenses scheme. The Court held, inter alia, that the Council of State – having held in its judgment 7506/2009 that the fee imposed for 1998 on TIM, the holder of an authorization existing on the date of entry into force of Directive 97/13, was due – interpreted national law in a way that was incompatible with EU law, as interpreted by the Court in its judgment of February 21, 2008. Following the judgment of the EU Court of Justice, the opinion on the final calculation of the 1998 charges was summarized before the Lazio Regional Administrative Court, which, in a judgment given last February, declared TIM's appeal as unacceptable for procedural reasons, namely due to the prevalence of the formal ruling consisting of judgment no. 7506/09; in substantive terms, on the other hand, the judgment of the EU Court of Justice once again ascertained the European Community unlawful nature of the credit claim by the Public Administration to obtain payment of the 1998 charges and, consequently, the final balance. The company has challenged the judgment of the Lazio Regional Administrative Court to the Council of State.

The Council of State, following the public hearing of December 4, 2024, reserved judgment until after the ruling on the application brought in the Supreme Court by the Presidency of the Council of Ministers to annul the ruling of the Rome Court of Appeals upholding TIM's claim (in relation to the 1998 license fee). Following the decision of the Supreme Court (no. 33241/25 published on December 19, 2025), which rejected the appeal of the Presidency of the Council of Ministers, the request to schedule the hearing on the merits of the case regarding the 1998 license fee adjustment was filed. This hearing was scheduled for April 15, 2026. At the end of the hearing, the case was reserved for judgment.

In a judgment delivered on May 11, 2026, the Council of State upheld the first ground of appeal, finding that the original application had become inadmissible because the measure challenged at first instance had ceased to have legal effect and could no longer be implemented, as this would have been contrary to the subsequent binding judgment of the Court of Justice of the European Union.

The finding that the measure had ceased to have legal effect was therefore equivalent, in practical terms, to setting aside the measure challenged at first instance, since the legal basis for the monetary claim had ceased to exist.

Brazil - Opportunity arbitration

In May 2012, TIM and Telecom Italia International N.V. (now merged in Telecom Italia Finance) were served with a notice of arbitration proceedings brought by the Opportunity group, claiming compensation for damages allegedly suffered for presumed breach of a settlement agreement signed in 2005. Based on the claimant's allegations, the damages relate to circumstances that emerged in the criminal proceedings pending before the Milan Court regarding, inter alia, unlawful activities engaged in by former employees of TIM.

The investigatory phase having been completed, the hearing for oral discussion took place in November 2014, after which the parties filed their concluding arguments in preparation for the decision on the case.

In September 2015, the Board of Arbitration declared the proceedings closed, as the award was going to be filed.

In September 2016 the ICC Court notified the parties of its judgment, based on which the Court of Arbitration rejected all the claims made by the Opportunity group and decided that the legal costs, administrative costs and costs for expert witnesses should be split between the parties (the "2016 Arbitration Award").

In April 2017 the Opportunity group filed an appeal against the 2016 Arbitration Award before the Paris Court of Appeal.

In November 2017, TIM and Telecom Italia Finance received from the Secretariat of the ICC's International Court of Arbitration notice of a Request for Revision of the 2016 Arbitration Award, filed by the Opportunity group, asking for a new award. A Board of Arbitration was subsequently established.

In October 2018, TIM and Telecom Italia Finance requested proceedings with the Paris Court of Appeal to be suspended, in the light of proceedings pending with the Court of Arbitration of the International Chamber of Commerce to review the same 2016 Arbitration Award. In November 2018, the Paris Court of Appeal suspended the proceedings until the decision is taken by the Court of Arbitration in the review proceedings.

As regards the proceedings to review the 2016 Arbitration Award, in October 2019 the ICC held the discussion hearing in Paris. In August 2020, the Arbitration Court issued the award rejecting the Request for Revision presented by the Opportunity Group (the "2020 Arbitration Award"). In December 2020, the Opportunity group filed an appeal against the 2020 Arbitration Award before the Paris Court of Appeal. In May 2021 the Opportunity group asked the Paris Court of Appeal to summarize the proceedings brought against the 2016 Arbitration Award. Thereafter, the Opportunity Group, TIM and Telecom Italia Finance filed their briefs in the two proceedings pending before the Paris Court of Appeal, respectively against the 2016 Award and the 2020 Award. On January 8, 2024, both appeal proceedings were heard before the Paris Court of Appeal.

In its decision of May 2, 2024, the Paris Court of Appeal quashed the 2016 Arbitration Award on the grounds that the Court considered one of the members sitting on the arbitration panel to be affected by a conflict of interest. In a separate decision issued on the same date, the Court ordered the reopening of the proceedings on the 2020 Arbitration Award.

On June 20, 2024, TIM and Telecom Italia Finance lodged an appealed with the Supreme Court against the judgment quashing the 2016 Arbitration Award.

On June 24, 2024, observations were submitted on the consequences that the quashing of the 2016 Arbitration Award may have in relation to the appeal against the 2020 Arbitration Award. Proceedings are still pending.

On September 3, 2024, the Paris Court of Appeal rejected Opportunity's petition to set aside the 2020 Award following the annulment of the 2016 Award. The proceedings have therefore been stayed until the outcome of the case initiated in the Supreme Court, with the 2020 Award remaining in effect.

On December 20, 2024, TIM and Telecom Italia Finance filed a statement of defense in the proceedings before the Supreme Court, aimed at overturning the decision of the Paris Court of Appeals to quash the 2016 Arbitration Award.

On January 21, 2026, the Supreme Court upheld the Court of Appeal's decision to annul the 2016 award on grounds relating to the participation in the arbitration panel of a member considered by the Court to be in a conflict of interest.

On April 7, 2026, a hearing was held before the Paris Court of Appeal in the proceedings to set aside the 2020 Award, following the decision of the Court of Cassation setting aside the 2016 Award.

On April 30, 2026, Opportunity filed its submissions regarding the judgment setting aside the 2016 Award, maintaining that the 2020 Award must also be set aside as a consequence of that judgment, as the 2020 Award had become invalid following the setting aside of the 2016 Award.

Opportunity further submits that, should the Court decline to set aside the 2020 Award on that basis, it will pursue its application to set aside the Award on the grounds that: (i) Mr Hanotiau allegedly lacked independence and impartiality, resulting in the improper constitution of the arbitral tribunal and a breach of the principles of collegiality and equality; and (ii) the Award is contrary to international public policy, as its upholding would allow TIM to benefit from unlawful conduct, including corruption.

On May 29, 2026, TIM/TIF filed its reply to Opportunity's memorandum of April 30, 2026, arguing that there were no grounds for setting aside the 2020 Award as a consequence of the setting aside of the 2016 Award.

The hearing on the merits is scheduled to take place before the Paris Court of Appeal on October 6, 2026.

Iliad (restrictions on duration and termination costs)

By writ of summons notified in September 2021, Iliad Italia S.p.A. summonsed TIM before the Court of Milan for the alleged application to customers of unlawful contractual conditions in terms of time limits and economic costs for withdrawal with reference to mobile and fixed telephone offers, with a consequent petition to order TIM to compensate damages, currently quantified as 120.4 million euros.

The hearing for closing arguments, originally set for May 28, 2024, was postponed first to June 10, 2025 and then to December 16, 2025. On December 15, 2025, the Judge communicated a further postponement of the hearing for the specification of conclusions to May 26, 2026 and subsequently to June 23, 2026.

At the hearing held on June 23, 2026, the court set the deadlines under Article 190 of the Italian Code of Civil Procedure for the filing of final written submissions and reply submissions, and referred the case to the panel for judgment.

Fastweb (Ethernet ATM migration)

By writ of summons notified in December 2021, TIM summonsed Fastweb before the Court of Milan, asking that it be ascertained and declared that Fastweb had not achieved the minimum objectives of migration from ATM bitstream technology to Ethernet bitstream technology in any of the 30 Collection Areas into which the national territory is divided by the deadline envisaged by industry regulation and the migration plan agreed by the parties; and therefore that it ascertain and declare that TIM is entitled to: (a) reverse the economic benefits relating to this migration granted retroactively from April 12, 2016 to Fastweb and (b) obtain from Fastweb the prices for the ATM bandwidth envisaged by the contract stipulated by the parties and the current Reference Offers in force ratione temporis; (c) therefore declare and order Fastweb to pay TIM the total amount of 79,240,329.47 euros (or other amount, potentially greater, as may be assessed during the course of proceedings).

Fastweb filed an appearance and submitted a counterclaim for abuse of a dominant market position and breach of contract. Fastweb's application is essentially based on alleged delays in the development of Ethernet coverage. The counterparty complains of damages of around 81.4 million euros. Having noted that the counterclaim made by Fastweb would appear to go beyond the profile of breach of contract and that, in this case, the specialized business chambers may be competent to judge the matter, the investigating judge has returned the case to the Chambers President for due consideration. The Chambers President has submitted the case to the President of the specialized business chambers. The first hearing was held on December 14, 2022. The hearing for the admission of the preliminary motions has been postponed to June 13, 2023. Subsequent to the filing of the preliminary motions, Fastweb re-quantified damage allegedly suffered as a result of TIM's unlawful conduct at approximately 101.1 million euros (of which 13.2 million euros is subject to the acceptance of TIM's main claim).

At the hearing of June 13, 2023, the investigating judge reserved judgment. To dissolve this reservation, the G.I. ordered an expert report to be prepared by a court-appointed expert, who was to be appointed and sworn in on November 21, 2023. The public hearing for the examination of the court-appointed expert witness has been scheduled for June 17, 2025.

The court-appointed expert submitted a new petition to the judge for a time extension to file the expert report. The investigating judge granted the petition and extended the deadline for filing the report to October 16, 2025 and set the hearing for discussion for November 4, 2025.

By order dated September 24, 2025, the case was reassigned to another judge.

On October 15, 2025, the court-appointed expert (CTU) submitted to the new judge (G.I.) a further request for an extension of the deadline for filing the expert report. The judge granted the requested extension, setting the deadline of April 15, 2026, for the filing of the CTU's final report and the hearing for the examination of the CTU for April 21, 2026. Following the court-appointed expert's request for a further extension, the court extended the deadline for filing the final expert report until September 7, 2026 and scheduled the hearing to examine the expert report for September 29, 2026. The deadline for filing the expert report was subsequently extended until December 11, 2026, and the hearing to examine the court-appointed expert's report was adjourned until December 15, 2026.

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 (Art. 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 the Company's role as the injured party victim of the crime was confirmed; the proceedings were subsequently dismissed.

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

The Milan Public Prosecutor's Office, on March 10, 2025, issued the notice of conclusion of the investigations from which it is confirmed that TIM is not investigated pursuant to Legislative Decree no. 231 of 2001, a circumstance confirmed by the request for indictment notified on 17 February u.s. The preliminary hearing commenced on May 29, 2026. TIM was joined to the proceedings as a civilly liable party in relation to the offences allegedly committed by two of its employees. After the parties had entered appearances, the hearing was adjourned until September 14, 2026 for the court's decision.

Eutelsat S.A.

On July 4, 2025, Eutelsat obtained a non-immediately enforceable injunction from the Court of Rome for the sum of 13,396,500 euros (plus interest and legal costs), corresponding to the amounts allegedly due for the period November 2023 - January 2025 with reference to the "Service Agreement" for the provision of satellite services (broadband and high-speed internet connection) entered into between TIM and Eutelsat S.A. on April 23, 2021.

By writ of summons dated September 12, 2025, TIM filed an opposition to the aforementioned injunction, requesting the rejection of Eutelsat's claims and the termination of the contract due to Eutelsat's breach (or, alternatively, a reduction in the fee proportional to the alleged breaches) and, at the same time, an order for Eutelsat to pay compensation for all damages suffered.

With a statement filed on December 19, 2025, Eutelsat appeared in court requesting the dismissal of TIM's claims and confirmation of the injunction opposed. In a counterclaim, Eutelsat also requested that TIM be ordered to pay approximately 79 million euros (in addition to the amount covered by the injunction), corresponding to the contractual fees allegedly accrued and accruing between January 2025 and the natural expiry of the contract (alternatively, the same amount was requested as compensation for damages).

At the initial hearing held on April 23, 2026, the proceedings were adjourned until the hearing scheduled for October 6, 2026.

Sittel – Soluzioni Infrastrutturali Telefoniche ed Elettriche S.p.A. – in composition proceedings with creditors

Proceedings pending before the Court of Milan (Case No. 13683/2026), brought by Sittel – Soluzioni Infrastrutturali Telefoniche ed Elettriche S.p.A., a company in composition proceedings with creditors, against TIM S.p.A. (and Nextaly S.r.l.), alleging that TIM had circumvented the business lease agreement entered into on August 6, 2021 between Sittel and Telco Soluzioni Digitali S.p.A. (formerly TIM Servizi Digitali S.p.A.).

Sittel seeks damages currently quantified at 25,858,031 euros, together with interest, inflation adjustment and any further damages to be determined during the proceedings.

By a statement of defence filed on May 15, 2026, TIM entered an appearance in the proceedings and contested the claimant's claims in their entirety.

Based on the facts and legal arguments currently available, Sittel's claims appear, on a balance of probabilities, to lack an adequate legal basis. Accordingly, the likelihood of TIM being found liable is considered to be remote.

b) Other information

Master Service Agreement with INWIT

On March 29, 2026, the Board of directors of TIM approved the withdrawal from the MSA, with two possibilities: (i) mainly: withdrawal at August 4, 2030 (having exercised the option for only 8 years in 2022); (ii) alternatively: if the Change of Control were to take place as early on as December 2020, withdrawal at March 31, 2028.

On April 28, 2026, INWIT filed an application pursuant to Article 700 of the Code of Criminal procedure with the Court of Milan, requesting confirmation of the validity to exercise its option, of the invalidity of the withdrawal, and as an alterative, economic abuse pursuant to Article 9, Law 192/1998.

On July 13, 2026, the Court of Milan rejected the application for an interim injunction filed by INWIT.

In particular, the judge did not consider the conditions to uphold INWIT's application to exist, both in terms of its eligibility and with reference to the conditions necessary for such a decision to be made. The judge also ruled out the urgent nature of the conditions to uphold TIM's economic abuse of INWIT.

On July 27, 2026, INWIT filed a claim against the order throwing out the appeal, with the ad interim presiding judge setting the hearing for September 17, 2026.

(c) Commitments and guarantees

Personal guarantees provided, net of counter-guarantees received, amounted to 393 million euros.

The guarantees provided by third parties for bonds of Group companies, amounting to 7,317 million euros, mainly refer to guarantees provided by banks and financial institutions to guarantee the proper performance of contractual obligations and to insurance guarantees.

In particular, we report:

- the insurance guarantees relating to the Domestic Business Unit, consisting primarily of surety bonds issued by the TIM Group pursuant to statutory requirements in connection with public procurement contracts awarded by public authorities and equivalent bodies, amounted to 1,687 million euros.
- the insurance guarantees of the Brazil Business Unit, which totaled 3,810 million euros, mainly refer to surety bonds provided primarily for litigation and for telecommunications services using 4G and 5G technology;
- the TIM Group had bank guarantees issued in favor of INPS in support of the application – by TIM and some Group companies – of Art. 4 of Italian Law 92 of June 28, 2012 and Art. 41, paragraph 5-bis of Italian Legislative Decree 148/2015 or the voluntary redundancy of employees meeting the requirements; the total amount of those bank guarantees issued is 732 million euros, including 676 million euros for TIM S.p.A. and 56 million euros for Group companies.

Please note the 74 million euro surety bond issued by TIM in August 2025 in favor of the Presidency of the Council of Ministers for the filing of an appeal before the Council of State against the ruling of May 23, 2025, accompanied by a request for precautionary suspension of the collection of the administrative fine imposed for the alleged violation of Art. 2 of Legislative Decree no. 21 of March 15, 2012 (Golden Power).

NOTE 24 REVENUES

This item consisted of:

(million euros)	1st Half 2026	1st Half 2025
Equipment sales	402	397
Services	6,428	6,200
Total	**6,830**	**6,597**

Revenues from telecommunications services are presented gross of amounts due to other Tlc operators, equal to 299 million euros (305 million euros in the first half of 2025), included in 'Costs of services'.

For a breakdown of revenues by operating segment/geographical area, reference should be made to the Note 28 "Segment Reporting".

NOTE 25
FINANCE INCOME AND EXPENSES

Finance income (expenses) showed a net expense of 467 million euros (expense of 483 million euros in the first half of 2025) and comprises:

(million euros)	1st Half 2026	1st Half 2025
Finance income	525	547
Finance expenses	(992)	(1,030)
Net finance income (expenses)	**(467)**	**(483)**

The items break down as follows:

(million euros)		1st Half 2026	1st Half 2025
Interest expenses and other finance expenses:			
Interest expenses and other costs relating to bonds		(267)	(255)
Interest expenses to banks		(29)	(38)
Interest expenses to others		(46)	(43)
Finance expenses on lease liabilities		(165)	(143)
		(507)	**(479)**
Commissions		(24)	(33)
Other finance expenses		(127)	(91)
		(151)	**(124)**
Interest income and other finance income:			
Interest income		94	81
Income from financial receivables, recorded in Non-current assets		—	3
Income from securities other than investments, recorded in Non-current assets		—	—
Income from securities other than investments, recorded in Current assets		13	14
Miscellaneous finance income		35	59
		142	**157**
Total net finance interest/(expenses)	**(a)**	**(516)**	**(446)**
Other components of finance income and expenses:			
Net exchange gains and losses		1	(10)
Net result from derivatives		10	7
Net fair value adjustments to fair value hedge derivatives and underlying instruments		(27)	—
Net fair value adjustments to non-hedging derivatives		65	(34)
Total other components of finance income and expenses	**(b)**	**49**	**(37)**
Total net finance income (expenses)	**(a+b)**	**(467)**	**(483)**

For greater clarity of presentation, the net effects relating to derivative financial instruments are summarized in the following table:

(million euros)		1st Half 2026	1st Half 2025
Foreign currency conversion gains		92	249
Exchange losses		(91)	(259)
Net exchange gains and losses		**1**	**(10)**
Income from fair value hedge derivatives		1	—
Charges from fair value hedge derivatives		—	—
Net result from fair value hedge derivatives	**(a)**	**1**	**—**
Positive effect of the reversal of the Reserve of cash flow hedge derivatives to the income statement (interest rate component)		92	95
Negative effect of the reversal of the Reserve of cash flow hedge derivatives to the income statement (interest rate component)		(79)	(82)
Net effect of the Reversal of the Reserve of cash flow hedge derivatives to the income statement (interest rate component)	**(b)**	**13**	**13**
Income from non-hedging derivatives		132	23
Charges from non-hedging derivatives		(136)	(29)
Net result from non-hedging derivatives	**(c)**	**(4)**	**(6)**
Net result from derivatives	**(a+b+c)**	**10**	**7**
Positive fair value adjustments to fair value hedge derivatives		—	4
Negative fair value adjustments relating to financial assets and liabilities underlying fair value hedge derivatives		(25)	(4)
Net fair value adjustments	**(d)**	**(25)**	**—**
Positive fair value adjustments to Underlying financial assets and liabilities of fair value hedge derivatives		1	—
Negative fair value adjustments relating to fair value hedge derivatives		(3)	—
Net fair value adjustments	**(e)**	**(2)**	**—**
Net fair value adjustments to fair value hedge derivatives and underlying instruments	**(d+e)**	**(27)**	**—**
Positive fair value adjustments to non-hedging derivatives	(f)	65	19
Negative fair value adjustments to non-hedging derivatives	(g)	—	(53)
Net fair value adjustments to non-hedging derivatives	**(f+g)**	**65**	**(34)**

NOTE 26
PROFIT (LOSS) FOR THE PERIOD

The profit (loss) for the period can be analyzed as follows:

(million euros)	1st Half 2026	1st Half 2025
Profit (loss) for the period	**(107)**	**(38)**
Attributable to:		
Owners of the Parent:		
Profit (loss) from continuing operations	(179)	(90)
Profit (loss) from Discontinued operations / Non-current assets held for sale	(25)	(42)
Profit (loss) for the period attributable to owners of the Parent	**(204)**	**(132)**
Non-controlling interests:		
Profit (loss) from continuing operations	97	94
Profit (loss) from Discontinued operations / Non-current assets held for sale	—	—
Profit (loss) for the period attributable to Non-controlling interests	**97**	**94**

The result related to ‘Discontinued operations/Non-current assets held for sale' mainly relates to the economic results of the Telecom Italia Sparkle Group, which is classified as an “Available-for-sale asset” in accordance with IFRS 5.

The Net loss for the first half of 2026 was 107 million euros (loss of 204 million euros attributable to owners of the Parent).

NOTE 27
EARNINGS PER SHARE

In the first half of 2026, TIM S.p.A. carried out some capital transactions, for earnings per share purposes:

- with reference to the conversion of savings shares into ordinary shares, at a conversion ratio of 1 ordinary share to each savings share held, the average number of savings shares in the first half of 2026 was calculated taking into account the days when the shares were outstanding (up to May 21, 2026);
- with reference to the reverse stock split of TIM S.p.A. ordinary shares, at a ratio of 1 new ordinary share with full dividend rights for every 10 ordinary shares outstanding, in accordance with IAS 33, the average weighted number of shares for the first half of 2026 and also for the first half of 2025 was restated.

		1st Half 2026	1st Half 2025
Basic earnings per share			
Profit (loss) for the period attributable to owners of the Parent		(204)	(132)
Less: additional dividends for the savings shares (0.011 euros per share and up to capacity)		—	—
	(million euros)	(204)	(132)
Average number of ordinary and savings shares	(millions)	2,125	2,126
Basic earnings per share – Ordinary shares	(euros)	(0.10)	(0.06)
Plus: additional dividends per savings share			—
Basic earnings per share – Savings shares	(euros)	0.00	(0.06)
Basic earnings per share from continuing operations			
Profit (loss) from continuing operations attributable to Owners of the Parent		(179)	(90)
Less: additional dividends for the savings shares		—	—
	(million euros)	(179)	(90)
Average number of ordinary and savings shares	(millions)	2,125	2,126
Basic earnings per share from continuing operations – Ordinary shares	(euros)	(0.09)	(0.04)
Plus: additional dividends per savings share		0.00	—
Basic earnings per share from continuing operations – Savings shares	(euros)	0.00	(0.04)
Basic earnings per share from Discontinued operations/Non-current assets held for sale attributable to owners of the Parent			
Profit/(loss) from Discontinued operations/Non-current assets held for sale attributable to owners of the Parent	(million euros)	(25)	(42)
Average number of ordinary and savings shares	(millions)	2,125	2,126
Basic earnings per share from Discontinued operations/Non-current assets held for sale attributable to owners of the Parent - Ordinary Share	(euros)	(0.01)	(0.02)
Basic earnings per share from Discontinued operations/Non-current assets held for sale attributable to owners of the Parent - Savings Share	(euros)	0.00	0.00

	1st Half 2026	1st Half 2025
Average number of ordinary shares	1,622,772,135	1,523,302,369
Average number of savings shares	502,315,975	602,779,170
Total	**2,125,088,110**	**2,126,081,539**

		1st Half 2026	1st Half 2025
Diluted earnings per share			
Profit (loss) for the period attributable to owners of the Parent		(204)	(132)
Dilution effect of stock option plans and convertible bonds (*)		—	—
	(million euros)	(204)	(132)
Average number of ordinary and savings shares	(millions)	2,126	2,126
Diluted earnings per share – Ordinary shares	(euros)	(0.10)	(0.06)
Plus: additional dividends per savings share		—	—
Diluted earnings per share – Savings shares	(euros)	0.00	(0.06)
Diluted earnings per share from continuing operations			
Profit (loss) from continuing operations attributable to Owners of the Parent		(179)	(90)
Dilution effect of stock option plans and convertible bonds (*)		—	—
Less: additional dividends for the savings shares		—	—
	(million euros)	(179)	(90)
Average number of ordinary and savings shares	(millions)	2,126	2,126
Diluted earnings per share from continuing operations – Ordinary shares	(euros)	(0.09)	(0.04)
Plus: additional dividends per savings share		—	—
Diluted earnings per share from continuing operations – Savings shares	(euros)	0.00	(0.04)
Diluted earnings per share from Discontinued operations/Non-current assets held for sale attributable to owners of the Parent			
Profit/(loss) from Discontinued operations/Non-current assets held for sale attributable to owners of the Parent	(million euros)	(25)	(42)
Dilution effect of stock option plans and convertible bonds		—	—
Average number of ordinary and savings shares	(millions)	2,126	2,126
Diluted earnings per share from Discontinued operations/Non-current assets held for sale attributable to owners of the Parent - Ordinary Share	(euros)	(0.01)	(0.02)
Diluted earnings per share from Discontinued operations/Non-current assets held for sale attributable to owners of the Parent - Savings Share	(euros)	—	(0.02)

	1st Half 2026	1st Half 2025
Average number of ordinary shares (*)	1,624,154,252	1,523,302,369
Average number of savings shares	502,315,975	602,779,170
Total	**2,126,470,227**	**2,126,081,539**

(*) The average number of ordinary shares also includes potential ordinary shares relating to employee stock ownership plans for which the performance conditions (market and otherwise) have been met. Consequently, the “Net profit (loss) for the period attributable to owners of the Parent" and the “Profit (loss) from continuing operations attributable to owners of the Parent” are also adjusted to exclude the effects, net of tax, related to the above-mentioned plans. However, in accordance with IAS 33, these effects were not included in the calculation of diluted earnings per share for the first half of 2026 or 2025 because they would have been anti-dilutive. Details of “Future potential changes in share capital” are presented in Note 30 “Share-based payment arrangements”.

NOTE 28
SEGMENT REPORTING

a) Segment reporting

The operating segments of the TIM Group, organized for the telecommunications business and the related geographical location are as follows:

The operating segments of the TIM Group are as follows:

- **Domestic**: includes the activities in Italy relating to voice and data services on fixed and mobile networks for end users (retail) and other operators (MVNOs)), the operations of Noovle S.p.A. (Cloud and Edge Computing solutions), the activities of Olivetti (products and services for Information Technology), and, Domestic sector support structures;
- **Brazil**: includes mobile and fixed telecommunications operations in Brazil (TIM S.A.);
- **Other operations**: include the financial companies (Telecom Italia Capital S.A. and Telecom Italia Finance S.A.) and other minor companies not strictly related to the TIM Group's core business.

The TIM Group is still involved in a transformation process aimed at overcoming the vertically integrated model and based on separate entities (specifically Consumer and Enterprise in the Domestic segment) with different industrial and economic focuses. These entities cannot currently be considered an "operating segment" pursuant to IFRS 8 – Operating Segments, as they are still in a phase of analytical design and implementation and, therefore, do not yet have a detailed economic and financial information set.

The Group expects to complete the sale of the Sparkle Group in 2026 and, based on the specific indications provided by the standard for the purpose of identifying operating segments (autonomy of operating flows, methods of allocating financial resources, management reporting, etc.), will continue monitoring and analyzing the process to ensure the correct representation of the Group's Business Units.

Separate Consolidated Income Statements by Operating Segment

(million euros)	Domestic		Brazil		Other operations		Adjustments and eliminations		Consolidated Total	
	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025
Third-party revenues	4,541	4,535	2,288	2,062	—	—	1	—	6,830	6,597
Intragroup revenues	13	12	3	2	—	—	(16)	(14)	—	—
Revenues by operating segment	**4,554**	**4,547**	**2,291**	**2,064**	**—**	**—**	**(15)**	**(14)**	**6,830**	**6,597**
Other income	143	123	12	12	1	—	(1)	—	155	135
Total operating revenues and other income	**4,697**	**4,670**	**2,303**	**2,076**	**1**	**—**	**(16)**	**(14)**	**6,985**	**6,732**
Acquisition of goods and services	(3,168)	(3,065)	(871)	(793)	(1)	(1)	15	15	(4,025)	(3,844)
Employee benefits expenses	(720)	(582)	(170)	(153)	(1)	(1)	—	—	(891)	(736)
of which: of which: provisions for employee severance indemnities	—	—	—	—	—	—	—	—	—	—
Other operating expenses	(126)	(119)	(207)	(171)	(3)	(2)	—	(1)	(336)	(293)
of which: write-downs and expenses in connection with credit management and provision charges	(89)	(67)	(94)	(59)	—	—	—	—	(183)	(126)
Change in inventories	38	(5)	11	10	—	—	1	—	50	5
Internally generated assets	83	88	50	46	—	—	1	1	134	135
EBITDA	**804**	**987**	**1,116**	**1,015**	**(4)**	**(4)**	**1**	**1**	**1,917**	**1,999**
Depreciation and amortization	(881)	(914)	(588)	(560)		—	—	1	(1,469)	(1,473)
Gains (losses) on disposals of non-current assets	(3)	(1)	23	4		—	1	—	21	3
Impairment reversals (losses) on non-current assets		—		—		—	—	—	—	—
EBIT	**(80)**	**72**	**551**	**459**	**(4)**	**(4)**	**2**	**2**	**469**	**529**
Share of losses (profits) of associates and joint ventures accounted for using the equity method	—	(3)	(7)	(8)		—	—	—	(7)	(11)
Other income (expenses) from investments									(8)	1
Finance income									525	547
Finance expenses									(992)	(1,030)
Profit (loss) before tax from continuing operations									**(13)**	**36**
Income tax expense									(69)	(32)
Profit (loss) from continuing operations									**(82)**	**4**
Profit (loss) from Discontinued operations / Non current assets held for sale									(25)	(42)
Profit (loss) for the period									**(107)**	**(38)**
Attributable to:										
Owners of the Parent									**(204)**	**(132)**
Non-controlling interests									97	94

Revenues by operating segment

(million euros)	Domestic		Brazil		Other operations		Adjustments and eliminations		Consolidated Total	
	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025
Revenues from equipment sales - third party	345	343	56	54		—	1	—	402	397
Revenues from equipment sales - intragroup	—	—	1	(1)	—	—	(1)	1	—	—
Total revenues from equipment sales	**345**	**343**	**57**	**53**		**—**	**—**	**1**	**402**	**397**
Revenues from services - third party	4,196	4,192	2,232	2,008			—	—	6,428	6,200
Revenues from services - intragroup	13	12	2	3	—	—	(15)	(15)	—	—
Total revenues from services	**4,209**	**4,204**	**2,234**	**2,011**			**(15)**	**(15)**	**6,428**	**6,200**
Total third-party revenues	4,541	4,535	2,288	2,062	—	—	1	—	6,830	6,597
Total intragroup revenues	13	12	3	2	—	—	(16)	(14)	—	—
Total revenues by operating segment	**4,554**	**4,547**	**2,291**	**2,064**	**—**	**—**	**(15)**	**(14)**	**6,830**	**6,597**

Purchase of intangible, tangible and right of use assets by operating segment

(million euros)	Domestic		Brazil		Other operations		Adjustments and eliminations		Consolidated Total	
	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025
Purchase of intangible assets	226	264	144	118	—	—	—	—	370	382
Purchase of tangible assets	241	196	237	235	—	—	—	—	478	431
Purchase of right of use assets	152	60	507	277	—	—	—	—	659	337
Total purchases of intangible assets, tangible assets and right of use assets	**619**	**520**	**888**	**630**	**—**	**—**	**—**	**—**	**1,507**	**1,150**
of which: capital expenditures	*482*	*481*	*381*	*353*	*—*	*—*	*—*	*—*	*863*	*834*
of which: increases in lease/leasing contracts for right of use assets	*137*	*39*	*507*	*277*	*—*	*—*	*—*	*—*	*644*	*316*

Headcount by Operating Segment

(number of units)	Domestic		Brazil		Other operations		Consolidated Total	
	6/30/2026	12/31/2025	6/30/2026	12/31/2025	6/30/2026	12/31/2025	6/30/2026	12/31/2025
Headcount	**16,756**	**16,887**	**9,005**	**8,702**	**13**	**13**	**25,774**	**25,602**

Assets and liabilities by Operating Segment

(million euros)	Domestic		Brazil		Other operations		Adjustments and eliminations		Consolidated Total	
	6/30/2026	12/31/2025	6/30/2026	12/31/2025	6/30/2026	12/31/2025	6/30/2026	12/31/2025	6/30/2026	12/31/2025
Non-current operating assets	18,099	18,379	7,530	6,554	1	1	—	—	25,630	24,934
Current operating assets	3,929	4,455	1,319	1,113	15	15	(37)	(31)	5,226	5,552
Total operating assets	22,028	22,834	8,849	7,667	16	16	(37)	(31)	30,856	30,486
Investments accounted for using the equity method	45	46	—	195	—	—	—	—	45	241
Discontinued operations /Non-current assets held for sale									1,235	1,227
Unallocated assets									3,744	4,780
Total Assets									**35,880**	**36,734**
Total operating liabilities	6,315	6,340	2,421	2,247	15	17	(56)	(59)	8,695	8,545
Liabilities directly associated with Discontinued operations/Non-current assets held for sale									621	596
Unallocated liabilities									13,637	14,138
Equity									12,927	13,455
Total Equity and Liabilities									**35,880**	**36,734**

b) Reporting by geographical area

(million euros)		Revenues				Non-current operating assets	
		Breakdown by location of operations		Breakdown by location of customers		Breakdown by location of operations	
		1st Half 2026	1st Half 2025	1st Half 2026	1st Half 2025	6/30/2026	12/31/2025
Italy	(a)	4,538	4,529	4,511	4,499	18,091	18,370
Outside Italy	(b)	2,292	2,068	2,319	2,098	7,539	6,564
Total	**(a+b)**	**6,830**	**6,597**	**6,830**	**6,597**	**25,630**	**24,934**

c) Information about major customers

None of the TIM Group's customers make up for more than 10% of consolidated revenues.

NOTE 29
RELATED-PARTY TRANSACTIONS

The following tables show the figures relating to related party transactions and the impact of those amounts on the TIM Group's Separate Consolidated Income Statements, Consolidated Statements of Financial Position and consolidated statements of cash flows.

Pursuant to Art. 5, paragraphs 8 and 9, of Consob Regulation no. 17221 of March 12, 2010 concerning "Related-party transactions" and subsequent amendments, in the first half of 2026 financial year there are no transactions of greater importance, as defined by the Art. 4, paragraph 1, letter. a) of the aforementioned regulation which have significantly influenced the financial situation or results of the TIM Group.

In addition, there were no transactions concluded in the first half of 2026 that significantly impacted the equity position or results of the TIM Group, nor were there any changes or developments with respect to the related-party transactions described in the 2025 Report on Operations which had a significant effect on the financial position or on the performance of the TIM Group in the first half of 2026.

With reference to the first half of 2026, the following is noted:

- for the purposes of the half-year financial report as of June 30, 2026, the **Ministry of Economy and Finance (MEF)** continues to be a Related Party; furthermore, as required by IAS 24 paragraph 26, a qualitative analysis was carried out on the existing relationships with the subsidiaries of the MEF. The analysis showed that these relationships are mainly related to purchases of goods and services (energy, transportation, postal services) that are conducted at normal market conditions. With exclusive reference to the application of the Procedure for related-party transactions of the company, the Board of Directors resolved, on September 25, 2025, to exclude the Ministry of Economy and Finance (MEF) and its subsidiaries from the list of related parties in application of the provisions of Law no. 118 of August 8, 2025 (converting Decree Law no. 95 of June 30, 2025) which excluded the existence of correlation relationships for the purposes of article 2391-bis of the Civil Code between public administrations that do not exercise management and coordination powers and the companies indirectly owned by the latter;
- the **Poste Italiane Group**, which as of the end of June 2025 is included in "Other Related Parties'". In particular, as of June 30, 2026, Poste Italiane S.p.A. held a 20.104% stake in the share capital of TIM S.p.A., following the share capital transactions completed by TIM S.p.A. during the first half of 2026, pursuant to the resolutions adopted at the Shareholders' Meetings of TIM S.p.A. of January 28, 2026 and April 15, 2026.

With reference to the periods under comparison, the following should be noted:

- as from March 2025, the **Cassa Depositi e Prestiti (CDP) group** and its subsidiaries have no longer been included under "Other Related Parties" following the disposal of the 9.81% stake held in TIM S.p.A.;
- as from the end of June 2025, **Vivendi S.A.** and the companies of the group it belongs to, have no longer been included under "Other Related Parties" following the disposal of a portion - equal to 15% of the ordinary capital - of the stake held in the ordinary capital of TIM S.p.A..

Related-party transactions, when not dictated by specific laws, were conducted at arm's length. They were performed in compliance with the internal procedure, which sets forth rules designed to ensure the transparency and fairness of the transactions in accordance with Consob Regulation 17221/2010. The current procedure is available on the website gruppotim.it, under the Group - Governance - Governance Tools - Other Codes and Procedures section.

The effects of the related-party transactions on the TIM Group separate consolidated income statement line items for the first half of 2026 and 2025 are as follows:

SEPARATE CONSOLIDATED INCOME STATEMENT LINE ITEMS FOR THE FIRST HALF OF 2026

(million euros)	**Total** (a)	Associates, subsidiaries of associates and joint ventures	Other related parties	Pension funds	Key Managers	**Total related parties**	Discontinued Operations relationships	**Total related parties net of Disc.Op.** (b)	% of financial statement item (b/a)
Revenues	**6,830**	141	43			**184**	—	**184**	2.7
Other income	**155**	—	1			**1**	—	**1**	0.6
Acquisition of goods and services	**4,025**	28	27			**55**	—	**55**	1.4
Employee benefits expenses	**891**		1	23	14	**38**	(1)	**37**	4.2
Finance income	**525**		11			**11**	—	**11**	2.1
Profit (loss) from Discontinued operations / Non current assets held for sale	**(25)**	—	—	(1)	—	**(1)**			

SEPARATE CONSOLIDATED INCOME STATEMENT LINE ITEMS FOR THE FIRST HALF OF 2025

(million euros)	**Total** (a)	Associates, subsidiaries of associates and joint ventures	Other related parties	Pension funds	Key Managers	**Total related parties**	Discontinued Operations relationships	**Total related parties net of Disc.Op.** (b)	% of financial statement item (b/a)
Revenues	**6,597**	97	5			**102**	(1)	**101**	1.5
Acquisition of goods and services	**3,844**	40	71			**111**	—	**111**	2.9
Employee benefits expenses	**736**			21	6	**27**	(1)	**26**	3.5
Finance income	**547**		8			**8**	—	**8**	1.5
Finance expenses	**1,030**	1	1			**2**	1	**3**	0.3
Profit (loss) from Discontinued operations / Non current assets held for sale	**(42)**	—	2	(1)	—	**1**			

The effects of related-party transactions on the TIM Group separate consolidated statements of financial position line items at June 30, 2026 and December 31, 2025, are as follows:

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION LINE ITEMS AT 6/30/2026

(million euros)	Total (a)	Associates, subsidiaries of associates and joint ventures	Other related parties	Pension funds	Total related parties (b)	% of financial statement item (b/a)
Net financial debt						
Securities other than investments (current assets)	**(1,155)**		(269)		**(269)**	23.3
Cash and cash equivalents	**(1,070)**	—	(6)		**(6)**	0.6
Current financial assets	**(2,440)**	—	(275)	—	**(275)**	11.3
Total net financial debt	**10,571**		(275)		**(275)**	(2.6)
Other statement of financial position line items						
Trade and miscellaneous receivables and other current assets	**4,936**	333	44		**377**	7.6
Miscellaneous payables and other non-current liabilities	**569**	—	4		**4**	0.7
Trade and miscellaneous payables and other current liabilities	**7,301**	5	35	15	**55**	0.8

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION LINE ITEMS AT 12/31/2025

(million euros)	Total (a)	Associates, subsidiaries of associates and joint ventures	Other related parties	Pension funds	Total related parties (b)	% of financial statement item (b/a)
Net financial debt						
Securities other than investments (current assets)	**(1,370)**		(269)		**(269)**	19.6
Current financial assets	**(3,630)**	**—**	**(269)**	**—**	**(269)**	**7.4**
Total net financial debt	**9,875**	**—**	**(269)**	**—**	**(269)**	**(2.7)**
Other statement of financial position line items						
Miscellaneous receivables and other non-current assets	**1,110**	3			**3**	0.3
Trade and miscellaneous receivables and other current assets	**5,317**	299	5		**304**	5.7
Trade and miscellaneous payables and other current liabilities	**7,317**	14	29	12	**55**	0.8

During the first half of 2026 and 2025, related-party transactions did not have a significant impact on the relevant line items of the TIM Group's consolidated statement of cash flows.

Transactions with associates, subsidiaries of associates and joint ventures

The most significant values of the transactions with associates, subsidiaries of associates and joint ventures are summarized in the tables below.

On May 6, 2026, TIM S.A. (Brazil Business Unit) acquired the remaining 51% equity interest in I-Systems Soluções de Infraestrutura S.A. ("I-Systems"). TIM S.A. already owned 49% of the share capital of I-Systems. Accordingly, following the acquisition, I-Systems is now a wholly owned subsidiary of the TIM Group.

SEPARATE CONSOLIDATED INCOME STATEMENT LINE ITEMS

(million euros)	1st Half 2026	1st Half 2025	TYPE OF CONTRACT
Revenues			
Polo Strategico Nazionale S.p.A.	152	108	Supply of software and related installation and configuration services; security services; cloud services, Data Center spaces, connectivity, design.
TIMFin S.p.A.	(11)	(11)	Mobile and fixed voice services, outsourcing services and fees; costs related to financing transactions recognized as a reduction of the Parent Company TIM S.p.A.'s revenues.
Total revenues	**141**	**97**	
Acquisition of goods and services			
I-Systems S.A.	25	36	Supply of multimedia communication services and capacity services.
W.A.Y. S.r.l.	3	3	Supply, installation and technical assistance services to support the Fleet platform and for geolocation equipment as part of offers to TIM customers, software development.
Polo Strategico Nazionale S.p.A.	—	1	
Total acquisition of goods and services	**28**	**40**	
Finance expenses	**—**		
TIMFin S.p.A.	—	1	Finance expenses for commission and other finance expenses.
Total finance expenses	**—**	**1**	

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION LINE ITEMS

(million euros)	6/30/2026	12/31/2025	TYPE OF CONTRACT
Net financial debt			
Miscellaneous receivables and other non-current assets	**—**	**3**	
Trade and miscellaneous receivables and other current assets			
Polo Strategico Nazionale S.p.A.	332	293	Supply of products, software installation and configuration services, cloud servers, Data Center spaces, connectivity and design.
I-Systems S.A.	—	5	Services related to network operation and maintenance.
TIMFin S.p.A.	1	1	Miscellaneous costs for loans.
Total trade and miscellaneous receivables and other current assets	**333**	**299**	
Trade and miscellaneous payables and other current liabilities			
I-Systems S.A.	—	9	Supply of multimedia communication services and capacity services.
TIMFin S.p.A.	2	3	Miscellaneous costs for loans.
W.A.Y. S.r.l.	2	1	Supply, installation and technical assistance services to support the Fleet platform and for geolocation equipment as part of offers to TIM customers, software development.
Other	1	1	
Total trade and miscellaneous payables and other current liabilities	**5**	**14**	

As of June 30, 2026, TIM S.p.A. had provided 36 million euros in guarantees on behalf of the joint venture Polo Strategico Nazionale S.p.A.

Transactions with other related parties (through directors, statutory auditors and key managers, as well as participants in shareholder agreements pursuant to Art. 122 of the Consolidated Law on Finance)

Details are provided below of the transactions with:

- Poste Italiane group. As of the end of June 2025, it is included among the "Other related parties";
- Vivendi group and the group companies to which it belongs. As of the end of June 2025, it is no longer included among the "Other related parties";
- Cassa Depositi e Prestiti (CDP) group and the group subsidiaries; As of March 2025, it is no longer included among the "Other related parties";
- Ministry of Economy and Finance (MEF);
- companies related through Directors, Statutory Auditors and Key Managers with strategic responsibilities.

SEPARATE CONSOLIDATED INCOME STATEMENT LINE ITEMS

(million euros)	1st Half 2026	1st Half 2025	TYPE OF CONTRACT
Revenues			
Cassa Depositi e Prestiti Group	—	4	Transfer of rights to use lead-in ducts and revenues for the rental of vertical segments, IRU transfer of rights to use dark fiber installation and infrastructures; supply of housing, dark fiber maintenance and dedicated GEA/Giganet connectivity services, fixed and mobile voice services and devices, application outsourcing services, cloud services, maintenance services to Open Fiber (formerly Metroweb) and electricity supply services.
Poste Italiane Group	43		fixed and mobile telephony services including equipment and ICT services; application outsourcing services, cloud services, equipment maintenance services, and other revenues from services.
Other minor companies	—	1	
Total revenues	**43**	**5**	
Other income			
Poste Italiane Group	1		Miscellaneous compensation
Total other income	**1**	**—**	
Acquisition of goods and services			
Havas Group	—	69	Service & advisory activities in the purchase of media space by the TIM Group; study and implementation of advertising campaigns for the TIM and Kena brands, editorial management services for TIM brands on social media and TIM Group data room management services
Poste Italiane Group	27		Provision of printing and delivery services for invoices and business correspondence intended for TIM Group customers through the Posta Contes service and registered mail delivery service.
Vivendi group	—	2	Operational management of TIM's “TIM I Love Games” online store platform and related developments; TIM cloud gaming (TIMGAMES) service in SaaS mode; use of My Canal platform licenses.
Total acquisition of goods and services	**27**	**71**	
Employee benefits expenses			
Poste Italiane Group	1		Insurance policies
Total employee benefits expenses	**1**		
Finance income			
Ministry of Economy and Finance	11	8	Income from bonds
Total finance income	**11**	**—**	
Finance expenses			
Ministry of Economy and Finance	—	1	Capital loss on securities disposal
Total finance expenses	**—**	**—**	

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION LINE ITEMS

(million euros)	6/30/2026	12/31/2025	TYPE OF CONTRACT
Net financial debt			
Securities other than investments (current assets)			
Ministry of Economy and Finance	(269)	(269)	Bond securities
Cash and cash equivalents			
Poste Italiane Group	(6)		Postal deposits.
Total financial receivables and other current financial assets	**(275)**	**(269)**	
Other statement of financial position line items			
Trade and miscellaneous receivables and other current assets			
Poste Italiane Group	44	5	Provision of printing and delivery services for invoices and business correspondence intended for TIM Group customers through the Posta Contes service and registered mail delivery service.
Total trade and miscellaneous receivables and other current assets	**44**	**5**	
Miscellaneous payables and other non-current liabilities			
Poste Italiane Group	4		Deferred income.
Total miscellaneous payables and other non-current liabilities	**4**	**—**	
Trade and miscellaneous payables and other current liabilities			
Poste Italiane Group	35	29	Contract to provide invoice and business correspondence delivery services to TIM Group customers through the Posta Contes service
Total trade and miscellaneous payables and other current liabilities	**35**	**29**	

Transactions with pension funds

The most significant amounts are summarized as follows:

SEPARATE CONSOLIDATED INCOME STATEMENT LINE ITEMS

(million euros)	1st Half 2026	1st Half 2025	TYPE OF CONTRACT
Employee benefits expenses			Contributions to pension funds.
Fontedir	4	3	
Telemaco	3	15	
Other pension funds	16	3	
Total employee benefits expenses	**23**	**21**	

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION LINE ITEMS

(million euros)	6/30/2026	12/31/2025	TYPE OF CONTRACT
Trade and miscellaneous payables and other current liabilities			Payables for contributions to pension funds.
Fontedir	2	1	
Telemaco	2	1	
Other pension funds	11	10	
Total trade and miscellaneous payables and other current liabilities	**15**	**12**	

Remuneration to Key Managers with Strategic Responsibilities

In the first half of 2026, remuneration recorded on an accrual basis by TIM or by Group subsidiaries in respect of key managers with strategic responsibilities amounted to 13.9 million euros (6.0 million euros in the first half of 2025).

(million euros)	1st Half 2026		1st Half 2025	
Short-term remuneration	6.2	(1)	5.5	(3)
Long-term remuneration	—		—	
Employment termination benefit incentives	—		—	
Share-based payments (*)	7.7	(2)	0.5	(4)
Totale	**13.9**		**6.0**	

(*) These refer to the fair value of the rights, accrued at June 30, under the share-based incentive plans of TIM S.p.A. and its subsidiaries (Long Term Incentive, Stock Options Plan and Plans of the subsidiaries).

(1) of which 0.7 million euros recorded by subsidiaries.
(2) of which 0.9 million euros recorded by subsidiaries.
(3) of which 0.6 million euros recorded by subsidiaries.
(4) of which 0.5 million euros recorded by subsidiaries.

Short-term remuneration is paid during the reference year, and, at the latest, within the six months following the end of that period. In the first half of 2026, these fees do not include any adjustments resulting from the final determination of costs relating to the 2025 financial year, which, in the case of TIM S.p.A., were nil. The MBO incentive for the 2026 financial year is presented in the table at its target value.

The cash-settled long-term incentive awards provide for payment at the end of the Plan, during the 2027 financial year. For the first half of 2026, they are measured on the basis of the fair value accrued during the reporting period.

During the first half of 2026, TIM S.p.A. paid contributions of 167.8 thousand euros to defined contribution pension schemes (Assida and Fontedir) on behalf of executives with strategic responsibilities, compared with 137.5 thousand euros in the corresponding period of 2025.

In the first half of 2026, "Key managers with strategic responsibilities" – i.e. those who have the power and responsibility, directly or indirectly, for the planning, direction and control of the operations of the TIM Group, including directors – were the following:

Directors:		
Pietro Labriola		Managing Director and Chief Executive Officer of TIM S.p.A. General Manager of TIM S.p.A.
Managers:		
Alberto Mario Griselli		Diretor Presidente TIM S.A.
Paolo Chiriotti		Chief Human Resources & Organization Office
Maria Enrica Danese	(1)	Corporate Communications & Sustainability Officer
Leonardo De Carvalho Capdeville		Chief Technology Office
Giampaolo Leone		Head of Procurement & Logistics
Roberto Franco Mazzilli		Chief IT Group Officer
Alessandra Michelini	(1)	CEO of Telsy
Agostino Nuzzolo		Chief Legal, Regulatory & Tax Officer
Claudio Giovanni Ezio Ongaro		Chief Strategy, Business Development & Wholebuy Office
Piergiorgio Peluso		Chief Financial Office
Andrea Rossini		Chief Consumer, Small & Medium and Mobile Wholesale Market Officer
Elio Schiavo		Chief Enterprise and Innovative Solutions Officer
Sabina Strazzullo	(1)	Head of Public Affairs

(1) Designated as executives with strategic responsibilities with effect from January 19, 2026.

NOTE 30
SHARE-BASED PAYMENT ARRANGEMENTS

TIM S.p.A. - Long-term plans

At the Shareholders' Meeting of TIM S.p.A. held on April 15, 2026, the shareholders approved the new **2026–2028 LTI Performance Share Plan** (the "2026–2028 LTI Plan"), which is intended to further align the interests of management with those of the shareholders and to promote the creation of sustainable value over the medium to long term through the grant of TIM ordinary shares, free of charge, subject to the achievement of specified performance targets.

In addition to the 2026–2028 LTI Plan, the following long-term incentive plans approved by the Shareholders' Meeting of TIM S.p.A. held on June 24, 2025 remain in effect: the **2025–2027 LTI Performance Share Plan**, the amended **2022–2024 Stock Option Plan** and the **2025–2027 Phantom Share Plan**.

At the same Shareholders' Meeting held on April 15, 2026, the shareholders also approved the consolidation of TIM S.p.A.'s ordinary shares on the basis of one new ordinary share for every 10 existing ordinary shares, effective from June 15, 2026. For further details, see note 14 "Equity".

At its meetings of May 27, 2026 and June 19, 2026, the Board of Directors of TIM S.p.A., taking into account the total Public Offer for Purchase and Exchange of TIM shares promoted by Poste Italiane (OPAS) and in accordance with the provisions of the relevant Implementing Regulations, resolved, after a favorable opinion of the Appointments and Remuneration Committee and, to the extent applicable, of the Board of Statutory Auditors, to accelerate the existing Long Term Incentive Plans, subject to the start of the period of adherence to the OPAS following the publication of the issuer's communication pursuant to Art. 103, paragraph 3, of Italian Legislative Decree 58/1998.

In particular, the acceleration of the 2025-2027 and 2026-2028 Performance Shares Long Term Plans will result, as decided, in the target ffinalization of the related objectives, with a pro-rata accrual of 24/36ths for the 2025-2027 LTI Plan and 12/36ths for the 2026-2028 LTI Plan, respectively. For the amended 2022-2024 Stock Options plan and the Phantom Shares Plan, the methods already communicated remain unchanged, without the application of pro-rata reductions. The Plans will be closed at the same time.

The period of adhering to the OPAs began on July 20, 2026; the effects deriving from the acceleration will therefore be accounted for in the second half of 2026.

TIM S.p.A. - LTI Plan 2026-2028

At the Shareholders' Meeting held on April 15, 2026, the shareholders approved the 2026–2028 LTI Performance Share Plan, which is intended to further align the interests of management with those of the shareholders and to promote the creation of sustainable value over the medium to long term. The Plan provides for the grant of TIM ordinary shares, free of charge, subject to the achievement of performance targets assessed over a three-year performance period.

The Plan is intended for the CEO and executives employed by TIM and the Group's subsidiaries, selected on the basis of their role and their expected contribution to the Group's business performance.

The Plan is an equity-settled, equity-based plan, with a vesting period from January 1, 2026 to December 31, 2028, followed by a two-year lock-up period applying to 50% of the shares awarded, net of any shares sold to satisfy tax obligations.

The vesting of the shares is subject to the achievement of financial, ESG and market-based performance targets. Specifically:

- The financial performance target is represented by the cumulative reported TIM Group EBITDA After Lease – CAPEX over the 2026–2028 period;
- the ESG targets relate to 5G traffic penetration, as a measure of the mobile network's eco-efficiency, and to improving the average level of AI literacy across the relevant TIM workforce;
- the market-based target is TIM's Total Shareholder Return (TSR), measured on a relative basis against a peer group of leading European telecommunications operators.

The Plan allocates a weighting of 50% to the financial performance target, an aggregate weighting of 30% to the ESG targets, and 20% to relative TSR.

The number of shares that vest depends on the extent to which the performance targets are achieved, based on the following payout curve: 70% of the pay opportunity at the minimum value, 100% of the pay opportunity at the target value, 130% of the pay opportunity at the maximum value.

Any shares awarded are subject to the lock-up mechanism and the claw-back provisions set out in the Remuneration Policy and the Plan Rules.

The awards were granted to the beneficiaries during June 2026, with accounting recognition from the second half of 2026. The beneficiaries comprise 67 executives, with 2,095,703 post-consolidation shares allocated at maximum achievement (130% of the pay opportunity).

For further details, please refer to the Information Document relating to the initiative, available on the Company's website: https://www.gruppotim.it/content/dam/gt/investitori/doc---avvisi/anno-2026/Piano-LTI-di-Performance-Shares-2026-2028.pdf.

TIM S.p.A. - LTI Plan 2025-2027

The shareholders' meeting held on June 24, 2025 approved the 2025-2027 Performance Shares LTI Plan, aimed at strengthening the alignment between the interests of management and those of the shareholders, through the free allocation of TIM ordinary shares subject to the achievement of specific performance targets on a three-year basis.

The Plan is addressed to the CEO and to members of the Group's management (including Executives with Strategic Responsibilities)

The Plan qualifies as an equity-based and equity-settled plan, structured over a three-year time horizon, in line with market best practices in terms of remuneration. The beneficiaries of the Plan are assigned a number of Performance Shares proportional to their gross annual remuneration. In particular, the pay opportunity, determined by reference to base salary, is defined according to the recipient's role and performance.

The number of Shares assigned to the Beneficiaries at Vesting is directly correlated to the degree of achievement of the Performance Objectives illustrated below, consisting of one economic-financial objective, two ESG objectives, as well as one market-based objective relating to the Total Shareholder Return (TSR, which measures the overall return on investment in the Shares over the reference three-year period, taking into account the change in the Share price and the dividends distributed by the Company).

Specifically:

- the economic-financial objective consists of the TIM Group cumulative reported EBITDA AL - CAPEX for the three-year period 2025-2027;
- the ESG objectives are related to (i) the eco-efficiency of the mobile network and (ii) the percentage of female individuals in positions of responsibility;
- With regard to TSR (Total Shareholder Return), performance will be calculated by verifying the positioning of TIM's Total Shareholder Return compared to a basket of peers consisting of ten European TLC peers.

The Plan will end with the possible vesting of the Performance Shares at the time of approval of the Group consolidated financial statements as of December 31, 2027 (and therefore in fiscal year 2028), subject to the subsequent Lock-up and Claw-back provisions.

Under the payout curve, 50% of the pay opportunity is awarded upon achievement of the minimum performance level, 75% upon achievement of the target performance level and 100% upon achievement of the maximum performance level.

At June 30, 2026, the Plan covered a total of 66 beneficiaries, with 2,652,617 post-consolidation shares awarded at the maximum performance level, corresponding to 100% of the pay opportunity.

Further details are set out in the Information Document relating to the Plan, available on the Company's website https://www.gruppotim.it/content/dam/gt/investitori/doc---avvisi/anno-2025/Documento-Informativo-LTI-Performance-Shares-2025-2027-.pdf.

TIM S.p.A. - Amended 2022 - 2024 SOP

The Shareholders' Meeting of June 24, 2025 approved a series of amendments to the 2022-2024 Stock Options Plan, already approved by the Shareholders' Meeting of April 7, 2022. For a description of the original features of the 2022-2024 Stock Options Plan, please refer to the Annual Report as of December 31, 2024 of TIM S.p.A.

On April 2022, 2024, the Board of Directors of TIM S.p.A. approved the assessment of the achievement of the performance targets under the original 2022-2024 SOP. From that date, the Options became exercisable.

The changes were introduced to neutralize the effects of the significant business discontinuity resulting from the sale of the fixed network (netco) and to preserve the incentive and retention purpose of the original Plan for the management.

These changes, further detailed below, apply to the beneficiaries of the SOP 2022-2024 options who: (i) as of June 24, 2025, were still employed or held an administrative relationship with TIM or another Subsidiary (excluding Telecom Italia Sparkle S.p.A.) and (ii) opted to adhere to the new rules set forth below, waiving the previous regulation regarding strike price and exercise period ("Non-Terminated Adhering Beneficiaries").

In particular, the proposed changes concern:

- the adjustment of the strike price from 0.424 euros to 0.3465 euros (pre-consolidation value), calculated on the basis of the volume-weighted average market price of TIM shares over the 30 trading days preceding the resolution of the Board of Directors on May 23, 2025, with a corresponding adjustment to the maximum payout available to Participating Beneficiaries whose employment had not terminated. Following the share consolidation, effective from June 15, 2026, this value was adjusted to 3.465 euros.
- the determination of a different exercise period, which will run from February 1, 2027 to April 14, 2027 for the Non-Terminated Adhering Beneficiaries, as previously defined.

As of June 30, 2026, the total number of beneficiaries of the amended 2022-2024 SOP is 2022 and the number of post-consolidation options granted and outstanding at that date amounts to 2024.

A total of 2022 beneficiaries under the original 2022–2024 SOP were excluded from the amended 2022-2024 SOP Rules, for example because their employment had terminated. The number of options relating to those beneficiaries that were already exercisable was 72,457,254 on a pre-consolidation basis; of these, 55,691,808 (pre-consolidation) had already been exercised at June 30, 2026. The exercise period under the original 2022-2024 SOP will end, as envisaged for the amended 2022-2024 SOP, on April 14, 2027, with a pre-consolidation strike price of 0.424 euros, equal to 4.240 euros post-consolidation.

For further details, please refer to the Information Document relating to the initiative, available on the Company's website:

https://www.gruppotim.it/content/dam/gt/investitori/doc---avvisi/anno-2025/Modifica-Documento-informativo-SOP-2022-2024-DEF-ITA-26-05.pdf.

TIM S.p.A. - Phantom Share Plan

The shareholders' meeting of June 24, 2025 approved the 2025-2027 Phantom Shares Plan.

The 2025–2027 Phantom Share Plan is a long-term, cash-settled incentive plan based on the value of the Company's shares. Unlike stock option or performance share plans, the Plan does not provide for the award of actual shares. Instead, participants are granted notional units, known as Phantom Shares, which entitle them to receive a cash bonus calculated by reference to the increase in the TIM share price over an initial reference value. The Plan is intended for a selected group of Group employees, identified on the basis of the strategic roles they perform, who are not already participants in the 2022–2024 SOP.

Specifically:

- the post-consolidation Threshold Value (reference price) is set at 3.465 euros, in line with the new strike price defined for the amended 2022-2024 SOP;
- The vesting of the bonus is subject to a value of the share at the end of the Plan (Vesting Value) higher than the Threshold Value and to the continuation of the employment relationship between the Company (or a Subsidiary) and the Beneficiary as of January 31, 2027 (except in the case of so-called good leaver scenarios).

The final bonus will be determined by multiplying the number of vested Phantom Shares by the difference between the market value of the share at the vesting date and the above-mentioned Threshold Value. The post-consolidation maximum value in any case attributable to each Phantom Share, once the vesting for the purposes of payment of the Bonus has occurred, will be equal to 14.225 euros.

As of June 30, 2026, there are a total of 89 beneficiaries of the Phantom Shares Plan and the number of Phantom Shares granted amounts to 3,780,750 (post-consolidation).

For further details, please refer to the Information Document relating to the initiative, available on the Company's website:

https://www.gruppotim.it/content/dam/gt/investitori/doc---avvisi/anno-2025/TIM-Documento-Informativo-Piano-di-Phantom-Shares-2025-2027.pdf.

TIM S.A. (Brazil Business Unit)

TIM S.A. – Long Term Incentive Plan 2021-2023

On March 30, 2021, the General Meeting of Shareholders of TIM S.A. approved the long-term incentive plan for managers in key positions in the company. The plan aims to reward participants with shares issued by the company, according to specific time (restricted shares) and performance (performance shares) conditions. The vesting period is 3 years and the company does not have the legal obligation to repurchase or liquidate the shares in cash or in any other form. The plan – in addition to transferring shares to beneficiaries – also includes the possibility of rewarding participants through the settlement of the amount corresponding in cash.

Year 2021

On May 5, 2021, the beneficiaries of the plan were granted the right to receive a total of 3,431,610 shares, of which 3,173,142 are performance shares, subject to performance conditions and with gradual vesting over 3 years, and 258,468 are restricted shares, with a 3-year vesting period.

In 2021, alongside the traditional plan, the special grant was introduced, an additional extraordinary concession aimed at incentivizing the completion of the acquisition of part of Oi Móvel's assets in Brazil as well as the success of subsequent integration operations.

Out of the total 3,431,610 shares granted, 1,151,285 relate to the traditional allocation (with 892,817 performance shares and 258,468 restricted shares) and 2,280,325 refer to the special grant.

On February 9, 2023, the Board of Directors agreed to adjust by 220,743 the number of performance shares granted under the Special Grant to the participants appointed to higher-responsibility roles during the period.

On December 31, 2024, three vesting periods were completed with regard to **the traditional grant**:

- **2022**: in compliance with the results approved on April 26, 2022, in July 572,608 shares were transferred to beneficiaries, of which 463,608 relating to the original volume accrued, 87,605 granted according to the degree to which objectives had been achieved and 21,395 shares as a result of the dividends distributed during the period. In addition, for participants transferred to other Group companies, as per the Plan rules, it was ordered in June to make cash payments of the amount corresponding to 3,486 shares (2,883 relating to the original volume accrued, 473 acknowledged according to the degree to which the objectives had been achieved and 130 due to dividends distributed during the period).
- **2023**: in compliance with the results approved on May 8, 2023, in July 169,462 shares were transferred to beneficiaries, of which 128,384 relating to the original volume accrued, 28,484 granted according to the degree to which objectives had been achieved and 12,594 shares as a result of the dividends distributed during the period. In addition, for participants transferred to other Group companies, as per the Plan rules, payment in cash was considered in July of the amount corresponding to 17,576 shares (13,316 relating to the original volume accrued, 2,954 acknowledged according to the degree to which the objectives had been achieved and 1,306 due to dividends distributed during the period).
- **2024**: in compliance with the results approved on May 6, 2024, in July 530,784 shares were transferred to beneficiaries, of which 298,151 relating to the original volume accrued, 180,353 granted according to the degree to which objectives had been achieved and 52,280 shares as a result of the dividends distributed during the period. In addition, for participants transferred to other Group companies, as per the Plan rules, payment in cash was considered in July of the amount corresponding to 31,677 shares (17,792 relating to the original volume accrued, 10,764 acknowledged according to the degree to which the objectives had been achieved and 3,121 due to dividends distributed during the period).

Regarding the **Special Grant**:

- **2022**: in compliance with the results approved on April 26, 2022, 601,936 shares were transferred to beneficiaries in July, of which 579,451 relating to the original volume accrued and 22,485 shares as a result of the dividends distributed during the period.
- **2023**: in compliance with the results approved on May 8, 2023, in July 1,038,041 shares were transferred to beneficiaries, of which 829,161 relating to the original volume accrued, 131,775 granted according to the degree to which objectives had been achieved and 77,105 shares as a result of the dividends distributed during the period. In addition, for participants transferred to

other Group companies, as per the Plan rules, payment in cash was considered in July of the amount corresponding to 92,254 shares (76,087 relating to the original volume accrued, 9,314 acknowledged according to the degree to which the objectives had been achieved and 6,853 due to dividends distributed during the period).

- **2024**: in compliance with the results approved on May 6, 2024, in July 719,164 shares were transferred to beneficiaries, of which 483,928 relating to the original volume accrued, 164,415 granted according to the degree to which objectives had been achieved and 70,821 shares as a result of the dividends distributed during the period. In addition, for participants transferred to other Group companies, as per the Plan rules, payment in cash was considered in July of the amount corresponding to 19,892 shares (13,385 relating to the original volume accrued, 4,548 acknowledged according to the degree to which the objectives had been achieved and 1,959 due to dividends distributed during the period).

At December 31, 2024, and including the shares for July transfer, of the original volume assigned of 3,431,610 shares plus the 220,743 assigned due to participants' appointments to new roles, 746,207 had been canceled due to the beneficiaries having left the company and 3,631,995 shares had been transferred to beneficiaries (2,782,683 related to the original volume vested, 592,632 recognized on the basis of performance achieved and 256,680 for effect of dividends distributed during the period). For participants transferred to other companies within the Group, in accordance with the rules set out in the Plan, payment in cash was arranged for the amount corresponding to 164,885 shares (123,463 relating to the original vested volume, 28,053 recognized based on the level of achievement of objectives, and 13,369 due to dividends distributed during the period), thus completing the 2021 grant.

Year 2022

On April 26, 2022, the beneficiaries of the plan were granted the right to receive a total of 1,227,712 shares, of which 927,428 are performance shares, subject to performance conditions and with gradual vesting over 3 years, and 300,284 are restricted shares, with 3-year vesting.

- **2023**: in compliance with the results approved on May 8, 2023, in July 392,460 shares were transferred to beneficiaries, of which 264,305 relating to the original volume accrued, 110,928 granted according to the degree to which objectives had been achieved and 17,227 shares as a result of the dividends distributed during the period.
- **2024**: In accordance with the results approved on May 6, 2024, in July 680,532 shares were transferred to the beneficiaries, of which 252,442 related to the original vested amount, 374,411 granted based on the level of achievement of objectives, and 53,679 shares as a result of dividends distributed during the period. In addition, for participants transferred to other companies belonging to the Group, according to the rules set out in the Plan, payment in cash was arranged during the month of July for the amount corresponding to 19,018 shares (7,055 relating to the original vested volume, 10,463 recognized based on the level of achievement of objectives, and 1,500 due to the dividends distributed during the period). Furthermore, in October, 57,021 shares were transferred to other beneficiaries belonging to other companies of the Group, of which 37,087 related to the original vested amount, 15,437 granted based on the level of achievement of objectives, and 4,497 shares as a result of dividends distributed during the period.
- **2025**: in compliance with the results approved on May 5, 2025, in July 768,845 shares were transferred to beneficiaries, of which 403,661 relating to the original volume accrued, 253,959 granted according to the degree to which objectives had been achieved and 111,224 shares as a result of the dividends distributed during the period. In addition, for participants transferred to other companies belonging to the Group, according to the rules set out in the Plan, a cash payment was made during July for an amount corresponding to 20,848 shares (11,646 relating to the original vested volume, 6,186 recognized based on the level of achievement of objectives, and 3,016 due to dividends distributed during the period).

At December 31, 2025 – including the shares to be transferred in July – of the original volume assigned of 1,227,712 shares, 251,517 had been canceled due to the beneficiaries having left the company and 1,898,858 shares had been transferred to beneficiaries (957,495 related to the original volume vested, 754,735 recognized on the basis of performance achieved and 186,627 for effect of dividends distributed during the period). For participants transferred to other Group companies, as per the Plan rules, cash payment was made of an amount corresponding to 39,866 shares (18,701 relating to the original volume accrued, 16,649 acknowledged according to the degree to which the objectives had been achieved and 4,516 due to dividends distributed during the period), thus completing the 2022 grant.

Year 2023

On July 31, 2023, plan beneficiaries were granted the right to receive a total of 1,560,993 shares, of which 1,189,900 performance shares restricted to performance conditions and with gradual vesting over 3 years and 371,093 restricted shares, with a vesting period of 3 years.

- **2024**: in compliance with the results approved on May 6, 2024, in August 475,520 shares were transferred to beneficiaries, of which 227,983 relating to the original volume accrued, 223,132 granted according to the degree to which objectives had been achieved and 24,405 shares as a result of the dividends distributed during the period. In addition, 135,421 shares were transferred in October to other beneficiaries transferred to other Group companies, of which 78,467 relating to the original volume accrued, 50,008 granted according to the degree to which objectives had been achieved and 6,946 shares as a result of the dividends distributed during the period.
- **2025**: in compliance with the results approved on May 5, 2025, in August 646,081 shares were transferred to beneficiaries, of which 303,469 relating to the original volume accrued, 265,491 granted according to the degree to which objectives had been achieved and 77,121 shares as a result of the dividends distributed during the period.

As of June 30, 2026, 313,184 of a total of 1,560,993 allocated shares had been canceled due to beneficiaries leaving the Company. This left a total of 637,890 shares that could be vested at the end of the period.

TIM S.A. – Long Incentive Plan 2024-2026

On March 28, 2024, the General Meeting of Shareholders of TIM S.A. approved the long-term incentive plan for managers in key positions in the company. The plan aims to reward participants with shares issued by the company, according to specific time (restricted shares) and performance (performance shares) conditions. The vesting period is 3 years and the company does not have the legal obligation to repurchase or liquidate the shares in cash or in any other form. The plan – in addition to transferring shares to beneficiaries – also includes the possibility of rewarding participants through the settlement of the amount corresponding in cash.

Year 2024

On July 30, 2024, plan beneficiaries were granted the right to receive a total of 1,226,859 shares, of which 946,060 performance shares restricted to performance conditions and with gradual vesting over 3 years and 280,799 restricted shares, with a vesting period of 3 years.

- **2025**: in compliance with the results approved on May 5, 2025, in August 144,065 shares were transferred to beneficiaries, of which 88,693 relating to the original volume accrued, 44,360 granted according to the degree to which objectives had been achieved and 11,012 shares as a result of the dividends distributed during the period.

As of June 30, 2026, 307,580 of a total of 1,226,859 allocated shares had been canceled due to beneficiaries leaving the Company. This left a total of 830,586 shares that could be vested at the end of the period.

Year 2025

On May 5, 2025, the beneficiaries of the plan were granted the right to receive a total of 1,368,704 shares, subject to performance share conditions, with a 3-year vesting period.

As of June 30, 2026, out of a total of 1,368,704 shares assigned, plus 15,252 related to the internal movement of participants, 323,548 shares were canceled due to the departure of beneficiaries from the Company, leaving a balance of 1,060,408 shares to be acquired at the end of the period.

FY 2026

On May 5, 2026, the beneficiaries of the plan were granted the right to receive a total of 887,812 shares, subject to performance share conditions, with a 3-year vesting period.

NOTE 31

SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

The effect of the first half of 2026 non-recurring events and transactions on the equity, profit, net financial debt and cash flows of the TIM Group is set out below in accordance with Consob Communication DEM/6064293 of July 28, 2006. The non-recurring effects on Equity and Profit (loss) for the year are shown net of tax effects.

(million euros)		Equity	Profit (loss) for the period	Net financial debt	Cash flows (*)
Carrying amount	**(a)**	**12,927**	**(107)**	**10,479**	**(1,033)**
Other income		—	—	(1,012)	17
Acquisition of goods and services - Expenses related to agreements and the development of non-recurring projects and other expenses		(8)	(8)	13	(13)
Employee benefits expenses - Charges connected to corporate reorganization/restructuring and other costs		(136)	(136)	107	(107)
Other operating expenses - Charges from regulatory litigation and sanctions and contingencies, other provisions and charges		(26)	(26)	20	(20)
Other finance income		2	2	—	—
Other finance expenses		(5)	(5)	—	—
Total non-recurring effects	**(b)**	**(181)**	**(181)**	**(872)**	**(123)**
Profit (loss) from Discontinued operations / Non current assets held for sale	**(c)**	**(25)**	**(25)**	**(36)**	**(2)**
Figurative amount – financial statements	**(a-b-c)**	**13,133**	**99**	**11,387**	**(908)**

(*) Cash flows refer to the increase (decrease) in Cash and cash equivalents during the period.

The impact of non-recurring items on the Separate Consolidated Income Statements line items is as follows:

(million euros)	1st Half 2026	1st Half 2025
Other income:		
Other income - Contingent gain	—	15
Acquisition of goods and services, Change in inventories:		
Acquisition of goods and services - Expenses related to agreements and the development of non-recurring projects	(12)	(23)
Employee benefits expenses:		
Charges connected to corporate reorganization/restructuring and other costs	(179)	(44)
Other operating expenses:		
Expenses from regulatory litigation and sanctions and contingencies, other provisions and expenses	(34)	(13)
Impact on Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	**(225)**	**(65)**
Gains (losses) on disposals of non-current assets:		
Gains on disposals of non-current assets	—	1
Impact on Operating profit (loss) (EBIT)	**(225)**	**(64)**
Other income (expenses) from investments:		
Other (expenses)/income from corporate operations	(8)	—
Finance income:		
1998 License fee - legal interest	1	—
Other finance income	2	—
Finance expenses:		
Other finance expenses	(6)	(10)
Impact on profit (loss) before tax from continuing operations	**(236)**	**(74)**
Income tax expense on non-recurring items	55	3
Profit (loss) from Discontinued operations / Non current assets held for sale	**(25)**	**(42)**
Impact on profit (loss) for the period	**(206)**	**(113)**

NOTE 32

POSITIONS OR TRANSACTIONS RESULTING FROM ATYPICAL AND/OR UNUSUAL OPERATIONS

In accordance with Consob Communication DEM/6064293 of July 28, 2006, a statement is made to the effect that in the first half of 2026 no atypical and/or unusual transactions, as defined by that Communication, were pursued.

NOTE 33
OTHER INFORMATION

(a) Exchange rates used to translate the financial statements of foreign operations(*)

(local currency against 1 euro)		End of period changes (statements of financial position)		Average period changes (income statements and statements of cash flows)	
		6/30/2026	12/31/2025	1st Half 2026	1st Half 2025
Europe					
BGN (**)	Bulgarian lev		1.95580		1.95580
CHF	Swiss franc	**0.92240**	0.93140	**0.91806**	0.94118
CZK	Czech koruna	**24.25600**	24.23700	**24.31636**	25.00251
GBP	Pound sterling	**0.86178**	0.87260	**0.86732**	0.84252
RON	Romanian leu	**5.24390**	5.09680	**5.14180**	5.00324
RUB	Russian ruble	**89.55810**	92.89380	**89.26897**	95.25909
TRY	Turkish lira	**53.16420**	50.48380	**52.04751**	41.07216
North America					
USD	U.S. dollar	**1.13940**	1.17500	**1.16648**	1.09334
Latin America					
ARS	Argentine peso	**1,693.85620**	1,703.51420	**1,649.57403**	1,208.62600
BOB	Bolivian boliviano	**7.85130**	8.08970	**8.02693**	7.54502
BRL	Brazilian real	**5.89753**	6.46532	**6.01202**	6.29416
CLP	Chilean peso	**1,051.56000**	1,056.88000	**1,042.37519**	1,044.51194
COP	Colombian peso	**3,925.19000**	4,429.82000	**4,262.17946**	4,585.86233
MXN	Mexican peso	**19.90300**	21.11800	**20.38678**	21.81737
PEN	Peruvian nuevo sol	**3.88980**	3.94620	**3.97655**	4.02094
VES	Venezuelan bolivar	**708.81800**	347.20730	**525.25085**	83.21175
Other countries					
ILS	Israeli shekel	**3.39530**	3.74710	**3.54626**	3.93348
INR	Indian rupee	**107.85650**	105.59650	**108.57032**	94.09126
NGN	Nigerian naira	**1,570.50920**	1,685.43970	**1,605.27402**	1,701.31147

(*) Source: Data processed by the European Central Bank, Reuters and major Central Banks.
(**) On January 1, 2026, Bulgaria joined the euro area.

(b) Research and development

Costs for research and development activities are represented by external costs, dedicated employee benefits expenses and depreciation and amortization. Details are as follows:

(million euros)	1st Half 2026	1st Half 2025
Research and development costs expensed during the period	16	20
Capitalized development costs	111	171
Total research and development costs (expensed and capitalized)	**127**	**191**

Total research and development costs for the first half of 2026 amount to 127 million euros.

The reduction of 64 million euros compared to the first half of 2025 is mainly related to the complete review of the Technology Office's research and development activities and projects, carried out following the modification to the business model of TIM S.p.A.'s activities.

In the first half of 2026, in the separate consolidated income statements, a total of
192 million euros of depreciation and amortization expense was recorded for development costs, capitalized during the period and in prior years.

Research and development activities carried out by the TIM Group are described in detail in the Interim Report on Operations ("Research and Development" section).

NOTE 34
EVENTS AFTER JUNE 30, 2026

The Board of Directors of TIM in its meeting on 18 July 2026 unanimously approved the issuer's press release on the voluntary public totalitarian cash and exchange offer promoted by Poste Italiane.

NOTE 35
LIST OF COMPANIES OF THE TIM GROUP

In accordance with Consob Communication DEM/6064293 dated July 28, 2006, the list of companies is provided herein.

The list is divided by type of investment, consolidation method and operating segment.

The following is indicated for each company: name, head office, country and share capital in the original currency. In addition to the percentage ownership of share capital, the percentage of voting rights in the ordinary shareholders' meeting, if different from the percentage holding of share capital, and which companies hold the investment.

Company name	Reg. office	Currency	Share Capital	% Ownership	% of voting rights	Participating companies
PARENT COMPANY						
TIM S.p.A.	MILAN	EUR	6,000,000,000			
SUBSIDIARIES CONSOLIDATED LINE-BY-LINE						
DOMESTIC BU						
MINDICITY S.r.l. SOCIETA' BENEFIT (design, development, implementation, installation, management and marketing of software, hardware, electronic IT systems and telecommunications systems)	CASALMAGGIORE (CREMONA)	EUR	10,000	95.0000		OLIVETTI S.p.A. SOCIETA' BENEFIT
NOOVLE INTERNATIONAL SAGL (in liquidation) (ICT services)	PREGASSONA (SWITZERLAND)	CHF	20,000	100.0000		NOOVLE S.p.A. SOCIETA' BENEFIT
NOOVLE MALTA Ltd (ICT services)	GZIRA (MALTA)	EUR	10,000	90.0000		NOOVLE INTERNATIONAL SAGL
NOOVLE S.p.A. SOCIETA' BENEFIT (design, implementation and management of infrastructures and data center services)	MILAN	EUR	1,000,000	100.0000		TIM S.p.A.
OLIVETTI S.p.A. SOCIETA' BENEFIT (production and sale of office equipment and information technology services)	IVREA (TURIN)	EUR	11,000,000	100.0000		TIM S.p.A.
QTI S.r.l. (development, production and marketing of innovative products and services with high technological value)	FLORENCE	EUR	19,608	80.0000		TELSY S.p.A.
TELECOM ITALIA TRUST TECHNOLOGIES S.r.l. (other operations related to non-classified IT services)	POMEZIA (ROME)	EUR	7,000,000	100.0000		OLIVETTI S.p.A. SOCIETA' BENEFIT
TELECOM ITALIA VENTURES S.r.l. (investment holding company)	MILAN	EUR	10,000	100.0000		TIM S.p.A.
TELECONTACT CENTER S.p.A. (telemarketing services, non-accounting data processing and archiving activities)	NAPLES	EUR	3,000,000	100.0000		TIM S.p.A.
TELEFONIA MOBILE SAMMARINESE S.p.A. (development and management of mobile telecommunications plants and services)	BORGO MAGGIORE (SAN MARINO)	EUR	78,000	51.0000		TIM SAN MARINO S.p.A.
TELSY S.p.A. (production, installation, maintenance, reconditioning and sale of terminals, radio telephones, telecommunications and electronic systems in general)	TURIN	EUR	5,390,000	100.0000		TIM S.p.A.
TIM MY BROKER S.r.l. (insurance brokerage)	ROME	EUR	10,000	100.0000		TIM S.p.A.
TIM RETAIL S.r.l. (sale of fixed and mobile telecommunications products and services and all analog and digital broadcasting equipment)	MILAN	EUR	2,402,241	100.0000		TIM S.p.A.
TIM SAN MARINO S.p.A. (San Marino telecommunications management)	BORGO MAGGIORE (SAN MARINO)	EUR	1,808,000	100.0000		TIM S.p.A.
BRAZIL BU						
I-SYSTEMS SOLUÇÕES DE INFRAESTRUTURA S.A. (telecommunications systems)	RIO DE JANEIRO (BRAZIL)	BRL	1,794,287,995	100.0000		TIM S.A.
TIM BRASIL SERVIÇOS E PARTICIPAÇÕES S.A. (investment holding company)	RIO DE JANEIRO (BRAZIL)	BRL	8,227,356,500	99.9999 0.0001		TELECOM ITALIA FINANCE S.A. TIM S.p.A.
TIM S.A. (telecommunications services)	RIO DE JANEIRO (BRAZIL)	BRL	13,477,890,508	67.3865 0.1445	67.4840	TIM BRASIL SERVIÇOS E PARTICIPAÇÕES S.A. TIM S.A.
V8 CONSULTING S.A. (telecommunications systems)	SAO PAULO (BRAZIL)	BRL	10,072,726	100.0000		TIM S.A.

Company name	Reg. office	Currency	Share Capital	% Ownership	% of voting rights	Participating companies
OTHER OPERATIONS						
OLIVETTI DEUTSCHLAND GmbH (sale of office equipment and supplies)	NUREMBERG (GERMANY)	EUR	25,600,000	100.0000		OLIVETTI S.p.A. SOCIETA' BENEFIT
OLIVETTI UK Ltd (sale of office equipment and supplies)	NORTHAMPTON (UNITED KINGDOM)	GBP	6,295,712	100.0000		OLIVETTI S.p.A. SOCIETA' BENEFIT
TELECOM ITALIA CAPITAL S.A. (financial company)	LUXEMBOURG	EUR	2,336,000	100.0000		TIM S.p.A.
TELECOM ITALIA FINANCE S.A. (financial company)	LUXEMBOURG	EUR	1,818,691,979	100.0000		TIM S.p.A.
TELECOM ITALIA LATAM PARTICIPAÇÕES E GESTÃO ADMINISTRATIVA Ltda (telecommunications and promotional services)	SAO PAULO (BRAZIL)	BRL	219,360,393	100.0000		TIM S.p.A.
SUBSIDIARIES FOR SALE						
TELECOM ITALIA SPARKLE S.p.A. (completion and management of telecommunications services for public and private use)	ROME	EUR	200,000,000	100.0000		TIM S.p.A.
PANAMA DIGITAL GATEWAY S.A. (telecommunications services and data center management)	PANAMA CITY (PANAMA)	USD	10,000	60.0000		TELECOM ITALIA SPARKLE S.p.A.
SPARKLE COMMUNICATIONS INDIA PRIVATE Ltd. (telecommunications services)	MUMBAI (INDIA)	INR	25,500,000	99,9998 0,0002		TELECOM ITALIA SPARKLE S.p.A. TI SPARKLE UK Ltd
TI SPARKLE AMERICAS Inc. (managed bandwidth services)	MIAMI (USA)	USD	10,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE ARGENTINA S.A. (managed bandwidth services)	BUENOS AIRES (ARGENTINA)	ARS	9,998,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE AUSTRIA GmbH (telecommunications services)	VIENNA (AUSTRIA)	EUR	2,735,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE BELGIUM S.P.R.L. - B.V.B.A. (telecommunications services)	BRUSSELS (BELGIUM)	EUR	2,200,000	99,9967 0,0033		TELECOM ITALIA SPARKLE S.p.A. TI SPARKLE UK Ltd
TI SPARKLE BRASIL PARTIÇIPAÇÕES Ltda (investment holding company)	RIO DE JANEIRO (BRAZIL)	BRL	71,563,866	99,9999 0,0001		TELECOM ITALIA SPARKLE S.p.A. TI SPARKLE AMERICAS Inc.
TI SPARKLE BRASIL TELECOMUNICAÇÕES Ltda (managed bandwidth services)	RIO DE JANEIRO (BRAZIL)	BRL	69,337,363	99,9999 0,0001		TI SPARKLE BRASIL PARTIÇIPAÇÕES Ltda TI SPARKLE AMERICAS Inc.
TI SPARKLE BULGARIA EOOD (telecommunications)	SOFIA (BULGARIA)	EUR	52,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE CHILE S.p.A. (managed bandwidth services)	SANTIAGO (CHILE)	CLP	5,852,430,960	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE COLOMBIA Ltda (managed bandwidth services)	BOGOTA (COLOMBIA)	COP	12,636,774,908	99,9999 0,0001		TELECOM ITALIA SPARKLE S.p.A. TI SPARKLE AMERICAS Inc.
TI SPARKLE FRANCE S.A.S. (installation and management of telecommunications services for fixed network and related activities)	PARIS (FRANCE)	EUR	18,295,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE GERMANY GmbH (telecommunications services)	FRANKFURT (GERMANY)	EUR	25,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE GREECE S.A. (telecommunications)	ATHENS (GREECE)	EUR	368,760	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE ISRAEL Ltd (international wholesale telecommunication services)	RAMAT GAN (ISRAEL)	ILS	1,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE MEXICANA S.A. de C.V. (telecommunications services)	MEXICO CITY (MEXICO)	MXN	2,000,000	99,9995 0,0005		TELECOM ITALIA SPARKLE S.p.A. TI SPARKLE AMERICAS Inc.
TI SPARKLE NETHERLANDS B.V. (telecommunications services)	AMSTERDAM (NETHERLANDS)	EUR	18,200	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE NORTH AMERICA, Inc. (telecommunications and promotional services)	NEW YORK (USA)	USD	15,550,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE PANAMA S.A. (managed bandwidth services)	PANAMA CITY (PANAMA)	USD	10,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE PERU' S.A. (managed bandwidth services)	LIMA (PERU)	PEN	57,101,788	99,9999 0,0001		TELECOM ITALIA SPARKLE S.p.A. TI SPARKLE AMERICAS Inc.
TI SPARKLE PUERTO RICO LLC (managed bandwidth services)	SAN JUAN (PUERTO RICO)	USD	3,050,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE ROMANIA S.r.l. (telecommunications services)	BUCHAREST (ROMANIA)	RON	3,021,560	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE RUSSIA LLC (telecommunications Services)	MOSCOW (RUSSIA)	RUB	8,520,000	99,0000 1,0000		TELECOM ITALIA SPARKLE S.p.A. TI SPARKLE UK Ltd
TI SPARKLE SINGAPORE Pte.Ltd (telecommunications services)	SINGAPORE	USD	28,482	99,9965 0,0035		TELECOM ITALIA SPARKLE S.p.A. TI SPARKLE NORTH AMERICA, Inc.
TI SPARKLE SPAIN TELECOMMUNICATIONS S.L. (telecommunications services)	MADRID (SPAIN)	EUR	1,687,124	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE ST. CROIX LLC (managed bandwidth services)	VIRGIN ISLANDS (USA)	USD	1,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE SWITZERLAND GmbH (telecommunications services)	ZURICH (SWITZERLAND)	CHF	2,000,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.

Company name	Reg. office	Currency	Share Capital	% Ownership	% of voting rights	Participating companies
TI SPARKLE TURKEY TELEKOMÜNIKASYON ANONIM SIRKETI (telecommunications services)	ISTANBUL (TURKEY)	TRY	65,000,000	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE UK Ltd (value-added and networking services)	LONDON (UNITED KINGDOM)	EUR	3,983,254	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TI SPARKLE VENEZUELA C.A. (managed bandwidth services)	CARACAS (VENEZUELA)	VES	12,136,930	100.0000		TELECOM ITALIA SPARKLE S.p.A.
TIS LAGOS LIMITED (telecommunications services)	LAGOS (NIGERIA)	NGN	100,000,000	99,9999 0,0001		TELECOM ITALIA SPARKLE S.p.A. TI SPARKLE UK Ltd
ASSOCIATES AND JOINT VENTURES ACCOUNTED FOR USING THE EQUITY METHOD						
AREE URBANE S.r.l. (in bankruptcy) (real estate management)	MILAN	EUR	100,000	32.6200		TIM S.p.A.
PEDIUS S.r.l. (Specialized telecommunications applications, telephone line telecommunications, VoIP services)	ROME	EUR	181	16.5553	(*)	TELECOM ITALIA VENTURES S.r.l.
POLO STRATEGICO NAZIONALE S.p.A. (design, preparation, set-up and provision of a high-reliability national data network infrastructure for public administration)	ROME	EUR	3,000,000	45.0000		TIM S.p.A.
TIGLIO I S.r.l. (in liquidation) (real estate management)	MILAN	EUR	100,000	47.8020		TIM S.p.A.
TIMFIN S.p.A. (financing to the general public, including financing in the form of personal and consumer loans)	TURIN	EUR	40,000,000	49.0000		TIM S.p.A.
W.A.Y. S.r.l. (development and marketing of security and logistics geolocation products and systems)	TURIN	EUR	136,383	40.0000		OLIVETTI S.p.A. SOCIETA' BENEFIT

(*) Associated company over which TIM S.p.A. directly or indirectly exercises significant influence pursuant to IAS 28 (Investments in associates and joint ventures).

CERTIFICATION OF THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-TER OF CONSOB REGULATION 11971 DATED MAY 14, 1999, AS AMENDED

1. We, the undersigned, Pietro Labriola, as Chief Executive Officer, and Piergiorgio Peluso, as Manager responsible for preparing TIM S.p.A. financial reports, certify, having also considered the provisions of Art. 154-bis, subsections 3 and 4, of Italian Legislative Decree 58 of February 24, 1998:
   - the adequacy in relation to the characteristics of the company and
   - the effective application of the administrative and accounting procedures used in the preparation of the Half-Year Condensed Consolidated Financial Statements for the period January 1 – June 30, 2026.

2. TIM has adopted the Internal Control – Integrated Framework Model (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission, as its framework for the establishment and assessment of its internal control system, with particular reference to the internal controls for the preparation of the financial statements.

3. The undersigned also certify that:

   3.1 the Half-Year Condensed Consolidated Financial Statements at June 30, 2026:

      a) have been prepared in compliance with the international accounting standards adopted by the European Union pursuant to Regulation (EC) 1606/2002 of the European Parliament and Council of July 19, 2002 (International Financial Reporting Standards – IFRS), as well as the legislative and regulatory provisions in force in Italy, including, in particular, the measures enacted for the implementation of Article 9 of Italian Legislative Decree 38 of February 28, 2005;

      b) agree with the results of the accounting records and entries;

      c) provide a true and fair view of the financial condition, the results of operations and the cash flows of the Company and its consolidated subsidiaries;

   3.2 The interim report on operations includes reliable analysis of references to important events occurring in the first six months of 2026 and their impact on the half-year condensed consolidated financial statements at June 30, 2026, along with a description of the main risks and uncertainties for the remaining six months of 2026. The Interim Report on Operations also contains a reliable analysis of information concerning significant related party transactions.

July 29, 2026

Chief Executive Officer	Executive responsible for preparing the corporate accounting documents
/ signed /	**/ signed /**
Pietro Labriola	Piergiorgio Peluso

INDEPENDENT AUDITORS' REPORT

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Review report on the interim condensed consolidated financial statements (Translation from the original Italian text)

To the Shareholders of
TIM S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements, which comprise the consolidated statement of financial position, the separate consolidated income statement and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the six months period then ended, and the related explanatory notes of TIM S.p.A. and subsidiaries (the "TIM Group") as of 30 June 2026. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the TIM Group as of 30 June 2026 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

Turin, 6 August 2026

EY S.p.A.
Signed by: Ettore Abate, Statutory Auditor

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
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Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
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USEFUL INFORMATION

The Half-Year Financial Report 2026 can be viewed at www.gruppotim.it/it/investitori/report-presentazioni/report-finanziari.html and www.gruppotim.it/en/investors/reports-presentations/financial-reports.html.

Information on TIM is also available at www.gruppotim.it and information on products and services at www.tim.it.

In addition, the following contact numbers are available:

- Free Number 800.020.220 (for calls from Italy) or +39 011 2293603 (for calls from abroad) available for information and assistance to shareholders;
- TIM Investor Relations: investor_relations@telecomitalia.it.

TIM S.p.A.

Registered office: Via Gaetano Negri, 1 - 20123 Milan

Secondary office and General administration: Via di Val Cannuta, 182 - 00166 Rome

Certified email address (PEC): telecomitalia@pec.telecomitalia.it

Share Capital: 6,000,000,000.00 euros fully paid up

Tax Code/VAT No. and Milan-Monza Brianza-Lodi Business Register No. 00488410010