RESULTS PRESENTATION

1ST QTR2021

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Disclaimer

This presentation **contains declarations that constitute forward looking statements** regarding the intent, belief or current expectations of the customer base, estimates regarding future financial results and other aspects of the activities.

Such **forward looking statements are not guarantees of future performance** and involve risks and uncertainties, and actual **results may differ materially from those projected** as a result of various factors.

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. TIM S.A. undertakes no obligation to release publicly the results of any revisions to these forward looking statements.

Financial results are presented considering impacts from IFRS 16 adoption.

The normalized numbers reported in this presentation are adjusted by the effects listed below.

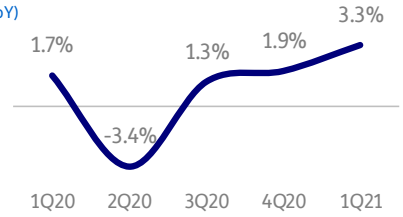
(1) Due to the reverse incorporation of TIM Participações S.A. by TIM S.A. (former wholly owned subsidiary of TIM Participações S.A.) by the end of August 2020, 2020 results present TIM S.A.'s figures, in accordance with the company's financial statements (ITR and DFP). In order to provide an adequate comparison from the economic standpoint, 2019 (and previous) data disclosed reflect that in TIM Participações's financial statements.

(2) Operating Costs normalized by adjustments to towers' sale-leaseback contract (+R$ 2.6 million in 1Q20), and administrative services connected to M&A projects (+R$ 27.2 million in 4Q20). Net income normalized by tax credit and other effects (-R$2.4 million in 4Q20).

Recovery is Accelerating, While Structural Changes Are Underway to Build the Path for the Future

Revenue growth trend accelerating

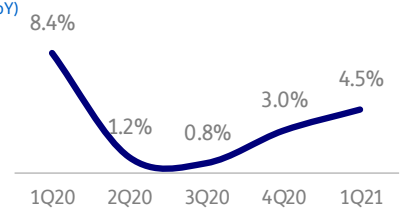
Net Service Revenues
(YoY)



R$ **2.0** bln of EBITDA[1] in 1Q21

46.6% of EBITDA[1] margin in 1Q21

EBITDA[1]
(YoY)



FIBERCO UPDATE
Signing with IHS

CUSTOMER PLATFORM NEW PROJECTS
Education vertical and Mobile Wallet

DELIVERYING OUR COMMITMENTS
>4k 4G covered cities

JOURNEY TO CLOUD VENDOR DECISION
Microsoft ORACLE

FIRST SKY COVERAGE SITES[2]
122 sites already implemented

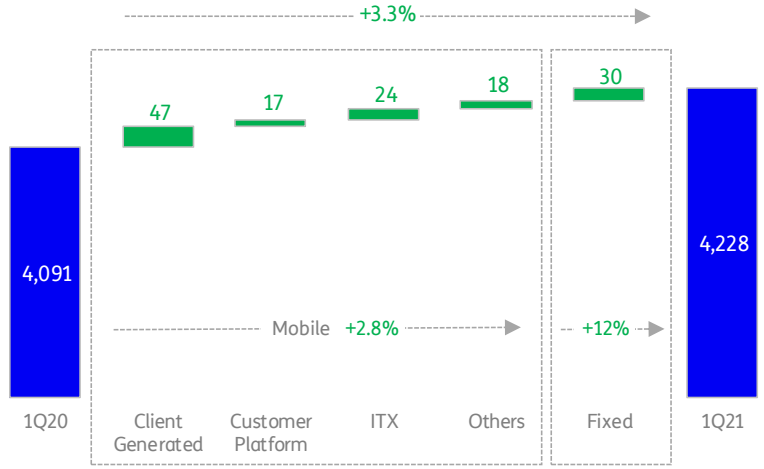
BEST FIXED BROADBAND
1st Canaltech award

(1) EBITDA normalized for the effects detailed in slide 2; (2) Efficient and unplugged sites that use solar-based energy and satellite communication to cope coverage in remote areas.

All Revenue Streams Contributing Positively for Service Revenue Acceleration

Net Service Revenues Breakdown

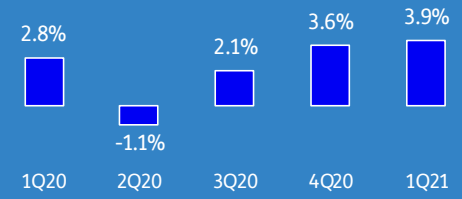
(R$ mln)



Mobile and Fixed Revenue Growth Acceleration Driven by Consistent ARPU Improvements

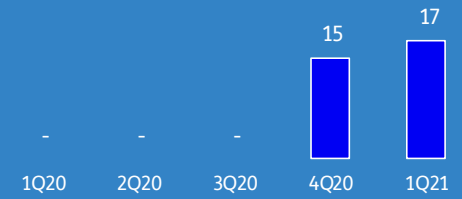
Postpaid[1] performance accelerated Client Generated Revenue (+1.3% YoY)

Postpaid Revenue
(YoY)



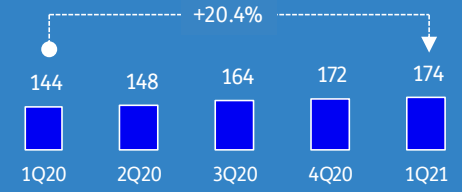
New sources of revenues are a reality: Financial Services and Mobile Advertising

Customer Platform Revenue
(R$ mln)



TIM Live as the lever for fixed business: 70 bps contribution to the service revenues growth

TIM Live Revenue
(R$ mln)

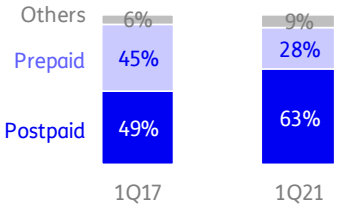


(1) CGR + ITX.

"Volume to Value" Driving the Mobile Segment, Despite Pandemic Context

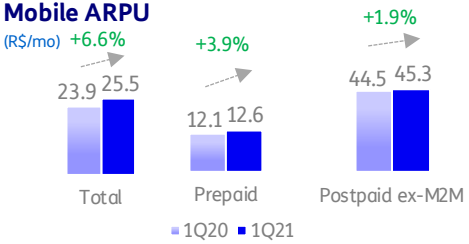
CONSISTENT PERFORMANCE EVOLUTION WITH TRANSITION TO VALUE STRATEGY

Mobile Revenues Mix



Reshape of revenue profile

Mobile ARPU

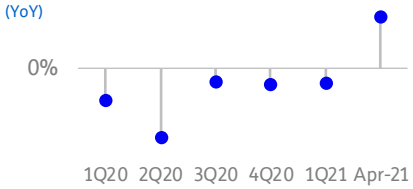


ARPU growth in all segments

RESILIENT STRATEGY WITH THE CORRECT APPROACH FOR EACH SEGMENT'S DEMANDS

Avg. Recharges Sell-Out per Business Day

(YoY)



55% E-recharges in Mar-21 (+16 p.p. YoY)

2.2mln TIM+ Vantagens downloads

Human Pospaid Monthly Churn Rate

(% p.m.)

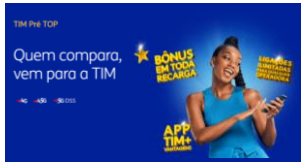
DIFFERENTIATED OFFER

- **Pure postpaid:** most desirable OTTs in the content marketplace (now for Family and Individual plans)
- **Control:** access to new services – digital financial service

MORE FOR MORE APPROACH

- Monetizing the additional data

STRENGTENING THE PRESENCE AND GOING BEYOND GB/PRICE COMPETITION



New full digital campaign reinforcing beyond the GB/price: *"Who compares, comes to TIM"*

Store opening and renovation project

+15 stores added to our capillarity in 1Q21

-29% time reduction in owned stores customer service

+18 renovated point of sales

Omnichannel experience (e-commerce handsets acquisition with in-store pick-up)

100% retention rate of partners supported by special program for pandemic period

Continuous Development of the Customer Platform, and a Highly Diversified IoT Ecosystem are Already Bearing Fruits

FINANCIAL SERVICES

Financial services will become a **consistent contributor to revenue growth**

~R$ **11** mln in 1Q21

Leveraging promotional dates to boost account opening:

mother's day handset sales in 18 installments exclusively on C6 Credit Card

IoT

- **AGRI SOLUTIONS:** one of the biggest initiatives in **partnership with Adecoagro** to expand connectivity
- **4.0 INDUSTRY: Partnership with Anglo American and Lundin Mining**
- **CONNECTED CAR:** Arrival of the **first connected car** launched **under Stellantis (FCA) partnership**

MOBILE ADVERTISING

1st quarter of Mobile-Ads revenues

~R$ **6** mln in 1Q21

TIM ADS[1]

15+ mln **opt-ins** to third parties' content and ads

~750k Leads generated

35+ mln **ads clicks**

~500k surveys fulfilled

INFORMA TIM[2]

2.2 mln **addressable users**

+111% of active users engaged (vs 4Q20)

CUSTOMER PLATFORM ROADMAP

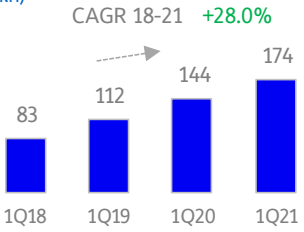
- **MOBILE ADVERTISING & DATA MONETIZATION**
  - **APP INSTALLS:** New format launched in 1Q
  - **ICARO PARTNERSHIP: TIM News** (Content ad-based platform) to be launched in May-21
  - **PLAY2PAY PARTNERSHIP: TIM Fun to be launched** in Jun-21
- **E-EDUCATION: Advanced negotiations, to be signed** in 2Q21
- **DIGITAL WALLET: Negotiations progressing,** expected for the end of 2Q21
- **E-HEALTH: Early-stage negotiations,** agreement expected for 3Q21

(1) TIM Ads: Advertising platform for all TIM's Customers; (2) Informa TIM: Gamification ads platform for prepaid customers.

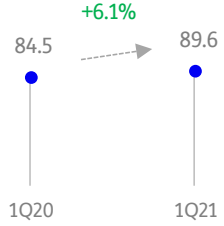
Consistent Operation, with Continuous Growth at a Strong Pace

Solid Revenue and ARPU evolution

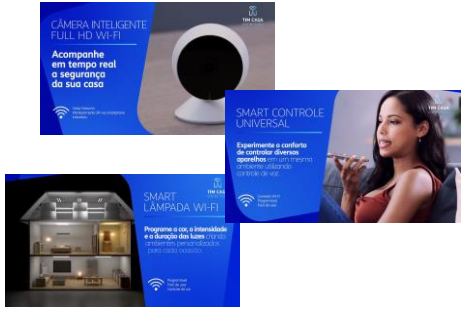
Net Revenue
(R$ mln)



ARPU
(R$/mo)

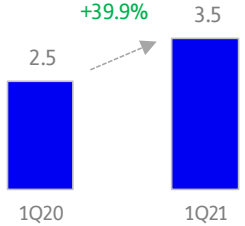


TIM CASA conectada

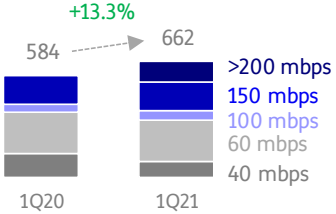


Accelerated rollout and customer base with market share increase above main players[1]

FTTH Homes Passed
(mln)



Customer Base
(mln)



Home connected devices in TIM Tech Store, a marketplace for customers' discount

(1) Versus top 3 players as of Dec-20, last verifiable available data by Anatel.

Signing with IHS, an Industrial Player with Expertise to Accelerate FTTH Rollout

FIBER CO

- **TIM will hold 49%** of the capital of the new company;
- FiberCo will **deploy, operate and maintain last mile infrastructure,** participating as well in other network projects (e.g., FTTSite). All commercial and customer service activities will remain with TIM;
- Preserving the **prerogative on rollout decisions, with 6 months of exclusivity period** on the use of the network in new areas;
- Expected **closing for 2H21.**

DEAL HIGHLIGHTS

TIM | IHS

R$ **2.6** bln
of Enterprise Value

Primary of
R$ **600** mln

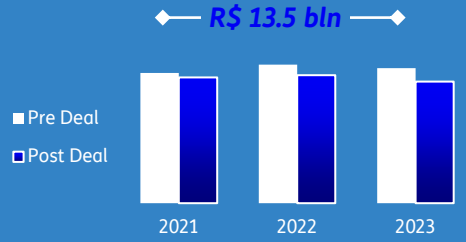
~R$ **1.0** bln
Secondary to be paid at closing to help fund Oi's assets acquisition

Deconsolidation of fiber rollout investments: ~2/3 of TIM Live's Capex

↓ Capex + ↑ Opex should positively impact FCF

Positive impacts expected for customer base and revenue

Capex released in the Industrial Plan[1]
(R$ bln)



- **TIM will contribute with 6.4[2] mln homes passed** – 3.5 mln of FTTH and 3.5 mln of FTTC
- FiberCo's **4-year plan expects to reach 8.9 mln of FTTH homes passed**

(1) Investment plan considering the combination of Oi's assets;
(2) Considering a coverage overlap of 577k between FTTH and FTTC.

Preparing the Network for Imminent Transformations – M&A Integration and 5G – to Ensure the Maintenance of Our Leading Role

Mobile Coverage Details[1]

4G
The first to surpass
>4k
covered cities
+17.5% YoY

96% of urban population

4G coverage improves CEX and reduces cost to serve

700 MHz 92%
3.5k cities
+42.4% YoY

Refarming 78%
2.7k cities
+5.3% YoY

VoLTE 95%
4.1k cities
+18.1% YoY

NB-IoT 94%
3.5k cities
+6.2% YoY

4.5G 75%
1.5k cities
+27.5% YoY

Network Developments: Steppingstones for 5G rollout and Oi's assets integration

(1Q21)

FTTCity
+18.2% YoY

FTTSite
7k sites

M-MIMO
+477 sites

Site Modernization **1.7**k sites

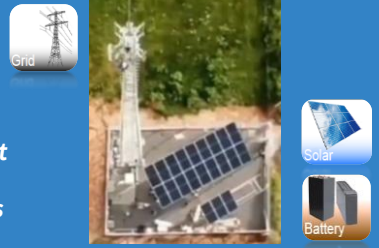
Network Sharing Agreement Update:

Single Grid
- Coverage Expansion: 348 cities implemented (each)
- Consolidation: tests started in 50 cities (25 each)

2G switch-off
- Tests underway and rollout expected in 3Q

Sky Coverage sites **122** sites

Sustainable and extreme low-cost solution with social benefits to provide coverage in remote areas



5G DSS Update

- **FWA pilot in 3 cities:** package and modem upgrade for WTTx customers to test the service
- **Coverage in strategic business areas:** 19 active clusters
- **Widest coverage:** ~150 5G DSS stations[2], above any other player
- **Best availability:** TIM's 5G DDS network is more frequently used when compared to other players[3]
- **Beyond the lab experience:** New pilots aiming to create an ecosystem to explore new verticals possibilities

First telco to test 5G standalone with commercial equipment

>1.8 gbps

(1) Coverage measured in urban population; (2) Anatel's licenced base station database; (3) Number of network tests in 5G DSS provided by Ookla.

Boosting CEX Through an IT Transformation that Reinforces our Infrastructure Agility, Availability, Security, and Efficiency

JOURNEY TO CLOUD PROJECT: FIRST MOVER TO A STATE-OF-THE-ART CLOUD BASED SOLUTION

ESG Commitment

Pioneering

→ **First telco** – and one of the first companies in Brazil – to migrate **100% of its datacenters** to a multicloud environment

Steps

→ **CRM** and **Big Data** systems to be **fully transferred to cloud by the 2Q21**

→ **All IT datacenters** expected to be **decommissioned by 2023**

Strategic Partnerships

→ **New agreement with Oracle and Microsoft** to provide an ecosystem that allow **better customer management** and bring **more efficiency to internal processes**

Microsoft TIM ORACLE

CARING PROJECTS GAINING REVELANCE AND PRESENTING SOLID PERFORMANCE

TAIS: AI ASSISTANT

✓ **30% reduction of human interactions** in the contact center in the 1Q21

✓ **NPS Improvement: +30% YoY** for caring supported by AI

ESG Commitment

COGNITIVE IVR

✓ **>12 mln calls only in the 1Q21**

✓ **~50 mln calls expected for 2021** (vs >22 mln in FY20)

TIM.X TOOL

✓ 1Q21: Deployment of the system completed for **100% of the operations**

✓ Faster onboarding on customer care

✓ **NPS 22,5% higher than non-TIM.X customer service**

ESG Commitment

DEMAND TRACKING

✓ **Customers constantly informed** about the progress of their demands

✓ Implemented for TIM Concierge (TIM Black Família customer service): **highest NPS ever recorded in the segment**

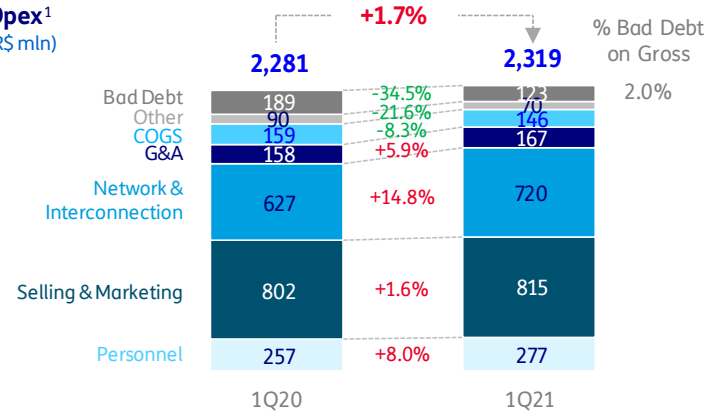
ESG Commitment

Digitalization Continues to Contribute to Cost Control, Suporting a Solid EBITDA Growth Trajectory

Digital Transformation Continues...

- **+16** p.p. YoY — E-Recharges penetration
- **+27**% YoY — Recharges via app
- **+19**% YoY — E-Bills (Penetration of 77%)
- **+15**% YoY — Meu TIM app unique users
- **>2**mln — Invoices paid with PIX
- **+27**% YoY — # Digital interactions via app
- **>30**% — TIM Live customers using Meu TIM
- **+35**% YoY — Pure Postpaid E-Sales
- **+20**% YoY — E-Payment amount (Penetration of 75%)

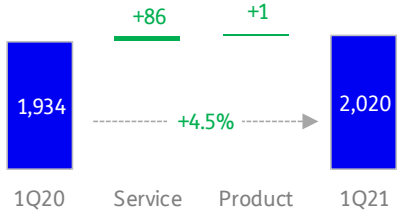
Opex[1] (R$ mln)



19 quarters of EBITDA **positive growth**

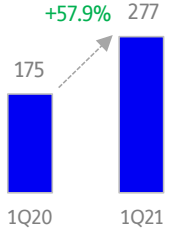
46.6%
of EBITDA margin in 1Q21 (+0.7 p.p. YoY)

EBITDA[1,2] (R$ mln)

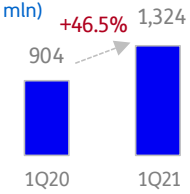


EBITDA growth supported by service dynamics

Net Income (R$ mln)



CAPEX (R$ mln)



R$ **696** mln
1Q21 EBITDA-Capex

Network projects increasing demands in 1H21, in accordance with Industrial Plan

(1) EBITDA and Opex normalized for the effects detailed in slide 2; (2) Service EBITDA = Service Revenue minus total Opex ex-COGS, Product EBITDA = Product Revenue minus COGS.

Important Events Will Soon Reshape Market Structure: Both Expected in 3Q

OI'S MOBILE ASSETS UPDATE

- CADE **pre notification in Nov-20**
- Petition to **Anatel** with **prior consent made in Dec-20**
- CADE **formal notification in Feb-21**
- CADE **analysis process initiated in Mar-21**
- Approval process is going **according to the expectation**

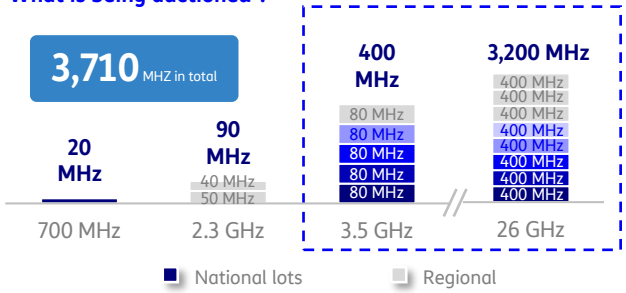
SPECTRUM AUCTION

Structure that **privileges consumer access to 5G and quality:**

- **80 MHz symmetric lots,** ensuring a great standard for 5G
- **Focus on investment obligations** instead of up-front payments

Next steps: Approval of conditions and values by TCU, final decision and auction by Anatel.

What is being auctioned[1]?



5G frequencies are the focus

(1) In the first round.

Solid Results Reaffirm the Positive Momentum and Robust Fundamentals, Supporting Short and Long-term Vision

MOBILE BUSINESS GROWTH

Consistent performance improvement. Vaccination and Reopening represent an additional upside.

INFRASTRUCTURE TRANSFORMATION

Network preparation for 5G rollout and Oi's assets integration to accelerate in 2Q. New IT cloud-based platforms to transform CEX and cost to serve.

TIM LIVE NEW STRATEGIC APPROACH

Partnership with an industrial player to go beyond the already audacious organic coverage plan.

PROFITABILITY IN FOCUS

Efficiency initiatives are focused on free cash flow and long-term return improvement.

NEW BUSINESSES CONTRIBUTION

Customer Platform to become an important contributor to growth, while we build new ecosystems for TIM and our partners.

FINANCIAL DISCIPLINE OPPORTUNITIES

Well-managed financial position enabling the execution of the funding plan under attractive conditions.

ALL 2021 GUIDANCE CONFIRMED