ANNEXES TO THE PRESS RELEASE

May 6, 2026

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

TIM GROUP – STATEMENTS

The Consolidated Income Statement, Consolidated Statements of Comprehensive Income, Consolidated Statements of Financial Position, Consolidated Statements of Cash Flows and Consolidated Statements of Changes in Equity, as well as the Consolidated Net Financial Debt of the TIM Group, presented below, are consistent with the statements presented in the consolidated financial statements contained in TIM Group's Annual Financial Report for the year ended December 31, 2025 and the half-year financial report. These statements have not been audited by the Independent Auditors.

The accounting policies and consolidation principles adopted are consistent with those applied for the TIM Group Consolidated Financial Statements at December 31, 2025, to which reference is made, except for the amendments to the standards issued by IASB and adopted starting from January 1, 2026.

TIM GROUP - SEPARATE CONSOLIDATED INCOME STATEMENTS

(million euros)	1st Quarter 2026	1st Quarter 2025	Changes	
			(a-b)	
	(a)	(b)	absolute	%
Revenues	**3,321**	**3,276**	**45**	**1.4**
Other income	59	42	17	40.5
Total operating revenues and other income	**3,380**	**3,318**	**62**	**1.9**
Acquisition of goods and services	(1,987)	(1,919)	(68)	(3.5)
Employee benefits expenses	(576)	(383)	(193)	(50.4)
Other operating expenses	(185)	(141)	(44)	(31.2)
Change in inventories	34	(2)	36	—
Internally generated assets	66	68	(2)	(2.9)
Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	**732**	**941**	**(209)**	**(22.2)**
Depreciation and amortization	(725)	(735)	10	1.4
Gains (losses) on disposals of non-current assets	15	3	12	—
Impairment reversals (losses) on non-current assets	—	—	—	—
Operating profit (loss) (EBIT)	**22**	**209**	**(187)**	**(89.5)**
Share of losses (profits) of associates and joint ventures accounted for using the equity method	(3)	(7)	4	57.1
Other income (expenses) from investments	—	—	—	—
Finance income	225	228	(3)	(1.3)
Finance expenses	(455)	(501)	46	9.2
Profit (loss) before tax from continuing operations	**(211)**	**(71)**	**(140)**	**—**
Income tax expense	(28)	11	(39)	—
Profit (loss) from continuing operations	**(239)**	**(60)**	**(179)**	**—**
Profit (loss) from Discontinued operations / Non current assets held for sale	(9)	(21)	12	57.1
Profit (loss) for the period	**(248)**	**(81)**	**(167)**	**—**
Attributable to:				
Owners of the Parent	**(292)**	**(124)**	**(168)**	**—**
Non-controlling interests	44	43	1	2.3

TIM GROUP - CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

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

(million euros)		1st Quarter 2026	1st Quarter 2025
Profit (loss) for the period	**(a)**	**(248)**	**(81)**
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		—	4
Income tax effect		—	—
	(b)	**—**	**4**
Remeasurements of employee defined benefit plans (IAS 19):			
Actuarial gains (losses)		—	—
Income tax effect		—	—
	(c)	**—**	**—**
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)**	**—**	**4**
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		(17)	4
Loss (profit) transferred to Separate Consolidated Income Statement		(8)	(4)
Income tax effect		1	—
	(f)	**(24)**	**—**
Hedging instruments:			
Profit (loss) from fair value adjustments		76	(1)
Loss (profit) transferred to Separate Consolidated Income Statement		(41)	77
Income tax effect		(8)	(19)
	(g)	**27**	**57**
Exchange differences on translating foreign operations:			
Profit (loss) on translating foreign operations		267	137
Loss (profit) on translating foreign operations transferred to Separate Consolidated Income Statement		—	—
Income tax effect		—	—
	(h)	**267**	**137**
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)**	**270**	**194**
Total other components of the Consolidated Statements of Comprehensive Income	**(m=e+k)**	**270**	**198**
Comprehensive income (loss) for the period	**(a+m)**	**22**	**117**
Attributable to:			
Owners of the Parent		**(117)**	**22**
Non-controlling interests		139	95

TIM GROUP - CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In application of IFRS 5, the Telecom Italia Sparkle group has been classified as an asset held for sale (Discontinued Operations).

(million euros)		3/31/2026 (a)	12/31/2025 (b)	Changes (a-b)
Assets				
Non-current assets				
Intangible assets				
Goodwill		11,111	11,025	86
Intangible assets with a finite useful life		5,446	5,445	1
		16,557	**16,470**	**87**
Tangible assets				
Property, plant and equipment owned		**4,220**	**4,114**	**106**
Rights of use assets		**3,351**	**3,240**	**111**
Other non-current assets				
Investments in associates and joint ventures accounted for using the equity method		252	241	11
Other investments		128	120	8
Non-current financial receivables arising from lease contracts		36	34	2
Other non-current financial assets		433	397	36
Miscellaneous receivables and other non-current assets		1,147	1,110	37
Deferred tax assets		523	510	13
		2,519	**2,412**	**107**
Total Non-current assets	**(a)**	**26,647**	**26,236**	**411**
Current assets				
Inventories		273	235	38
Trade and miscellaneous receivables and other current assets		5,645	5,317	328
Current income tax receivables		91	89	2
Current financial assets				
Current financial receivables arising from lease contracts		45	44	1
Securities other than investments, other financial receivables and other current financial assets		1,544	1,538	6
Cash and cash equivalents		2,054	2,048	6
		3,643	3,630	13
Current assets sub-total		**9,652**	**9,271**	**381**
Discontinued operations /Non-current assets held for sale				
of a financial nature		103	162	(59)
of a non-financial nature		1,066	1,065	1
		1,169	**1,227**	**(58)**
Total Current assets	**(b)**	**10,821**	**10,498**	**323**
Total Assets	**(a+b)**	**37,468**	**36,734**	**734**

(million euros)		3/31/2026 (a)	12/31/2025 (b)	Changes (a-b)
Equity and Liabilities				
Equity				
Equity attributable to owners of the Parent		12,118	12,219	(101)
Non-controlling interests		1,355	1,236	119
Total Equity	**(c)**	**13,473**	**13,455**	**18**
Non-current liabilities				
Non-current financial liabilities for financing contracts and others		8,819	7,991	828
Non-current financial liabilities for lease contracts		2,639	2,476	163
Employee benefits		354	188	166
Deferred tax liabilities		52	55	(3)
Provisions		475	439	36
Miscellaneous payables and other non-current liabilities		597	612	(15)
Total Non-current liabilities	**(d)**	**12,936**	**11,761**	**1,175**
Current liabilities				
Current financial liabilities for financing contracts and others		2,646	3,027	(381)
Current financial liabilities for lease contracts		532	515	17
Trade and miscellaneous payables and other current liabilities		7,287	7,317	(30)
Current income tax payables		51	63	(12)
Current liabilities sub-total		**10,516**	**10,922**	**(406)**
Liabilities directly associated with Discontinued operations/Non-current assets held for sale				
of a financial nature		33	89	(56)
of a non-financial nature		510	507	3
		543	**596**	**(53)**
Total Current Liabilities	**(e)**	**11,059**	**11,518**	**(459)**
Total Liabilities	**(f=d+e)**	**23,995**	**23,279**	**716**
Total Equity and Liabilities	**(c+f)**	**37,468**	**36,734**	**734**

TIM GROUP - CONSOLIDATED STATEMENT OF CASH FLOW

(million euros)		1st Quarter 2026	1st Quarter 2025
Cash flows from operating activities:			
Profit (loss) from continuing operations		(239)	(60)
Adjustments for:			
Depreciation and amortization		725	735
Impairment losses (reversals) on non-current assets including investments		—	—
Net change in deferred tax assets and liabilities		(7)	(43)
Losses (gains) realized on disposals of non-current assets (including investments)		(15)	(3)
Share of losses (profits) of associates and joint ventures accounted for using the equity method		3	7
Change in employee benefits		200	12
Change in inventories		(34)	2
Change in trade receivables and other net receivables		(41)	(10)
Change in trade payables		(244)	(464)
Net change in income tax receivables/payables		(14)	12
Net change in miscellaneous receivables/payables and other assets/liabilities		(130)	143
Cash flows from (used in) operating activities	**(a)**	**204**	**331**
Cash flows from investing activities:			
Purchases of intangible, tangible and rights of use assets on a cash basis		(439)	(547)
Contributions for plants received		—	—
Acquisition of control of companies or other businesses, net of cash acquired		(7)	—
Acquisitions/disposals of other investments		(11)	(18)
Change in financial receivables and other financial assets (excluding hedging and non-hedging derivatives under financial assets)	(1)	43	4
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		3	1
Cash flows from (used in) investing activities	**(b)**	**(411)**	**(560)**
Cash flows from financing activities:			
Change in current financial liabilities and other		(355)	(188)
Proceeds from non-current financial liabilities (including current portion)		735	—
Repayments of non-current financial liabilities (including current portion)		(148)	(199)
Changes in hedging and non-hedging derivatives		2	5
Consideration received from the sale of equity instruments		8	—
Share capital proceeds/reimbursements (including subsidiaries)		—	—
Dividends paid		(26)	(35)
Changes in ownership interests in subsidiaries		—	(2)
Cash flows from (used in) financing activities	**(c)**	**216**	**(419)**
Cash flows from (used in) Discontinued operations/Non-current assets held for sale	**(d)**	**(64)**	**(33)**
Aggregate cash flows	**(e=a+b+c+d)**	**(55)**	**(681)**
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)**	45	17
Net cash and cash equivalents at end of the period	**(h=e+f+g)**	**2,094**	**2,260**

(1) This item includes investments in marketable securities amounting to 478 million euros for the first quarter of 2026 (564 million euros for the first quarter of 2025) and redemptions of marketable securities amounting to 495 million euros for the first quarter of 2026(562 million euros for the first quarter of 2025), relating to TIM S.A. and Telecom Italia Finance S.A.

Purchases of intangible, tangible and rights of use assets

(million euros)	1st Quarter 2026	1st Quarter 2025
Purchase of intangible assets	(186)	(217)
Purchase of tangible assets	(230)	(234)
Purchase of right of use assets	(509)	(146)
Total purchases of intangible, tangible and rights of use assets on an accruals basis	(925)	(597)
Change in payables arising from purchase of intangible, tangible and rights of use assets	486	50
Total purchases of intangible, tangible and rights of use assets on a cash basis	(439)	(547)

Additional Cash Flow information

(million euros)	1st Quarter 2026	1st Quarter 2025
Income taxes (paid) received	(46)	(12)
Interest expense paid	(323)	(324)
Interest income received	74	81
Dividends received	—	—

Analysis of Net Cash and Cash Equivalents

(million euros)	1st Quarter 2026	1st Quarter 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	2,094	2,260
Bank overdrafts repayable on demand	—	—
	2,094	**2,260**

TIM GROUP - CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Changes from January 1, 2025 to March 31, 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									**—**	(152)	**(152)**
Comprehensive income (loss) for the period			4	57	85			(124)	**22**	95	**117**
Other changes								(4)	**(4)**	1	**(3)**
Balance at March 31, 2025	**11,624**	**—**	**(2)**	**(19)**	**(2,354)**	**(66)**	**—**	**2,792**	**11,975**	**1,348**	**13,323**

Changes from January 1, 2026 to March 31, 2026

	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, 2025	**11,628**	**—**	**5**	**(30)**	**(2,491)**	**(62)**	**—**	**3,169**	**12,219**	**1,236**	**13,455**
Changes in equity during the period:											
Dividends approved									**—**	(21)	**(21)**
Comprehensive income (loss) for the period			(24)	27	172			(292)	**(117)**	139	**22**
LTI granting of treasury shares	11							(11)	**—**		**—**
Other changes								16	**16**	1	**17**
Balance at March 31, 2026	**11,639**	**—**	**(19)**	**(3)**	**(2,319)**	**(62)**	**—**	**2,882**	**12,118**	**1,355**	**13,473**

TIM GROUP - NET FINANCIAL DEBT

(million euros)	3/31/2026 (a)	12/31/2025 (b)	Change (a-b)
Non-current financial liabilities			
Bonds	7,031	6,918	113
Amounts due to banks, other financial payables and liabilities	1,788	1,073	715
Non-current financial liabilities for lease contracts	2,639	2,476	163
	11,458	**10,467**	**991**
Current financial liabilities (*)			
Bonds	1,154	1,188	(34)
Amounts due to banks, other financial payables and liabilities	1,492	1,839	(347)
Current financial liabilities for lease contracts	532	515	17
	3,178	**3,542**	**(364)**
Financial liabilities directly associated with Discontinued operations/Non-current assets held for sale	33	89	(56)
Total Gross financial debt	**14,669**	**14,098**	**571**
Non-current financial assets			
Securities other than investments	(1)	(1)	—
Non-current financial receivables arising from lease contracts	(36)	(34)	(2)
Financial receivables and other non-current financial assets	(432)	(396)	(36)
	(469)	**(431)**	**(38)**
Current financial assets			
Securities other than investments	(1,418)	(1,370)	(48)
Current financial receivables arising from lease contracts	(45)	(44)	(1)
Financial receivables and other current financial assets	(126)	(168)	42
Cash and cash equivalents	(2,054)	(2,048)	(6)
	(3,643)	**(3,630)**	**(13)**
Financial assets relating to Discontinued operations/Non-current assets held for sale	(103)	(162)	59
Total financial assets	**(4,215)**	**(4,223)**	**8**
Net financial debt carrying amount	**10,454**	**9,875**	**579**
Reversal of fair value measurement of derivatives and related financial liabilities/assets	*(63)*	*(97)*	*34*
Adjusted Net Financial Debt	**10,391**	**9,778**	**613**
Breakdown as follows:			
Total adjusted gross financial debt	**14,435**	**13,839**	**596**
Total adjusted financial assets	**(4,044)**	**(4,061)**	**17**
(*) of which current portion of medium/long-term debt:			
Bonds	*1,154*	*1,188*	*(34)*
Amounts due to banks, other financial payables and liabilities	*196*	*196*	*—*
Current financial liabilities for lease contracts	*498*	*487*	*11*

TIM GROUP - CHANGE IN ADJUSTED NET FINANCIAL DEBT

(million euros)	1st Quarter 2026 (a)	1st Quarter 2025 (b)	Change (a-b)
EBITDA	732	941	(209)
Capital expenditures on an accrual basis	(416)	(457)	41
Change in net operating working capital:	(545)	(348)	(197)
Change in inventories	*(34)*	*2*	*(36)*
Change in trade receivables and other net receivables	*(41)*	*(10)*	*(31)*
Change in trade payables	*(267)*	*(554)*	*287*
Change in payables for mobile telephone licenses/spectrum	—	—	—
Other changes in operating receivables/payables	*(203)*	*214*	*(417)*
Change in employee benefits	200	12	188
Change in operating provisions and Other changes	43	(4)	47
Net Operating Free Cash Flow	**14**	**144**	**(130)**
% of Revenues	*0.4*	*4.4*	*(4.0)pp*
Cash flows from sales of investments and other disposals	3	1	2
Share capital increases/reimbursements including incidental expenses	8	—	8
Financial investments	(29)	(20)	(9)
Dividends payment	(26)	(35)	9
Increases in lease contracts	(509)	(141)	(368)
Finance expenses, income taxes and other net non-operating requirements flow	(71)	(207)	136
Reduction/(Increase) in adjusted net financial debt from continuing operations	**(610)**	**(258)**	**(352)**
Reduction/(Increase) in net financial debt from Discontinued operations/Non-current assets held for sale	(3)	(62)	59
Reduction/(Increase) in adjusted net financial debt	**(613)**	**(320)**	**(293)**

Equity Free Cash Flow

(million euros)	1st Quarter 2026	1st Quarter 2025	Change
Reduction/(Increase) in adjusted net financial debt	**(613)**	**(320)**	**(293)**
Impact for finance leases (new lease operations and/or renewals and/or extensions (-)/ any terminations/early extinguishing of leases (+))	291	176	115
Payment of TLC licenses and for the use of frequencies	—	—	—
Financial impact of acquisitions and/or disposals of investments	28	20	8
Dividend payment and Change in Equity	18	35	(17)
Equity Free Cash Flow	**(276)**	**(89)**	**(187)**

TIM GROUP - INFORMATION BY OPERATING SEGMENT

Domestic

(million euros)	1st Quarter 2026 (a)	1st Quarter 2025 (b)	Changes (a-b) absolute	%	% organic excluding non-recurring
Revenues	**2,224**	**2,245**	**(21)**	**(0.9)**	**(0.9)**
EBITDA	**216**	**445**	**(229)**	**(51.5)**	**(7.1)**
% of Revenues	*9.7*	*19.8*		*(10.1)pp*	*(1.3)pp*
EBIT	**(227)**	**(5)**	**(222)**	**—**	**(86.7)**
% of Revenues	*(10.2)*	*(0.2)*		*(10.0)pp*	*(1.2)pp*
Headcount at period end (number) (°)	**16,802**	**(*)16,887**	**(85)**	**(0.5)**	

(°) Includes agency contract workers: 141 as of March 31, 2026 (121 as of December 31, 2025).
(*) The headcount is current at December 31, 2025.

Brazil

	(million euros) 1st Quarter 2026 (a)	1st Quarter 2025 (b)	(million Brazilian reais) 1st Quarter 2026 (c)	1st Quarter 2025 (d)	Changes absolute (c-d)	% (c-d)/d	% organic excluding non-recurring
Revenues	**1,105**	**1,038**	**6,806**	**6,394**	**412**	**6.4**	**6.4**
EBITDA(**)	**517**	**495**	**3,184**	**3,052**	**132**	**4.3**	**3.9**
% of Revenues	*46.8*	*47.7*	*46.8*	*47.7*		*(0.9)pp*	*(1.1)pp*
EBIT	**250**	**214**	**1,542**	**1,318**	**224**	**17.0**	**15.8**
% of Revenues	*22.7*	*20.6*	*22.7*	*20.6*		*2.1pp*	*1.8pp*
Headcount at period end (number)			**8,967**	**(*)8,702**	**265**	**3.0**	

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

(**) EBITDA for the first quarter of 2026 does not include the one-off income from the renegotiated infrastructure contracts between TIM S.A. and American Tower do Brasil - Cessão de Infraestruturas S.A. (“ATC”) (approximately 80 million reais, which translates to around 13 million euros), which were reflected in TIM Group’s consolidated EBIT figure. This one-off income has no impact in terms of cash and net financial debt and, as required by Brazilian legislation on local annual reporting, it was recorded under other income with an impact on EBITDA. Consequently, the trend reported to the market locally shows EBITDA growth of 6.6% and EBITDA AL growth of 7.8% on the same period of last year. For more details, see the section "Results of the Business Units - Brazil".

TIM GROUP - HEADCOUNT

Average salaried workforce

(equivalent number)	1st Quarter 2026 (a)	1st Quarter 2025 (b)	Change (a-b)
Average salaried workforce – Italy	13,643	14,228	(585)
Average salaried workforce – Outside Italy	8,592	8,802	(210)
Total average salaried workforce	**22,235**	**23,030**	**(795)**
Discontinued Operations	627	623	4
Total average salaried workforce - including Discontinued Operations (1)	**22,862**	**23,653**	**(791)**

(1) Includes agency contract workers: 83 (average) in Italy in the first quarter of 2026. 54 (average) in Italy in the first quarter of 2025.

Headcount at period end

(number)	3/31/2026 (a)	12/31/2025 (b)	Change (a-b)
Headcount – Italy	16,763	16,847	(84)
Headcount – Outside Italy	9,019	8,755	264
Total headcount at period end	**25,782**	**25,602**	**180**
Discontinued Operations	695	696	(1)
Total headcount at period end - including Discontinued Operations (1)	**26,477**	**26,298**	**179**

(1) Includes agency contract workers: 141 in Italy as of March 31, 2026. 121 in Italy as of December 31, 2025.

Headcount at period end – Breakdown by Business Unit

(number)	3/31/2026 (a)	12/31/2025 (b)	Change (a-b)
Domestic	16,802	16,887	(85)
Brazil	8,967	8,702	265
Other operations	13	13	—
Total	**25,782**	**25,602**	**180**

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

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

(million euros)	1st Quarter 2026	1st Quarter 2025
Acquisition of goods and services, Change in inventories:		
Other costs and charges	(6)	(7)
Employee benefits expenses:		
Charges connected to corporate reorganization/restructuring and other costs	(210)	(31)
Other operating expenses:		
Expenses from regulatory litigation and sanctions and contingencies, other provisions and expenses	(16)	(1)
Impact on Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	**(232)**	**(39)**
Gains (losses) on disposals of non-current assets:		
Gains on disposals of non-current assets	—	1
Impact on Operating profit (loss) (EBIT)	**(232)**	**(38)**
Finance income:		
1998 concession fee - legal interest	4	—
Finance expenses:		
Other finance expenses	(3)	(7)
Impact on profit (loss) before tax from continuing operations	**(231)**	**(45)**
Income tax expense on non-recurring items	2	1
Profit (loss) from Discontinued operations / Non current assets held for sale	**(9)**	**(21)**
Impact on profit (loss) for the period	**(238)**	**(65)**

TIM GROUP - DEBT STRUCTURE, BOND ISSUES AND MATURING BONDS

Revolving Credit Facility and Term Credit Facility

The following table shows committed credit lines:

(billion euros)	3/31/2026		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	—
Total	**3.750**	**0.750**	**3.750**	**—**

(*) 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).

Bonds

Bonds were unchanged during the first quarter of 2026.

The nominal redemption value of bonds maturing in the 18 months following March 31, 2026 issued by TIM S.p.A., TIM S.A. and TIM Brasil is 1,089 million euros, as detailed below:

- TIM S.p.A. 678 million euros, maturing on May 25, 2026;
- TIM S.A. 1,067 million reais (equivalent to 178 million euros as of 03/31/26), maturity June 2026 and June 2027;
- TIM Brasil 1,400 million reais (equivalent to 233 million euros as of 03/31/26), maturity December 15, 2026.

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

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

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

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

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

early repayment of the drawn amounts and/or the annulment of the undrawn commitment.

In particular, with reference to the loans taken out by TIM with the European Investment Bank ("EIB"), TIM signed a loan on May 5, 2023 for an amount of 360 million euros, initially guaranteed in part by SACE. This guarantee was definitively terminated on June 27, 2025. As at March 31, 2026, this is the only loan outstanding with the EIB.

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

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

Some contracts for outstanding loans granted to certain TIM Group companies as at March 31, 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 at March 31, 2026, no covenant, negative pledge or other clause relating to the aforementioned debt position had in any way been breached or violated. nor are any difficulties in complying with the covenants expected in the near future.

TIM GROUP - DISPUTES AND PENDING LEGAL ACTIONS

A description is provided below of the most significant judicial, arbitration and tax disputes in which TIM Group companies are involved at March 31, 2026, as well as those that came to an end during the first quarter of 2026.

The TIM Group has posted liabilities totaling 311 million euros for those disputes described below where the risk of losing the case has been considered probable.

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

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

(a) Significant disputes and pending legal actions

There had been no significant developments in the following pending litigations and legal actions since those disclosed in the 2025 Annual Report:

- 28-day billing;
- Antitrust case I820;
- Antitrust Case I850;
- Wind Tre S.p.A. – I857;
- Universal Service;
- Iliad (restrictions on duration and termination costs).

International tax and regulatory disputes

At December 31, 2025, companies belonging to the Brazil Business Unit were involved in tax or regulatory disputes, the outcome of which is estimated as a possible loss totaling around 24.9 billion reais (24.5 billion reais at December 31, 2025), corresponding to approximately 4.1 billion euros at March 31, 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 1.6 billion reais.

Overall, the risk for these cases, considered to be possible, amounts to 5.2 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 13.1 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 4.6 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 TAR for precautionary suspension of the collection of the fine imposed for alleged breach of Art. 2 of Decree Law 21 of March 15, 2012 (the "Golden Power" law). The guarantee bond was subsequently renewed up to November 30, 2025.

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

In Opinion no. 1259/2024, rendered in the extraordinary proceeding against the assessment notice of September 28, 2017, the Council of State agreed with the opinion expressed by the Lazio Regional Administrative Court in its non-final judgment of May 2019, finding the appeal inadmissible because the contested notice does not qualify as a measure but qualifies as a sub-procedural act forming part of the sanctioning procedure (appealed to the Lazio Regional Administrative Court). Hence, on December 5, 2024, TIM applied to the Lazio Regional Administrative Court for a precautionary measure to adjourn the proceedings against the sanctioning decree, subject to the possibility of a further suspension pending the decision of the Council of State on the extraordinary proceedings against the still pending Special Powers Decrees, and/or pending the decree of the Presidency of the Republic to implement the aforementioned Council of State Opinion no. 1259/2024. The hearing before the Regional Administrative Court was set for March 19, 2025. On conclusion of the hearing, the Bench retired to consider whether to suspend the case or to render judgment. 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 surety bond replacing the one issued for the first instance proceedings, granted the precautionary measure, granting a stay until the hearing on the merits, which will was 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 Court of Cassation on grounds of jurisdiction; TIM filed an appearance, objecting that the appeal is unlawful and inadmissible. Following the hearing in chambers held on October 11, 2022, on January 24, 2023, the order was published whereby the Court of Cassation declared that Consob's petition was unacceptable, consequently ordering it to pay the dispute expenses.

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 decision.

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. After reserving judgment, the judge – by order of December 12, 2025 – issued the draft terms of reference to be put to the court-appointed expert and scheduled a hearing for March 18, 2026 to continue the taking of evidence. At the end of the hearing, the judge reserved judgment on the taking of evidence.

Privacy Guarantor - Proceedings launched to adopt corrective and sanctioning measures in Telemarketing

On February 9, 2026, the Italian personal data protection authority notified TIM that it had launched proceedings to adopt corrective and sanctioning measures in *telemarketing* following an inspection that took place in March 2025.

The Guarantor, while acknowledging the initiatives taken by TIM in the meantime and its full cooperation in the course and following the investigation, challenged the Company for having allegedly violated some provisions of the GDPR in its telemarketing activities and relating to the handling of applications from data subjects to exercise their rights.

TIM filed a defence brief and requested to be heard at a hearing to be held on May 6, 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 defence 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 Article 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 had market effects from January 27, 2021 to August 4, 2022, whereas the AGCM Measure reduced the duration of the violation from July 1, 2021 – when the marketing of the rights under Deal Memo commenced – up to the implementation of voluntary measures adopted by TIM and DAZN as part of the precautionary sub-proceedings at the beginning of August 2021. Therefore, the AGCM Measure appeared to contradict the investigation results (CRI), with the Board having failed to adequately justified its decision to depart from the preliminary findings. 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 Article 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 proceeding was ended without any aggravation of the sanction for TIM. TIM appealed the order to end proceedings to the Lazio Regional Administrative Court.

Sky Italia Srl and Sky Limited – I857

SKY Italia & SKY Ltd. ("Sky") commenced legal proceedings against TIM and DAZN – with a writ of summons in the Court of Milan served upon TIM on March 25, 2026 – seeking a joint and several award of damages, which Sky alleges it suffered as a result of a breach of Article 101 TFEU by TIM and DAZN.

The action follows up the AGCM assessment (Order no. 29063 of June 28, 2023), in which the Authority had qualified the TIM-DAZN agreement of January 27, 2021 as an agreement restricting competition. That decision was then revised on December 22, 2025, extending the period of the breach from 32 days to 1 year and seven months (from January 27, 2021 to August 3, 2022).

The applicants alleged that this agreement was intended to exclude Sky from the market and to damage its customer base following the licensing agreement for Serie A television rights for the three-year period 2021-2024. Sky's claim for damages amounts (possibly to be divided between TIM and DAZN based on criteria yet to be defined) to between 1.8 and 1.9 billion euros. This derives from allegations of lost profits of 1.076 billion euros in relation to the loss of operating profits (plus 499 million for interest) and resulting damage estimated at between 280 and 380 million euros for the alleged depreciation of the brand. These amounts were based on two separate and secreted economic appraisals. The key hearings in the proceedings are scheduled for the last quarter of 2026.

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 concession 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 concession 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 concession fee.

With reference to the 1998 fee adjustment (equal to about 41 million euros), the Lazio TAR, by TAR 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 Court of Cassation 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 concession fee). Following the judgment of the Supreme Court (no. 33241/25 published on December 19, 2025), which rejected the appeal of the Presidency of the Council of Ministers, an application to schedule a hearing on the merits of the case regarding the 1998 concession fee adjustment was filed. This hearing was scheduled for April 15, 2026. At the end of the hearing, the case was reserved for judgment.

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 Court of Cassation 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 Court of Cassation, 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 decision of the Court of Appeal quashing 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.

On April 7, 2026, a hearing was held at the Paris Court of Appeals in the proceedings for the quashing of the 2020 Award, following the decision of the Supreme Court quashing the 2016 Award.

On April 30, 2026, Opportunity submitted its observations on the judgment quashing the 2016 Award, confirming that the 2020 Award would have to be quashed as a result of the quashing of the 2016 Award, as the 2020 Award would be invalid as a result.

Opportunity underlined that, if the Court decides, instead, not to quash the 2020 Award, it would proceed with the request to this effect (i) due to the alleged lack of independence and impartiality of Mr. Hanotiau (irregular constitution of the board of arbitration) and for the violation of the principles of collegiality and equality as well as (ii) for violation of international public policy, since the revision of the decision would allow TIM to benefit from illegal conduct, including corruption.

TIM/TIF is due to respond to Opportunity's brief on May 29, 2026.

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 of September 24, 2025, the case was reassigned to another judge.

On October 15, 2025, the court-appointed expert submitted another new petition to the judge for a time extension to file the expert report. The judge granted the extension, setting a deadline of April 15, 2026 for the filing of the court-appointed expert's final report and the date of April 21, 2026 for the hearing of the court-appointed expert's evidence. Following the court-appointed expert's request for a further extension, the judge set a deadline of September 7, 2026 for the filing of the final report and the date of September 29, 2026 for the hearing of the court-appointed expert's evidence.

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

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

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

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

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

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

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

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

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

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

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

On March 10, 2025, the Public Prosecutor's Office of Milan gave notice that it had concluded its inquiries and that TIM was not under investigation pursuant to Legislative Decree no. 231 of 2001. This was confirmed in the indictment served on February 17. The preliminary hearing will commence on May 29, 2026.

Eutelsat S.A.

On July 4, 2025, Eutelsat obtained an injunction (not immediately enforceable) from the Court of Rome for the sum of 13,396,500 euros (plus interest and litigation costs), corresponding to the fees allegedly due for the period November 2023 to January 2025 in relation to the "Service Agreement" for the supply 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 challenged the injunction, seeking for Eutelsat's claims to be dismissed and the contract to be terminated due to a breach by Eutelsat (or, alternatively, for the fee to be lowered in proportion to the breaches complained of). TIM also claimed for damages from Eutelsat.

Eutelsat entered an appearance in its defence of December 19, 2025, seeking for TIM's claims to be dismissed and the contested payment order to be upheld. Eutelsat's counterclaim sought approximately 79 million euros from TIM (in addition to those ordered in the injunction) in contractual fees allegedly accrued and accruing between January 2025 and the natural expiry of the contract (or, alternatively, the same amount in damages).

At the first hearing on April 23, 2026, the case was adjourned to the hearing on October 6, 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	
+/-	Impairment losses (reversals) of non-current assets
+/-	c) 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**

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

The Equity Free Cash Flow measure is calculated as follows:

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

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

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

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

Alternative performance measures after lease

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

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

+	Equity Free Cash Flow
-	Principal share of lease payments

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