

H1 2025 Results

6 August 2025



Q2 2025

Highlights



Solid Group and Domestic operational and financial delivery, results on track

Stable competitive dynamic in Italy, highly rational in Brazil

Monetization of ~€ 1.0bn '98 Concession Fee through factoring

R\$ 5.0bn bonds issued in Brazil, significant improvement in terms

Changes in the management team

H1 '25 results on track both at Group and Domestic level...

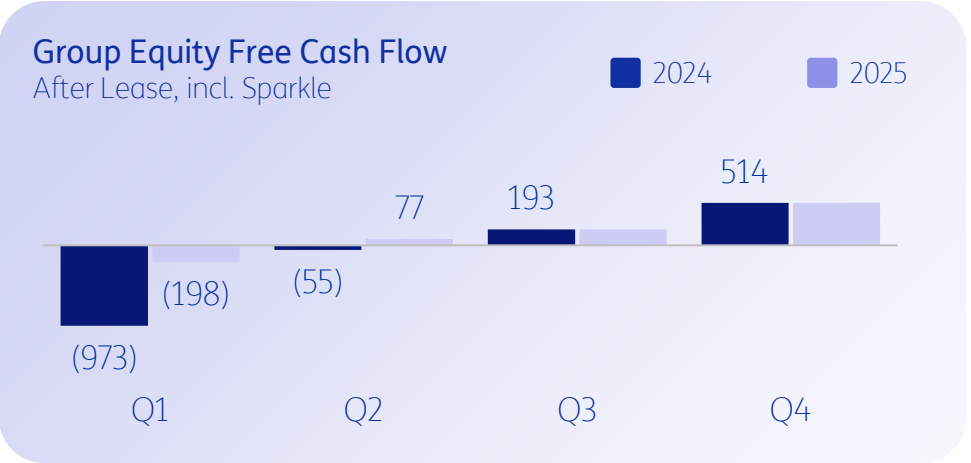
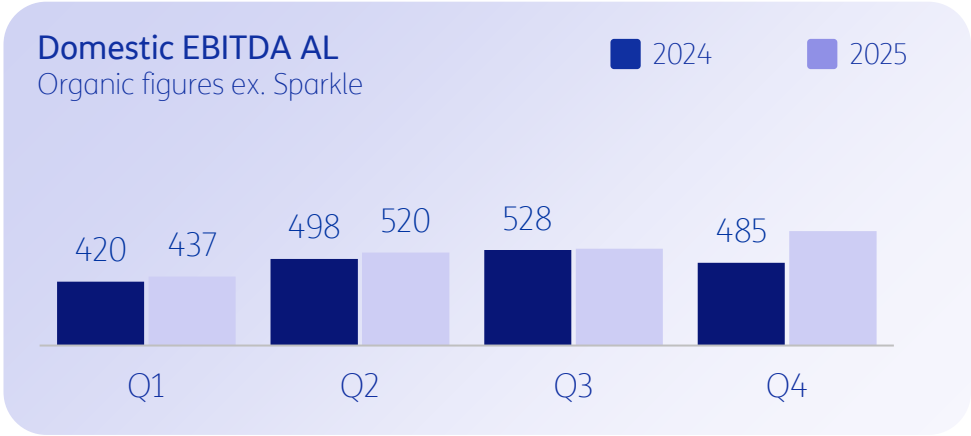
2025 organic figures, YoY comparison based on 2024 like-for-like, MSA and TSA included, Sparkle excluded unless otherwise specified, €bn and YoY trend ⁽¹⁾



(1) Group figures at average exchange-rate YTD 6.29 R\$/€. Excluding non-recurring items and exchange rate fluctuations (2) Adjusted Net Debt After Lease / LTM Organic EBITDA After Lease

...with expected acceleration supported by positive drivers

All figures in €m

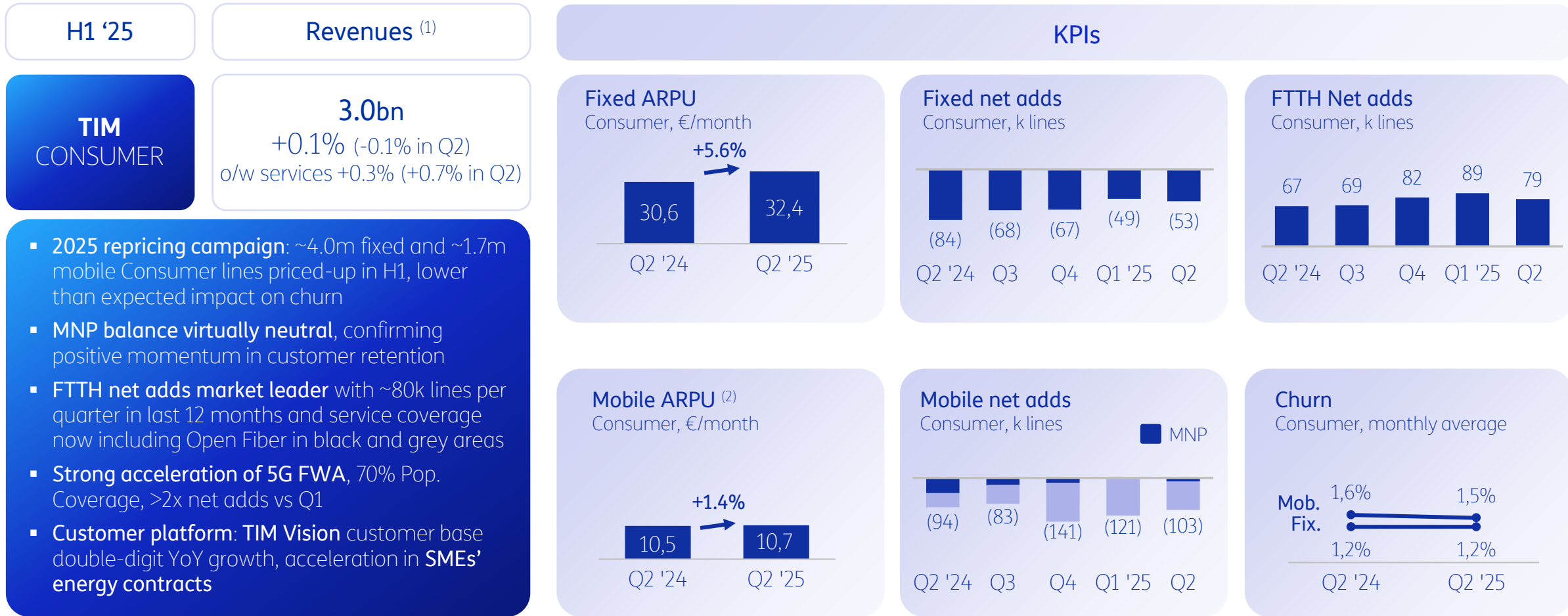


(1) Both on Consumer and SMB segment

	H1 '25	H2 '25
TIM Consumer price ups ⁽¹⁾	+	++
TIM Enterprise business seasonality + NSH acceleration in Q4		+
Transformation Plan incl. MSA	+	++
Cost of labour		+
Higher EBITDA AL	+	++
CAPEX phasing	+	-
NWC seasonality	-	+
Positive drivers enabling strong acceleration in Q4 FY '25 guidance confirmed		

TIM Consumer with resilient top line and positive outlook thanks to improving KPIs

Organic figures, €bn and YoY trend



(1) Including TSA (€21m in H1 '25, o/w €10m in Q2 '25) (2) Human calling

TIM Enterprise solid growth fueled by Cloud services

Organic figures, €bn and YoY trend

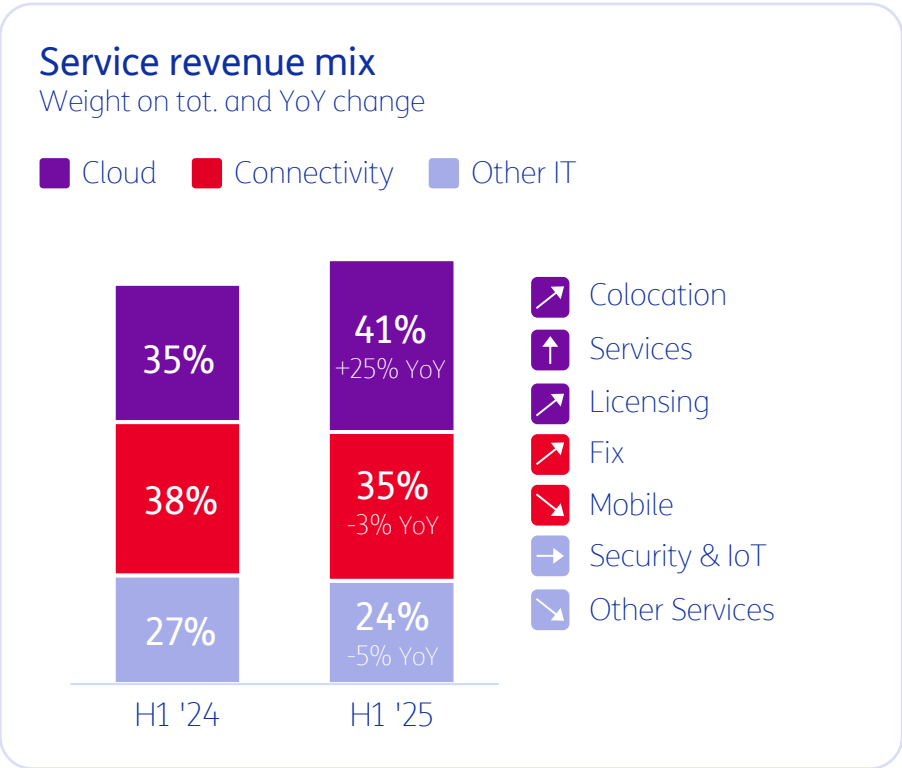
H1 '25

Revenues

TIM
ENTERPRISE

1.6bn
+4.7% (+4.8% in Q2)
o/w services +6.2% (+5.7% in Q2)

- Consistent and solid revenue growth
- Cloud the highest and fast-growing revenue driver (41% share of service revenues)
- Connectivity fully aligned with plan
- Renewed long-term partnership with Google
- High focus on strengthening infrastructure business
- Continued reduction of low-margin IT components to improve overall profitability



KPIs

Revenues from NSH

2x

H1 '24 H1 '25

Change in revenue mix

% of service revenues

Connectivity ICT

62% 65%

H1 '24 H1 '25

Revenues from Factories

% of revenues ⁽¹⁾

+2 p.p. +5 p.p.

H1 '24 H1 '25 Backlog ⁽²⁾



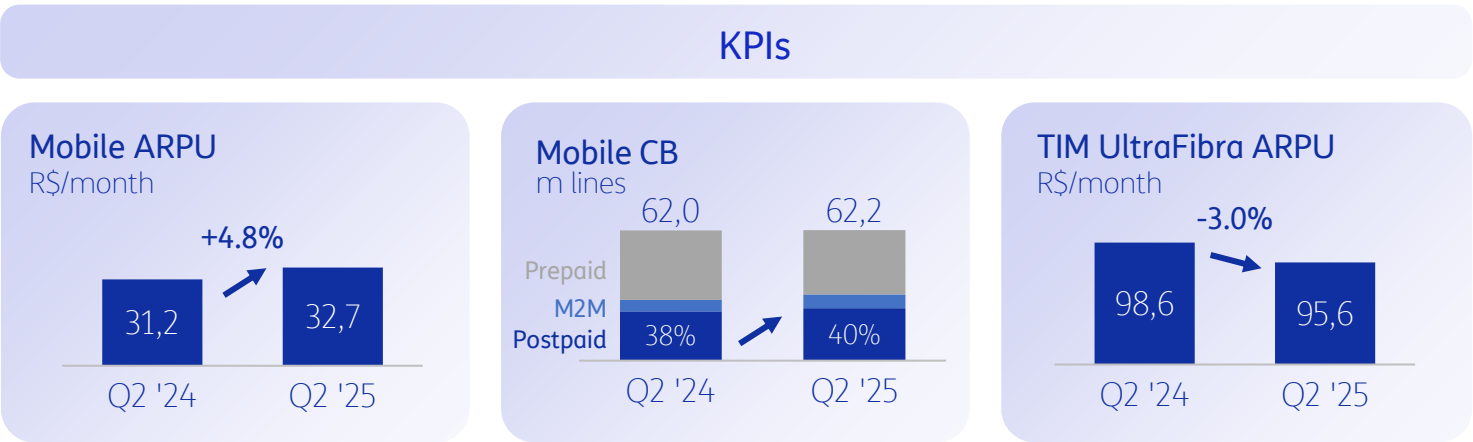
(1) % of TIM Enterprise total revenues from internally-generated services/solutions (2) Revenues from signed contracts to be delivered

TIM Brasil further delivering on operational excellence

Organic figures, €bn and YoY trend ⁽¹⁾

H1 '25	Revenues	EBITDA AL	CAPEX	EBITDA AL - CAPEX
TIM BRASIL	2.1bn +4.8% (+4.7% in Q2) o/w services +5.4% (+5.1% in Q2)	0.8bn +6.1% (+5.7% in Q2)	0.4bn 17.1% on revenues (13.4% in Q2)	0.4bn +14.5% (+12.0% in Q2)

- Consistent growth, on track with plan
- Efficient operational execution, OPEX running below inflation ⁽²⁾
- EBITDA AL margin increase, +0.4pp YoY to 37.8% in H1
- Solid cash generation pace with double-digit EBITDA AL minus CAPEX growth YoY



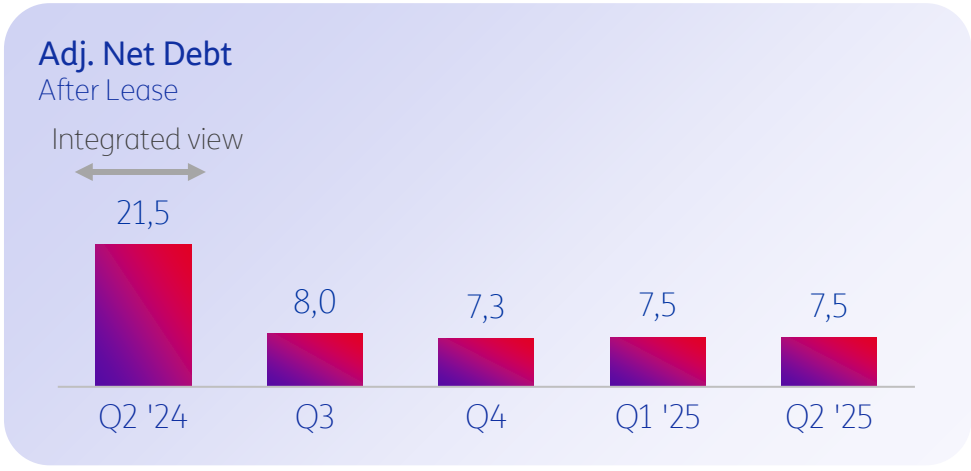
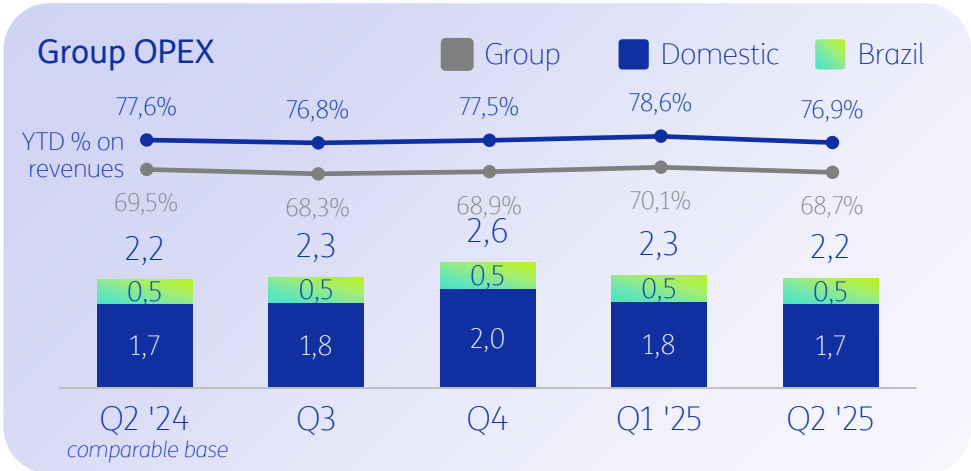
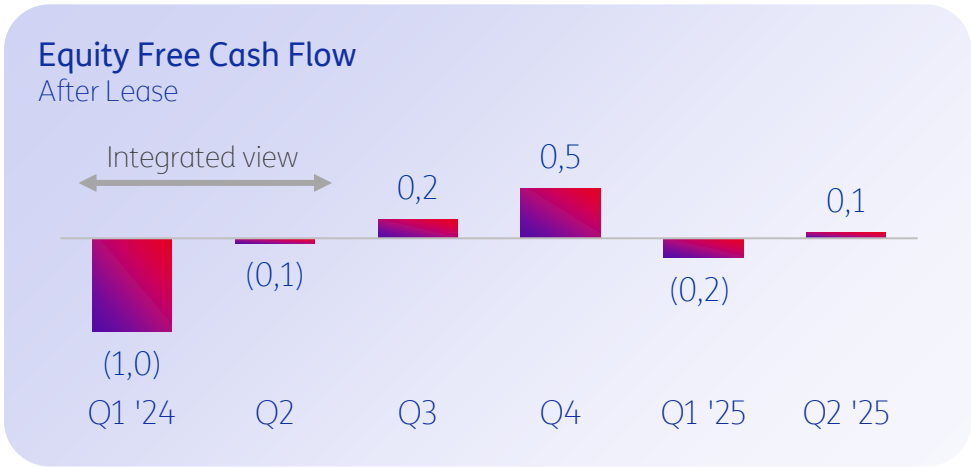
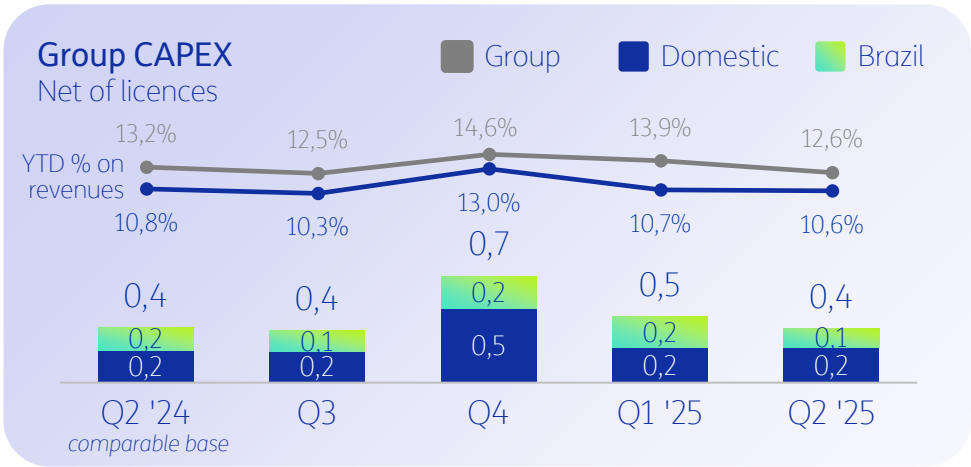
Most sustainable Brazilian company, #1 in B3 Sustainability Index



(1) Average exchange-rate YTD @ 6.29 R\$/€ (2) +3.2% vs. 5.35% IPCA LTM

Financials fully on track

All figures in €bn. Organic figures ex. Sparkle for CAPEX and OPEX; Reported figures including Sparkle for EFCF AL and Net Debt AL

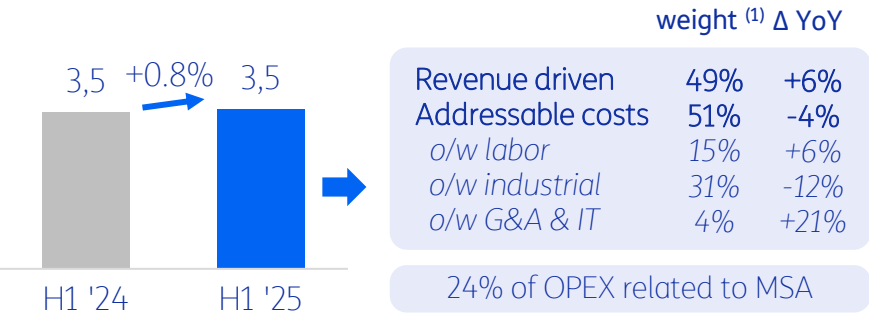


Figures may not add up due to rounding

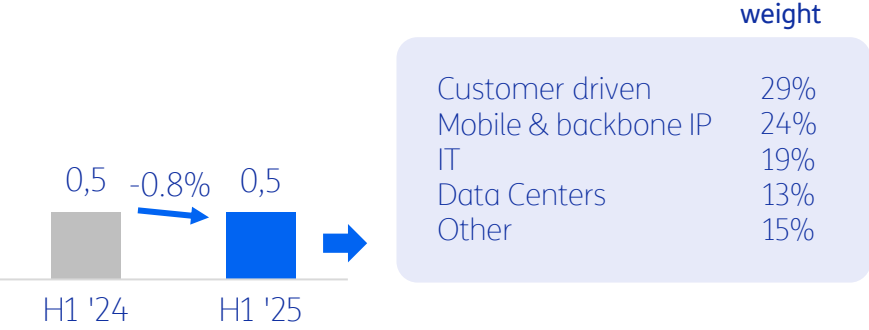
Thorough CAPEX and OPEX control with Transformation plan well on track

Organic figures ex. Sparkle, €bn

Domestic OPEX



Domestic CAPEX

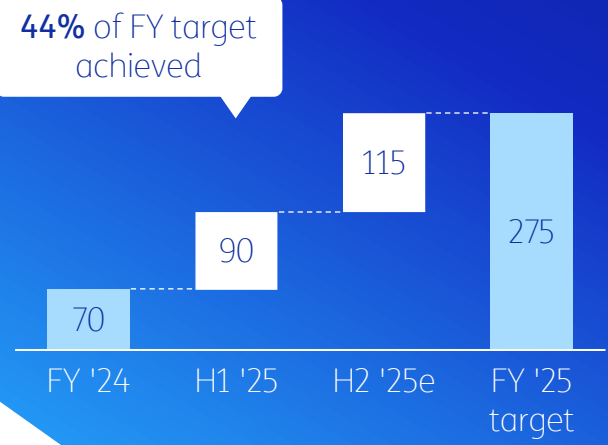


Transformation plan mitigating inertial total cash costs increase

Domestic EBITDA AL minus CAPEX

Savings vs inertial plan, €m

Cumulative savings 2025 savings



Key drivers in H2

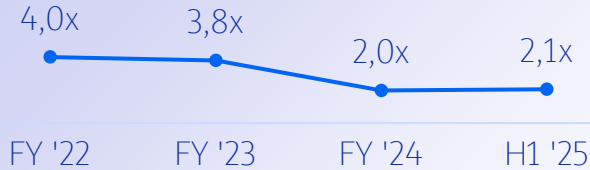
- Legacy technologies decommissioning
- ICT vendor consolidation
- Calibration of service profile on legacy customers @ effective service needs
- Labour cost optimization



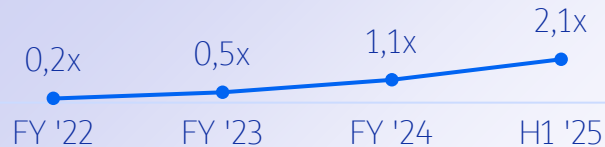
(1) Excluding capitalized costs and other income

Reduced leverage and tactical FX hedging translate into a higher credit worthiness

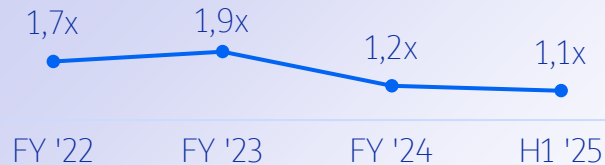
Leverage ratio ⁽¹⁾



Interest coverage ratio ⁽²⁾



Debt-to-Equity ratio ⁽³⁾



2025 credit rating

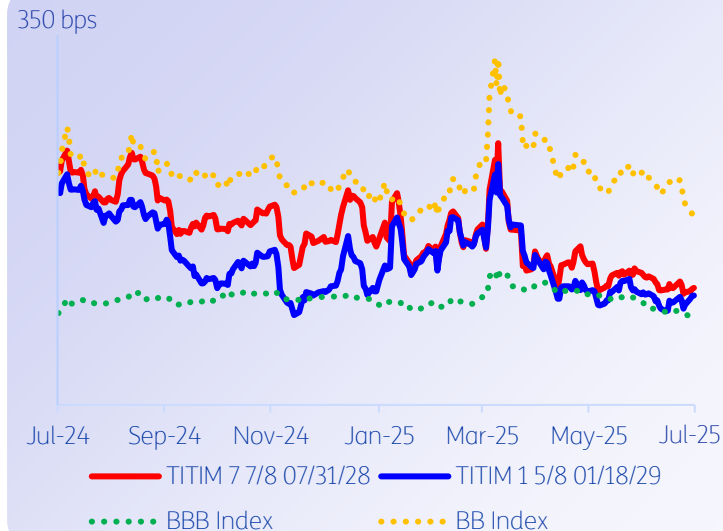
Moody's
Ba2 ↑ Stable

S&P
BB Stable*

Fitch
BB Positive ↑

**Business risk profile upgraded*

TIM bonds' returns converging to investment grade EU corporates ⁽⁴⁾



New SACE loan and R\$ Bond issue

- € 0.75bn SACE-guaranteed loan Supporting infrastructure development
- Monetization of ~€ 1.0bn '98 Concession Fee through factoring
- R\$ 5bn bonds issued by TIM Brasil SA Larger size, extended maturity, lower spread

2025 FX BRL hedging strategy

- Liability management on the bond issued by TIMBRA in 2023 with additional ~R\$ 1.7bn net proceeds
- 2025 hedging strategy exploiting favorable US\$/R\$ rate while retaining US\$ exposure to hedge short US\$ position that TIM Group has through Noovle that is being charged US\$ linked costs
- c. 75% of TIM Brasil Equity Free cash flow hedged



(1) Adjusted Net Debt AL/ LTM Organic EBITDA AL (2) LTM EBITDA AL minus CAPEX/LTM Net Financial Expenses AL (3) Gross Financial Debt/ Shareholders' Equity (4) Bloomberg Euro Corporate ex Financials BBB TR Index Hedged EUR & Bloomberg Pan-European HY ex Financials BB TR Index Unhedged EUR as of 31 July 2025. Source: Bloomberg

Closing remarks



Results and cash dynamic on track

Guidance confirmed

~€ 1.0bn '98 Concession Fee cashed-in through factoring,
dispute moving closer to a resolution

Enhanced credit rating profile

Changes in the management team

Q&A

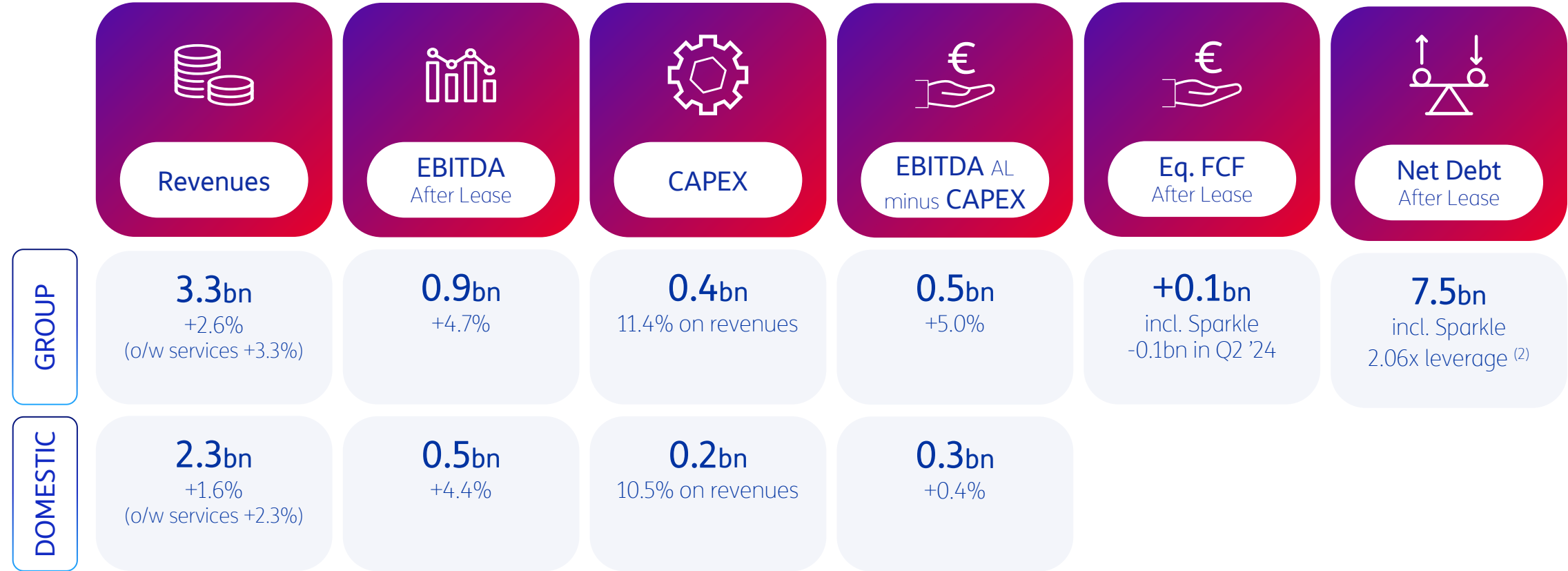


Annex



Q2 '25 results on track both at Group and Domestic level...

2025 organic figures, YoY comparison based on 2024 like-for-like, MSA and TSA included, Sparkle excluded unless otherwise specified, €bn and YoY trend ⁽¹⁾

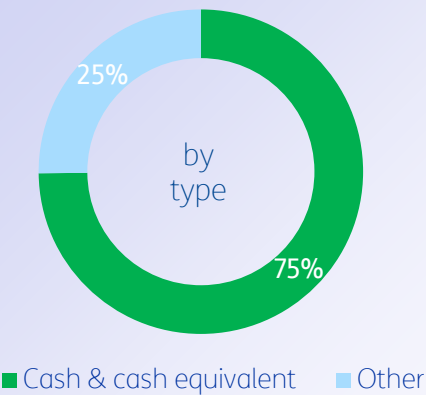


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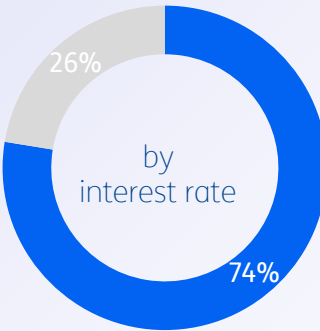
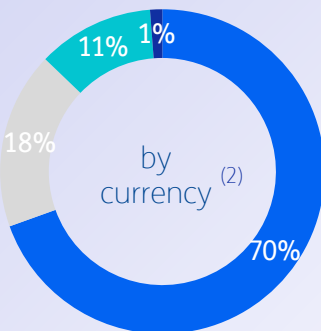
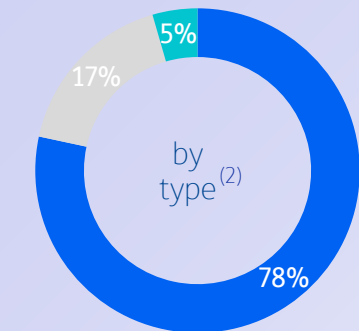
(2) Adjusted Net Debt After Lease / LTM Organic EBITDA After Lease

Capital structure

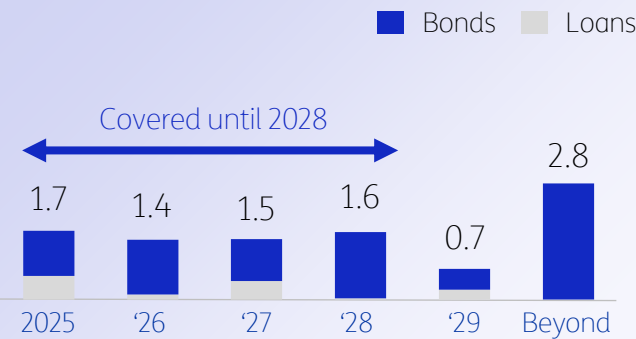
€ 3.9 bn Financial assets ⁽¹⁾



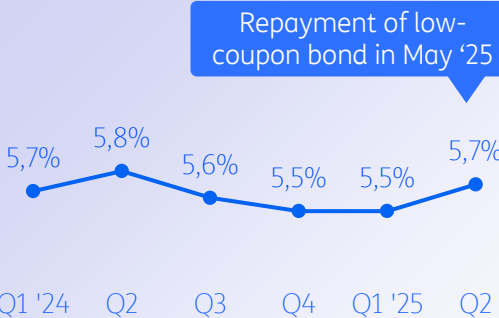
€ 10.9 bn Gross Debt AL ⁽¹⁾



Debt maturities ⁽³⁾



Avg cost of debt YTD



(1) Net of the adjustment due to the fair value measurement of derivatives and related financial liabilities/assets and discontinued operations (2) "Accounting" amount including amortized costs (e.g. issue premiums/ discounts) and interests accrued and not yet collected (3) Nominal amount. Average maturity: 5.2 years (bond 5.6 years)

Guidance 2025-‘27

Excluding Sparkle and the effects of '98 Concession Fee. Organic pro-forma P&L figures ⁽¹⁾, €bn, YoY growth and 2024-'27 CAGR

TIM GROUP
TIM DOMESTIC

		2024 <small>actual</small>	2025	2026	2027
	Revenues	13.7 9.4	2-3% growth 1-2% growth		~3% CAGR 2-3% CAGR
	EBITDA After Lease	3.6 1.9	~7% growth 5-6% growth		6-7% CAGR 5-6% CAGR
	CAPEX on revenues	14.6% 12.9%	~14% 12-13%		~13% ~11%
	Eq. FCF After Lease ^(2, 3)		~0.5	~0.9	~1.1
	Leverage ⁽⁴⁾	<2.0x	<1.9x ⁽⁵⁾		

(1) Excluding non-recurring items, change in consolidation area and exchange rate fluctuations. Group P&L figures @ avg. exchange-rate 5.83 R\$/€ (2) TIM Brasil flows based on annual exchange-rate published in Bloomberg Survey based on major banks projections as of 9 January '25 (avg. exchange rate @ 6.18 R\$/€ in '25, 6.37 R\$/€ in '26 and 6.20 R\$/€ in '27) (3) **Including the effect of '98 Concession fee, 2025 Equity FCF would be ~€ 1.5bn** (4) Adj. Net Debt AL/Organic EBITDA After Lease. Net Debt of TIM Brasil based on consensus exchange rate evolution (EoP exchange rate @ 6.21 R\$/€ in '25) (5) **Including the effect of '98 Concession fee on Net Debt, leverage would be ~1.7x**



Disclaimer

This presentation contains statements that constitute forward looking statements regarding the intent, belief or current expectations of future growth in the different business lines and the global business, financial results and other aspects of the activities and situation relating to the TIM Group. Such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those projected or implied in the forward-looking statements as a result of various factors. Consequently, TIM makes no representation, whether expressed or implied, as to the conformity of the actual results with those projected in the forward- looking statements. Forward- looking information is based on certain key assumptions which we believe to be reasonable as of the date hereof, but forward- looking information by its nature involves risks and uncertainties, which are outside our control, and could significantly affect expected results.

Analysts and investors are cautioned not to place undue reliance on those forward-looking statements, which speak only as of the date of this presentation.

The H1 '25 Financial results are prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the EU (designated as "IFRS").

The accounting policies and consolidation principles adopted in the preparation of the H1 '25 Financial Results of the TIM Group are the same as those adopted in the TIM Group Annual Audited Consolidated Financial Statements as of 31 December 2024, to which reference can be made, except for the amendments to the standards issued by IASB and adopted starting from 1 January 2025.

Please note that the H1 '25 and the H1 '24 Financial Results of the TIM Group are unaudited.

Alternative Performance Measures

The TIM Group, in addition to the conventional financial performance measures established by IFRS, uses certain alternative performance measures for the purposes of enabling a better understanding of the performance of operations and the financial position of the TIM Group. In particular, such alternative performance measures include: EBITDA, EBIT, Organic change and impact of non-recurring items on revenue, EBITDA and EBIT; EBITDA margin and EBIT margin; net financial debt (carrying and adjusted amount), Equity Free Cash Flow, Operating Free Cash Flow (OFCF) and Operating Free Cash Flow (net of licenses). Moreover, following the adoption of IFRS 16, the TIM Group uses the following additional alternative performance indicators: EBITDA After Lease ("EBITDA-AL"), Adjusted Net Financial Debt After Lease and Equity Free Cash Flow After Lease.

Such alternative performance measures are unaudited.

These figures should not be considered as a substitute for the economic and financial information of which they provide a different detail, are unaudited, are produced for explanatory purposes only, and may differ from those that will be published in the financial statements prepared in accordance with IFRS.

- In the TIM Group H1 2025 financial and operating results, **Sparkle** has been classified, in accordance with IFRS 5, as **Discontinued operations**, as all the condition necessary for the completion of the sale are met. Therefore, the **TIM Domestic perimeter does not include Sparkle**, unless otherwise specified
- In order to provide a better understanding of business performance, **organic H1 2024 like-for-like data are presented**. Such data includes Sparkle as a Discontinued Operation (as required by IFRS 5 for comparison purposes), as well as the NetCo transaction as if it had occurred at the beginning of the reporting period (January 1)
- **Cash flows and Net Debt After Lease are based on actual results** either for 2025 and for 2024



Further questions

please contact the IR team



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GruppoTIM.it

