



Press Release

Rome, 21 December, 2025

## **TIM: THE BOARD OF DIRECTORS PROPOSES TO SHAREHOLDERS THE CONVERSION OF SAVINGS SHARES INTO ORDINARY SHARES**

*Ordinary, Extraordinary and Special Shareholders' Meetings called for January 28  
 The reduction of the share capital to 6 billion euros is also proposed to shareholders  
 Lorenzo Cavallaglio co-opted onto the Board of Directors*

TIM's Board of Directors met today under the chairmanship of Alberta Figari and resolved to submit to the Shareholders' Meeting, in a single call, a proposal for the optional and mandatory conversion of savings shares into ordinary shares and the voluntary reduction of share capital, through:

- granting savings shares' holders of the right to convert the savings shares into Telecom Italia S.p.A. ordinary shares, on the basis of a conversion ratio of 1 ordinary share for each savings share held, plus a cash adjustment equal to a total of 0.12 euros per savings share, to be paid by the Company to Savings Shareholders who exercise this conversion option;
- the mandatory conversion of any savings shares outstanding at the end of the period for the exercise of the optional conversion into Telecom Italia S.p.A. ordinary shares, on the basis of a conversion ratio of 1 ordinary share for each savings share, plus a cash adjustment equal to a total of 0.04 euros per savings share;
- the voluntary reduction of the share capital to 6 billion euros, allocating the resulting amount:
  - i. up to one fifth of the share capital (after the reduction), to the legal reserve;
  - ii. for the remaining amount, to constitute an available equity reserve.

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The Conversion Operation submitted to the Shareholders is aimed at:

- rationalizing the Company's capital structure and simplify the ownership structure and the governance of the Company, as well as reducing management costs associated with the division of the share capital into several categories of listed shares;
- creating the conditions to increase liquidity and expand the free float of ordinary shares.

The terms of the Conversion, defined by the Board of Directors, express the implicit premiums with respect to December 19, 2025 (the trading day prior to the date of announcement of the Conversion to the market) illustrated below.

Time reference	Implicit Premium Optional Conversion <sup>(1)</sup>	Implicit Premium Mandatory Conversion <sup>(2)</sup>
Reference Date	8.3%	(5.6%)
1 month before the Reference Date <sup>(*)</sup>	10.6%	(3.6%)
3 months prior to Reference Date <sup>(**)</sup>	13.5%	(1.1%)
6 months prior to Reference Date <sup>(***)</sup>	21.6%	5.9%
<sup>(*)</sup> 19/12/2025 – 20/11/2025 (inclusive). Market closure days were not taken into account for the purposes of the calculation. <sup>(**)</sup> 19/12/2025 – 20/09/2025 (inclusive). Market closure days were not taken into account for the purposes of the calculation. <sup>(***)</sup> 19/12/2025 – 20/06/2025 (inclusive). Market closure days were not taken into account for the purposes of the calculation.		

Goldman Sachs Bank Europe SE, Italy Branch, and Intermonte SIM S.p.A. acted as financial advisors to the Company.

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The Capital Reduction is aimed at achieving a more balanced composition of the shareholders' equity items, which at present is made up of approximately 96% by share capital and has no available and distributable reserves. The operation also takes into account the effects of the sale of FiberCop, the implementation of which in 2024 led to a significant reduction in TIM's net invested capital, financial debt and shareholders' equity, which was not followed by a corresponding reduction in the share capital, which has remained substantially unchanged since 2005. The Capital Reduction would bring the composition of TIM S.p.A. shareholders' equity more in line with market benchmarks.

The available reserves constituted as a result of the Capital Reduction may be used by the Company to cover the capital requirements resulting from the Conversion, also for the purpose of paying the premium paid to the Savings Shareholders in the context of the Conversion.

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The Conversion is conditional, among other things, upon the approval, pursuant to Article 146, first paragraph, letter b), of the Italian Finance Law, of the Mandatory Conversion by the Special Shareholders' Meeting of Savings Shareholders.

Savings Shareholders who do not participate in the approval of the Mandatory Conversion will have the right of withdrawal. The liquidation value of the savings shares subject to withdrawal has been set by the Board of Directors in 0.5117 euros per share, in application of the criterion provided for by the Italian Civil Code (arithmetic average of the closing prices of the Savings Shares in the 6 months prior to the publication of the notice of call of the Special Shareholders' Meeting, which took place today). Information relating to the methods and terms of exercising the right of withdrawal will be made known to the Shareholders within the terms and in the manner provided for by applicable law.

The effectiveness of the Conversion is also subject to the condition (which may be waived by the Company) that the maximum disbursement to be paid by TIM for the liquidation of the Savings Shares for which the right of withdrawal has been exercised and which are not purchased by shareholders or placed to third parties as a result of the procedure referred to in Article 2437-quarter of the Italian Civil Code, does not exceed an amount equal to a total of 100,000,000.00 euros.

In addition, the Capital Conversion and Reduction operations are submitted to the Shareholders' Meeting as a whole and are inseparable from each other. Therefore:

- the Capital Reduction is conditional (unless waived by the Company) upon:
  - i. the approval of the Conversion by the General Shareholders' Meeting of the Company and the Mandatory Conversion by the Special Shareholders' Meeting of Savings Shareholders;

<sup>(1)</sup> Calculated as follows: Implied premium at the reference date: ratio  $[(a \cdot b + c) / d] - 1$  where a = price of the ordinary share on December 19, 2025, b = conversion ratio, c = adjustment per share, d = price of the savings share at the reference date..

<sup>(2)</sup> Calculated as follows: Implied premium at the reference date: ratio  $[(a \cdot b + c) / d] - 1$  where a = price of the ordinary share on December 19, 2025, b = conversion ratio, c = adjustment per share, d = price of the savings share at the reference date.

- ii. the fulfilment of the aforementioned condition, to which the effectiveness of the Conversion is subject, relating to the maximum disbursement to be paid by the Company for the liquidation of the Savings Shares subject to withdrawal; and
- the Conversion is in turn subject to the fact that the Capital Reduction resolution is approved by the General Shareholders' Meeting and no opposition is presented by the Company's creditors within 90 days of the registration of the Capital Reduction resolution with the competent register of companies, pursuant to Article 2445, paragraph 3, of the Italian Civil Code, or, in the event of an opposition, the authorization of the Court intervenes, pursuant to Article 2445, paragraph 4, of the Italian Civil Code, within the term of six months from the registration of the resolution.

The Conversion of savings shares will in any case be effective before any distribution of dividends for the 2025 financial year. Consequently, the savings shares will not benefit for the 2025 financial year from any privileges provided for in the bylaws.

For further information on the Conversion and Capital Reduction proposals (including the terms of the Conversion and the related determination criteria, as well as the conditions for the effectiveness of the resolutions), please refer to the explanatory reports prepared by the Board of Directors, pursuant to Articles 125-ter of the Consolidated Law on Finance and 72 of the Issuers' Regulation, which will be made available to the public at the Company's registered office and on the TIM website ([www.gruppotim.it](http://www.gruppotim.it), "Investors – AGM and Shareholders' Meetings" section) under the terms and in accordance with the procedures provided for by applicable legislation.

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TIM's Board of Directors, following the resignation of Independent Director Umberto Paolucci, communicated to the market on 10 December 2025 and effective from 1 January 2026, unanimously co-opted Professor Lorenzo Cavalaglio.

The newly appointed Director, whose curriculum vitae is available on the Company's website, does not hold any TIM shares, qualifies as an independent director and will take office on 1 January 2026.

The Board sincerely thanks Director Paolucci for his contribution and welcomes Director Cavalaglio, with best wishes for success in his/her new role.

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In consideration of the above, the Board of Directors has called the Ordinary and Extraordinary Shareholders' Meeting on single call for January 28, 2026 to resolve the following items on the agenda.

#### **In the ordinary session:**

- Confirmation, as Directors of the TIM Group, of Alessandra Perrazzelli and Lorenzo Cavalaglio, co-opted to the Board of Directors on September 25 and December 21 respectively.

#### **In extraordinary session:**

- Changes to the share capital structure:
  - i. Voluntary reduction of the share capital to 6 billion euros, allocating the amount resulting to the legal reserve up to one fifth of the share capital after the reduction and, for the remaining amount, to the available reserve of equity;
  - ii. Amendment of Article 5.1 of the bylaws;
  - iii. Related and consequent resolutions.
- Conversion of savings shares into ordinary shares:
  - i. Attribution to the holders of savings shares of the right to convert them into ordinary shares, with payment of a cash adjustment by the Company;

- ii. Mandatory conversion into ordinary shares of the savings shares outstanding at the end of the period for exercising the conversion option referred to in point (i), also with payment of a cash adjustment by the Company;
- iii. Amendment of Articles 5, 6, 14, 18, 19 and 20 of the bylaws;
- iv. Related and consequent resolutions.

The Board of Directors has also convened the Special Shareholders' Meeting of Savings Shareholders on single call for January 28, 2026, in order to resolve on the following items on the agenda:

- Conversion of savings shares into ordinary shares:
  - (i) granting savings shareholders the right to convert their shares into ordinary shares, with payment of a cash adjustment by the Company; and (ii) mandatory conversion into ordinary shares of savings shares for which the conversion right referred to in point (i) has not been exercised, also with payment of a cash adjustment by the Company. Amendment of Articles 5, 6, 14, 18, 19, and 20 of the Bylaws. Related and consequential resolutions.

The full text of the resolution proposals and the reports of the Board of Directors relating to the items on the agenda, together with the related documentation, will be made available, within the terms and in accordance with the procedures provided for by law, at TIM's registered office, at the "1INFO" storage mechanism ([www.1info.it](http://www.1info.it)) on the Company's website at the following address: <http://www.gruppotim.it/assemblea>.

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