

Press Release

TIM: BOARD OF DIRECTORS APPROVES TIM'S 2023-2025 INDUSTRIAL PLAN

STARTING 2023, DOMESTIC BUSINESS BACK TO GROWTH AFTER 6 YEARS

IN 2023, REVENUE FROM SERVICES EXPECTED TO GROW *LOW SINGLE DIGIT* AT GROUP LEVEL; BROADLY STABLE AT DOMESTIC LEVEL

IN 2023, ORGANIC EBITDA EXPECTED TO GROW *MID SINGLE DIGIT* AT GROUP LEVEL; TO REMAIN STABLE/GROW *LOW SINGLE DIGIT* AT DOMESTIC LEVEL

REVENUE FROM SERVICES AT GROUP LEVEL EXPECTED TO GROW *LOW SINGLE DIGIT* THROUGH EVERY YEAR OF THE PLAN

ORGANIC EBITDA AT GROUP LEVEL EXPECTED TO GROW *MID SINGLE DIGIT* CAGR '22-'25

GROUP INVESTMENTS STABLE AT 4 BILLION EUROS PER YEAR, OF WHICH 3.1 BILLION EUROS AT DOMESTIC LEVEL

GROUP CUMULATIVE EQUITY FREE CASH FLOW AFTER LEASE SLIGHTLY POSITIVE OVER THE PLAN PERIOD

TIM BRASIL CONFIRMS ITS GROWTH PATH FOLLOWING FULL INTEGRATION OF THE OI MOBILE ASSETS

ESG PRIORITIES DEFINED TO IMPROVE THE ENVIRONMENTAL AND SOCIAL IMPACT AND THE BUSINESS RESULTS

Rome, 14 February 2023

The TIM Board of Directors, which met today under the chairmanship of Salvatore Rossi, unanimously approved the 2023-2025 Industrial Plan presented by the Chief Executive Officer of the Group Pietro Labriola, which follows the transformation process started in 2022.

Despite a radically different macroeconomic context compared to last year, the new plan is consistent with the previous one and with the project presented at the Capital Market Day (July 2022). In particular, thanks to the better-than-expected results recorded in 2022, the plan envisages further acceleration at Group level.

Financial targets of the 2023-2025 plan with the current organisational and business model (IFRS 16/After Lease):

- Group revenues from services expected to grow low single digit in 2023 with the domestic business broadly stable and *high single digit* growth in Brazil;
 - Group revenues from services expected to grow *low single digit* CAGR '22-'25;
- **Organic** Group EBITDA expected to grow *mid single digit* in 2023 with the domestic business *flat to low single digit* growth and Brazil growing *low double digit*
 - **Organic** Group EBITDA expected to grow during the plan period *mid single digit* '22-'25 CAGR;
- **Organic** Group After Lease EBITDA expected to grow *low to mid single digit* for 2023;

TIM S.p.A.

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Share Capital €11,677,002,855.10 fully paid-up Certified e-mail address [Casella PEC]: telecomitalia@pec.telecomitalia.it

- Organic Group After Lease EBITDA expected to show *mid single digit growth* CAGR '22-'25;
- Group capex expected to reach approximately 4.0 billion euros in 2023, stable over the plan period; 3.1 billion euros of annual investments expected at a domestic level;
- Cumulative Group Equity Free Cash Flow After Lease slightly positive over the plan period

With the plan based on the current organisational and business model, the improved corporate configuration made up of specific entities envisages the following strategies:

- **TIM Consumer:** initiatives continue to implement the premium positioning strategy 'Value vs. Volume', with the aim of standing out from the competition. The gradual repricing of the customer base will also continue, along with the introduction of inflation adjustment mechanisms.
- **TIM Enterprise:** Growth above the reference market is expected for 2023-2025, with a revenue CAGR of 6% over the plan period, thanks to the increased standardisation and industrialisation of offers and the consolidation of a bundled offer for the Public Administration.
- **TIM Brasil:** The company continues to focus on a value strategy and will enjoy additional growth impetus from the integration of Oi's assets, continuing on its path towards a 'Next Gen Telco'.
- **NetCo:** TIM's strategic priorities are to push strongly for the migration of lines to FTTH technology, associated with an ambitious plan to cover the fixed and mobile networks. By 2025, the Group aims to reach 48% of the country's property units with FTTH. In the mobile segment, the priority is to maximise 5G coverage, which by 2025 will reach 90% of the population.

ESG: the 2023-2025 Plan defines the ESG priorities for all business areas and operations with the aim of improving the social and environmental impact and, at the same time, the business results. All this is achieved through the pursuit of efficiency, the use of the circular economy in processes, innovative and sustainable purchases and the supply of new services for the PA and enterprises, driving the digital transition.

The Board of Directors also resolved not to co-opt a Director to replace Arnaud de Puyfontaine, in view of the approaching Shareholders' Meeting that will be called to decide on the appointment.

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