



**TIM S.A.**

Publicly Held Company

Corporate Taxpayer's ID (CNPJ/ME): 02.421.421/0001-11

Corporate Registry (NIRE): 33.300.324.631

**MATERIAL FACT**

**Closing of the FiberCo transaction with IHS.**

TIM S.A. ("TSA" or "Company") (B3: TIMS3; NYSE: TIMB), in accordance with the provisions of CVM resolution No. 44/21 and CVM Instruction No. 480/09, in continuity with the Notice to the Market released on December 10<sup>th</sup>, 2020, the Material Fact of March 4<sup>th</sup>, 2021 and Material Fact of May 5<sup>th</sup>, 2021, informs to its shareholders and the market in general that it concluded the agreement described in the last Material Fact disclosed ("Transaction"), entered into between TIM S.A. and IHS Fiber Brasil - Cessão de Infraestruturas Ltda. ("IHS Brasil"), with the purpose of acquiring equity interest in FiberCo Soluções de Infraestrutura S.A. ("FiberCo"), a company incorporated by TIM for the segregation of its network assets and the provision of infrastructure services.

After the prior consent granted by ANATEL (National Telecommunications Agency) on November 04<sup>th</sup>, 2021 and considering the approval granted by CADE (Administrative Council of Economic Defense) on July 02<sup>nd</sup>, 2021, the process of regulatory authorizations for the conclusion of the Agreement was completed.

IHS Brasil is a subsidiary of IHS Holding Limited ("IHS"; NYSE: IHS), a large and diversified telecommunications infrastructure provider, focused on emerging markets and operating in nine countries in Africa, the Middle East and Latin America. In addition to having more than 30,500 towers, IHS seeks the expansion of the value chain in infrastructure services.

As a result of the Transaction closing, IHS Brasil now holds fifty-one percent (51%) of FiberCo's share capital, with the remaining forty-nine percent (49%) under the control of TIM. The relationship between the partners will be regulated by a shareholders' agreement entered into between the parties as of today.

FiberCo will begin operations with approximately 15,000 km of secondary fiber network, covering, approximately 6.4<sup>1</sup> million homes passed, 3.5 million in FTTH<sup>2</sup> and 3.4 million in FTTC<sup>3</sup>, which constitute the initial basis of assets transferred by TIM. The homes connected are approximately 700 thousand over which FiberCo will provide operation and maintenance services to TIM. In addition, about 140 employees are being transferred to FiberCo, and other assets and contracts, all exclusively related to the perimeter of their activities.

In this context and after the price adjustment provided for in the final documents, the Transaction includes a total amount of R\$ 1.68 billion divided into a primary component of R\$ 0.58 billion, destined to FiberCo's cash, and a secondary component of R\$1.10 billion to be paid to TIM.

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<sup>1</sup> Total households considering an overlap in coverage between FTTH and FTTC of about 570 thousand homes.

<sup>2</sup> Fiber-To-The-Cabinet

<sup>3</sup> Fiber-To-The-Cabinet



FiberCo's Enterprise Value was set at R\$ 2.71 billion and the equity value after the contribution of the primary component was set at R\$ 3.29 billion. The transaction also contemplates possible additional gains derived from an earn-out component.

Additionally, within the scope of the Transaction, TIM and FiberCo executed an agreement for the development of Fiber-to-the-Site (FTTS) infrastructure to connect TIM sites in areas where FiberCo will deploy the new broadband access infrastructure in optical fiber.

Starting today, FiberCo is renamed as I-Systems, and begins its trajectory as an infrastructure vehicle with the mission of deploying, operating, and maintaining last-mile infrastructure for broadband accesses to be offered in the wholesale market, having TIM as an anchor customer.

TIM reinforces its commitment to the expansion, development, and exploitation of an open and independent fiber optic network in Brazil through I-Systems, to accelerate offers and improve connectivity services to its customers.

Rio de Janeiro, November 16, 2021

**TIM S.A.**

Camille Loyo Faria  
Chief Financial Officer and  
Investor Relations Officer