

TIM Brasil Company Presentation

March 2022

TIMB
LISTED
NYSE

TIMS
B3 LISTED NM
ISE B3



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 in the notes.





04 ABOUT US

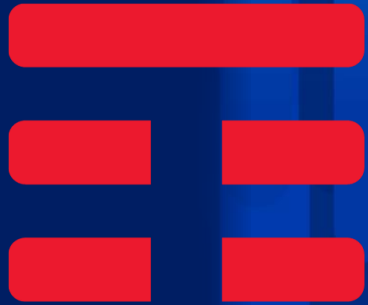
08 MARKET OVERVIEW AND
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ABOUT US

The Company in a nutshell

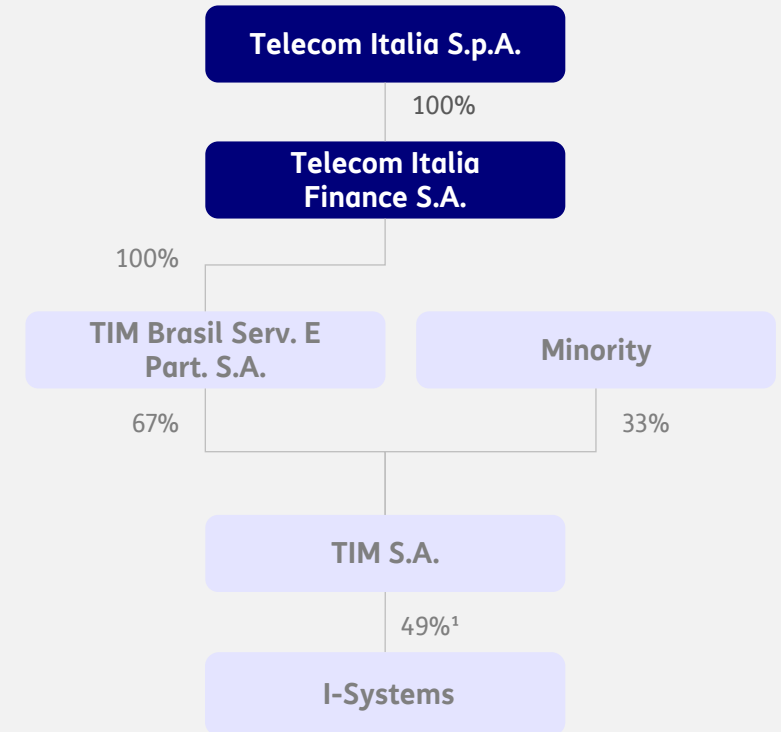
- Presence in Brazil since 1998
- Telecom Italia subsidiary (67% of shares)
- ~R\$ 32 billions of Market Cap
- 91% of its revenues coming from Mobile Services
- 19 out of 20² quarters of Net Revenues consecutive growth and 22 quarters of EBITDA consecutive growth
- ~R\$ 120 million in Revenues from Customer Platform and ~R\$ 500 million in Equity from partners
- Best and Wider 4G Coverage
- >100k km of fiber optical network throughout the country

Market Cap = Bloomberg as of March 10th

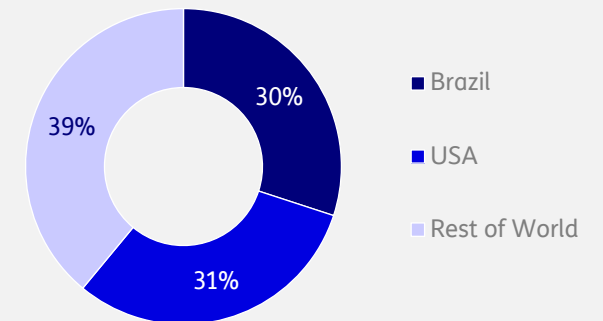
1) In Nov 16th 2021, TIM Brasil concluded the sale of 51% of FiberCo and was renamed as I-Systems;

2) 2Q20 was the only quarter of the historical series with no growth due to the COVID pandemic.

SHAREHOLDERS' STRUCTURE



Shares (% of Free Float)



- Brazil
- USA
- Rest of World

Solid results with sustainable growth

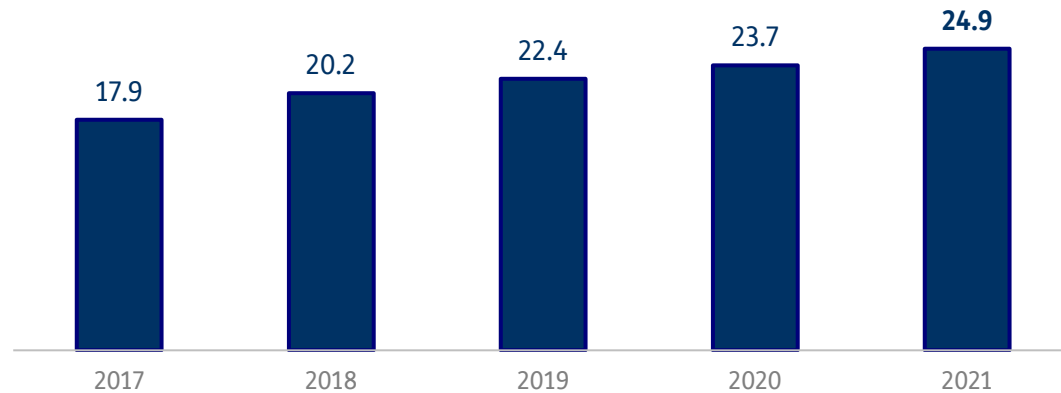


MOBILE ARPU¹

(R\$)

Revenues growth driven by
ARPU increase

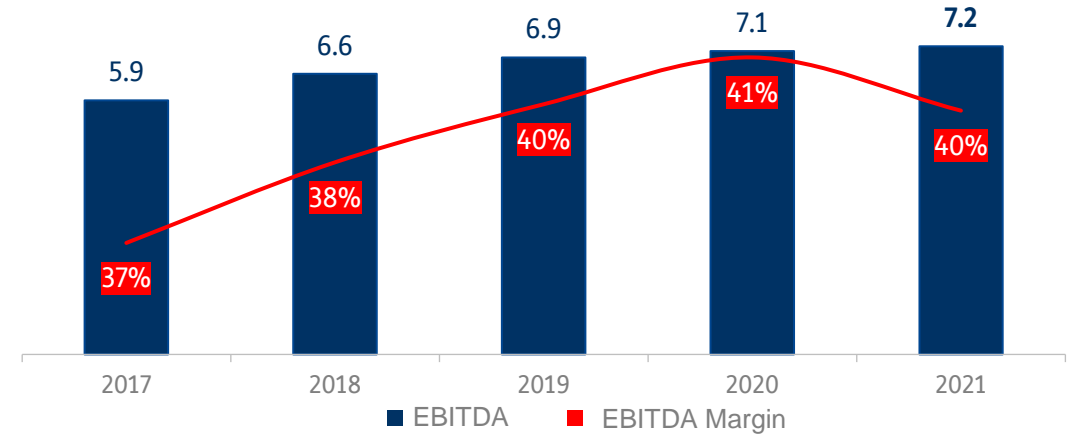
+8.6%
CAGR



EBITDA¹ & Margin¹

(R\$ bln)

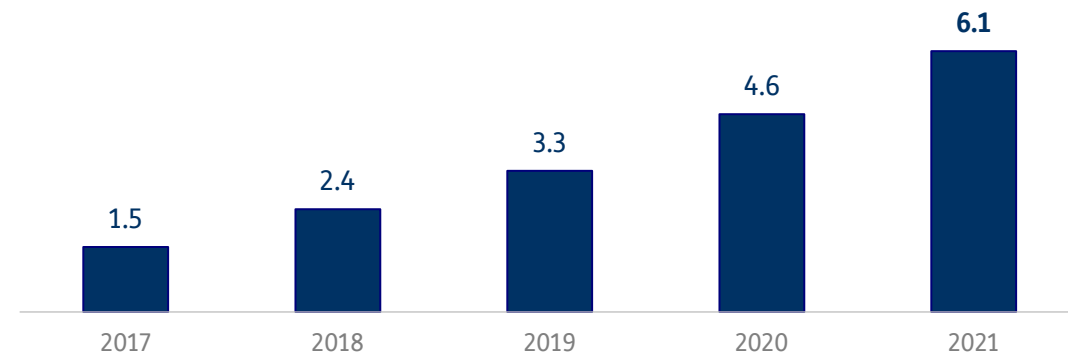
+4.9%
CAGR
(EBITDA)



Operating Free Cash Flow

(R\$ bln)

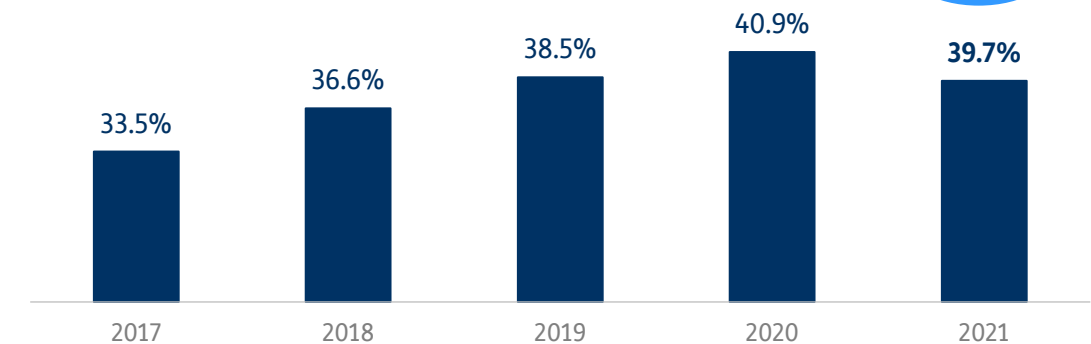
+41.5%
CAGR



EBITDA¹ – CAPEX on Revenues

(%)

Delta
+620 bps



Detailing Strengths and Countering Weaknesses



Ability to Grow Revenues

- **Net Service Revenues** growing in 19 of 20 quarters => CAGR (17-21) +3.1%
- **Mobile ARPU CAGR (17-21): 6.9%**
- **TIM Live Revenues** growing double-digits => CAGR (17-21): +27.3%
- **TIM Live ARPU CAGR (17-21): ~8%**
- Resilient revenues with transformed revenues mix
 - Postpaid: ~47% (17') => ~57% (21')
 - Prepaid: ~38% (17') => ~25% (21')
- **89% of 4G penetration** on customer base from ~47% in 2017
- **Zero revenue legacy in pay-tv or fixed voice**

Efficiency & Capacity to Generate Cash

- **OPEX CAGR (17-21): -2.4% vs. +28.1%** (inflation¹)
- **22 quarters of EBITDA positive growth** => CAGR (17-21) +10,1%
- **TOP 5 EBITDA margin in the world³**
- **Low leverage** with zero exposure to FX
- **~1 bln in dividend/JCP per year**
- Capex on revenues declining: **26% (17') => ~24% (21')**

Tangible & Intangible Assets

- **Broadest and Best 4G coverage**
- **Solid infrastructure**
 - **>112k KM of fiber** (CAGR 17-21: +7,2%)
 - **>23k cell sites** (CAGR 17-21: +6,2%)
- **Leader in agribusiness IOT market**
- Strong brand: **TOP of Mind 2020⁴**
- **Solid ESG metrics:** Novo Mercado, B3 Sustainability Index, ESG S&P Index, etc.
- **Employee engagement at 83% in 2021**

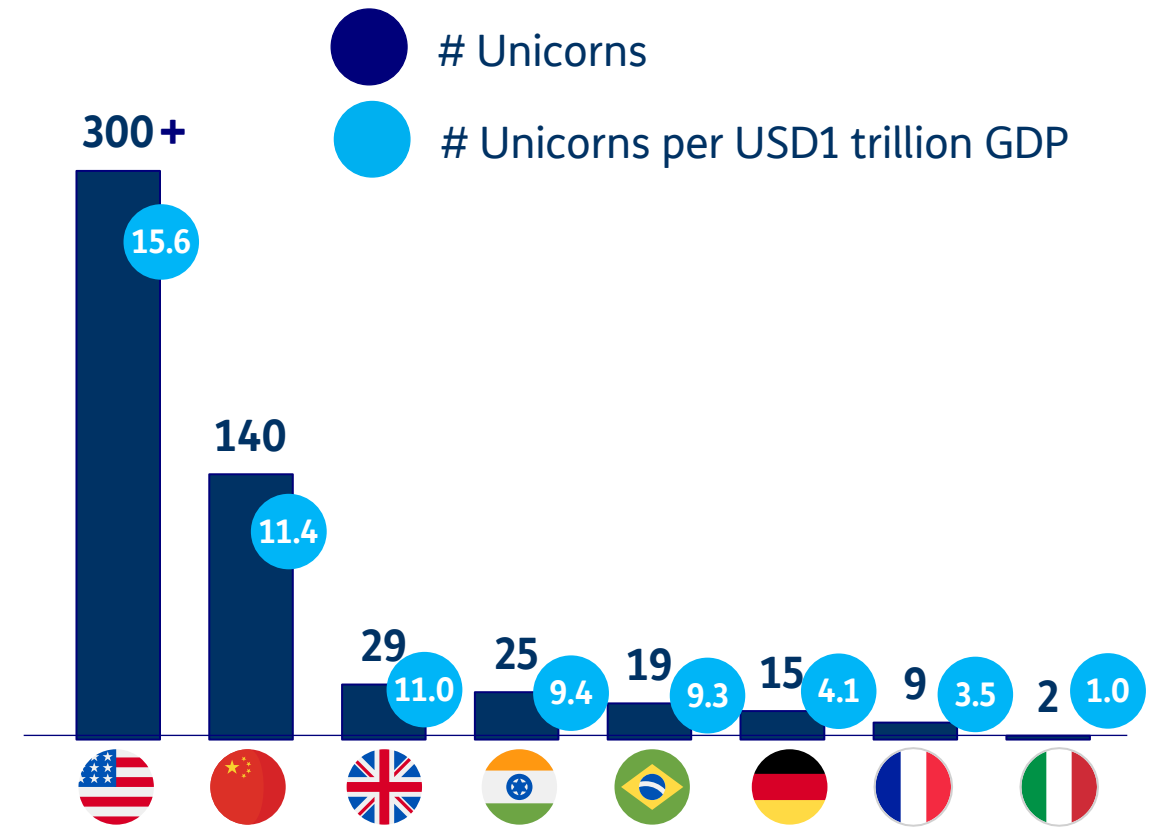
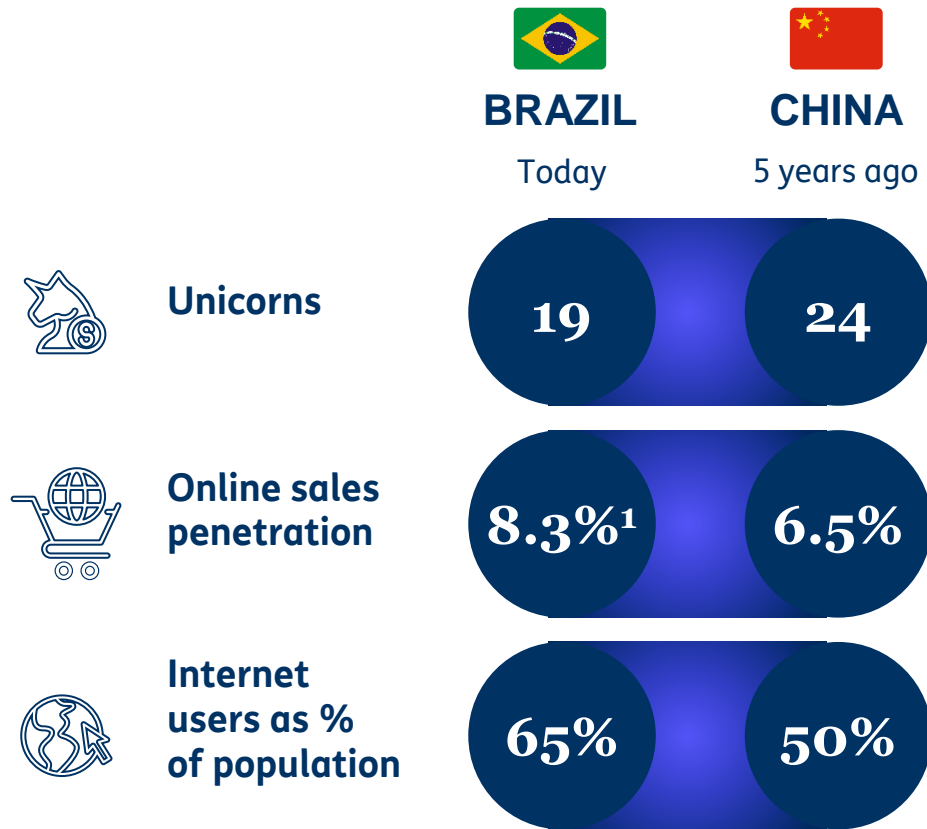


MARKET OVERVIEW AND TIM'S POSITIONING

Therefore, Brazil has a great potential to enable digital disruptions than can generate value and foster digital economy



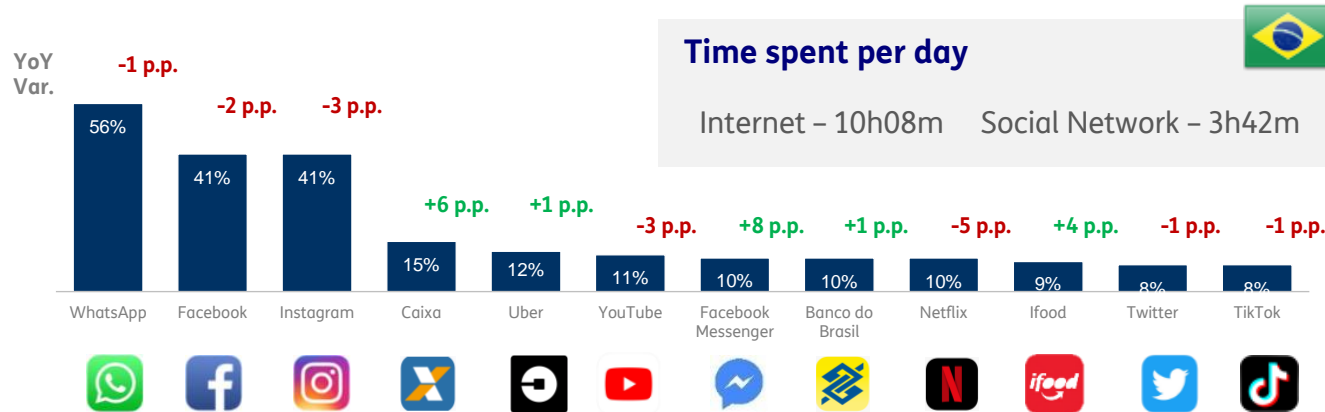
Brazil has already a relevant number of unicorns, which can grow even further



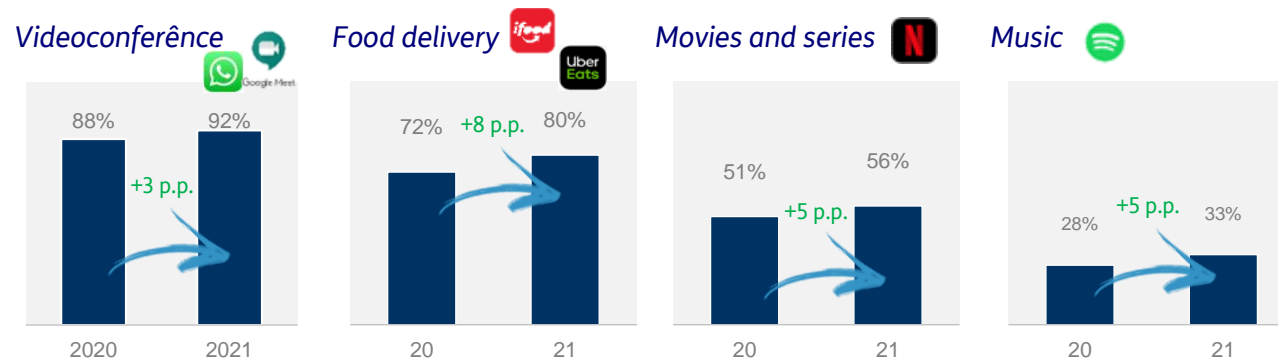
New consumer habits reinforce data service as essential, especially over mobile network



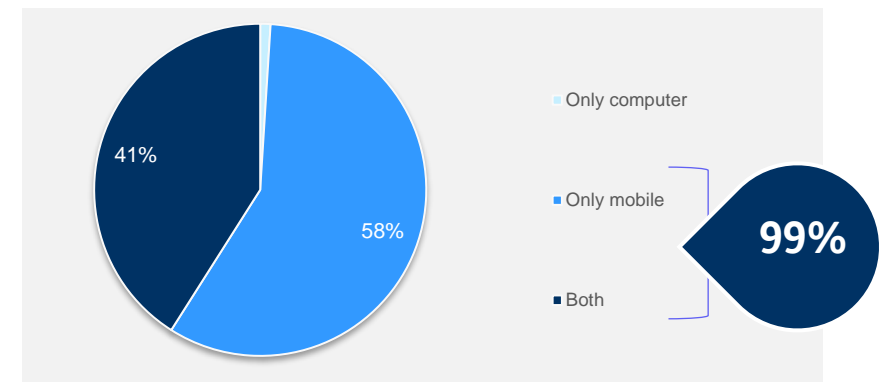
12 Most popular apps at the Brazilian's mobile smartphone home screen (% of Smartphones with the app at the home screen)



App users (% of smartphone users)



Internet users by device (2019 | % of internet users)



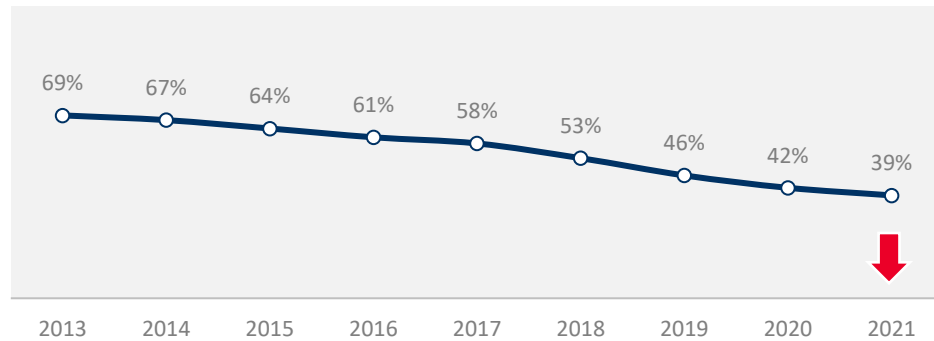
Usually updated in November according to the survey disclosure.

New consumption habits changing Telco's consumer profile



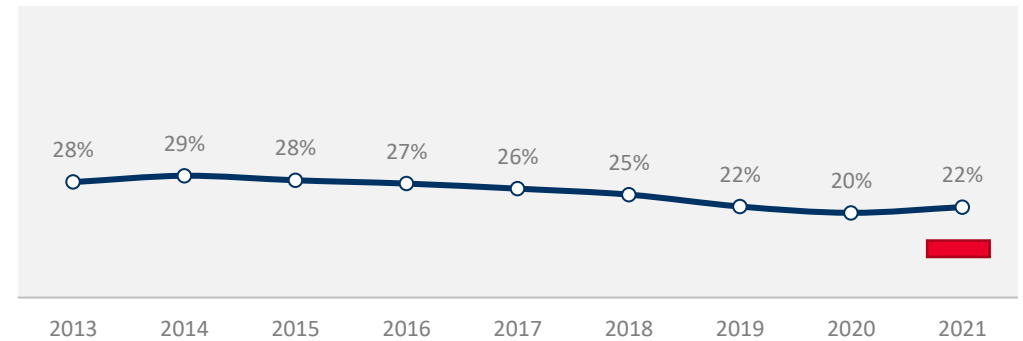
Fixed Voice Penetration
(% of households)

**28.7 MM
lines**



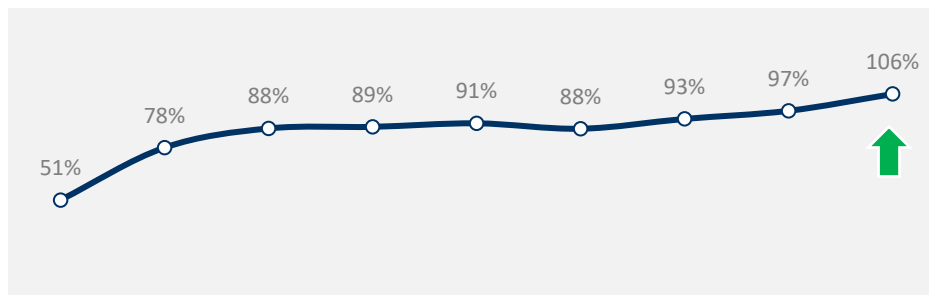
Pay TV Penetration
(% of households)

**16.0 MM
accesses**



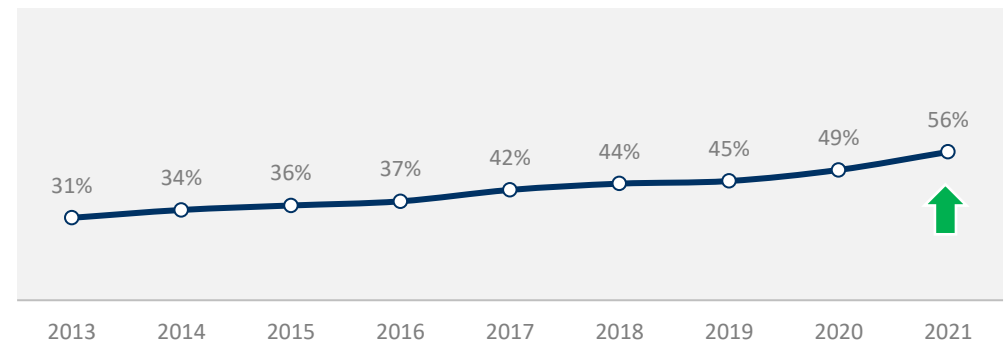
Mobile Broadband Access
(% of population)

**227 MM
Access**

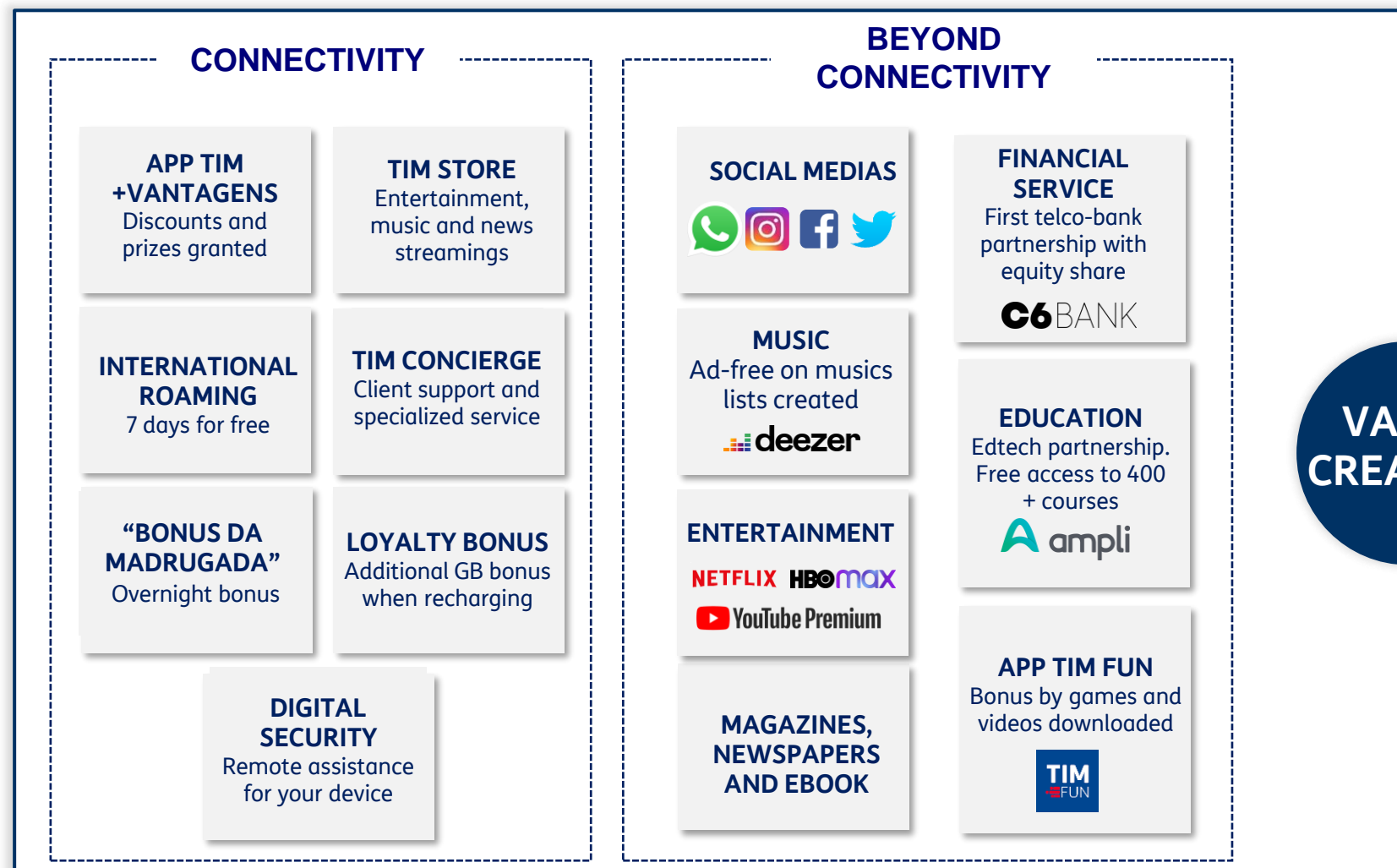


Fixed Broadband Penetration
(% of households)¹

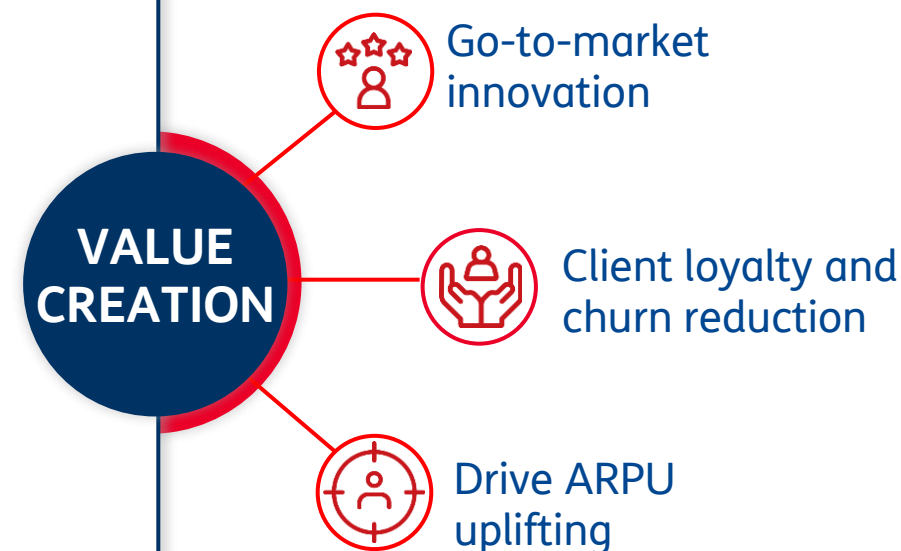
**41.4 MM
lines**



Thinking Ahead of the Curve to Create New Sources of Revenues and Generate Value to Clients



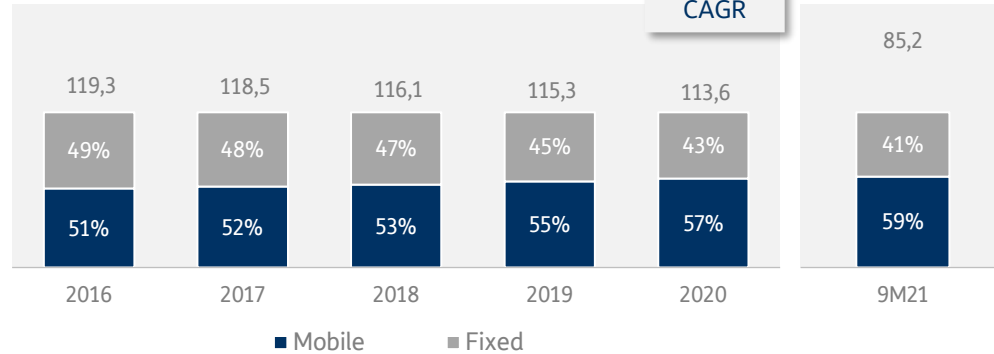
Innovation to differentiate and move away from the "Giga War"



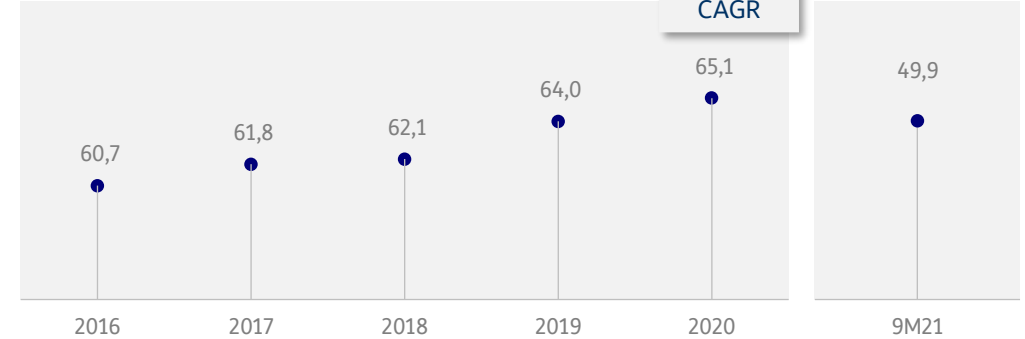
Market revenue dynamic indicates mobile growth, and highlights TIM's evolution



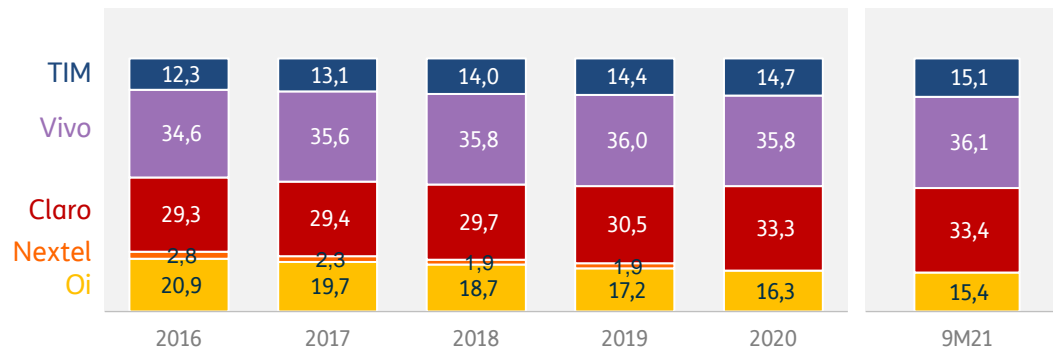
Market | Total Services Net Revenues
(R\$ MM)



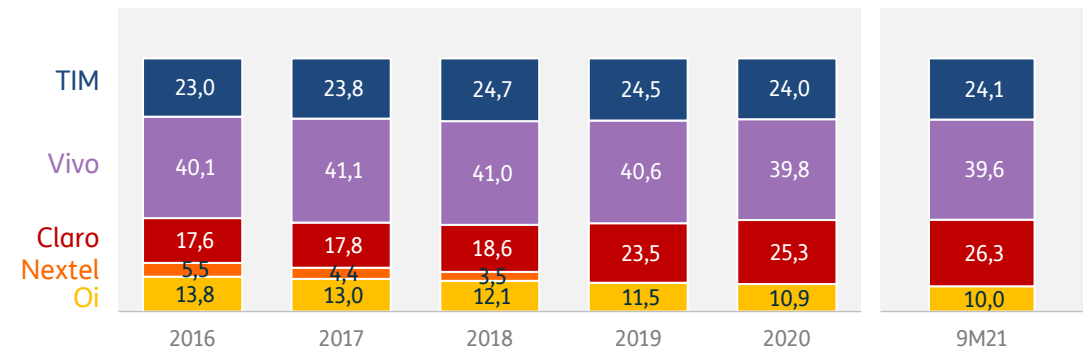
Market | Mobile Service Net Revenues
(R\$ MM)



Total Services Net Revenues Share
(%)



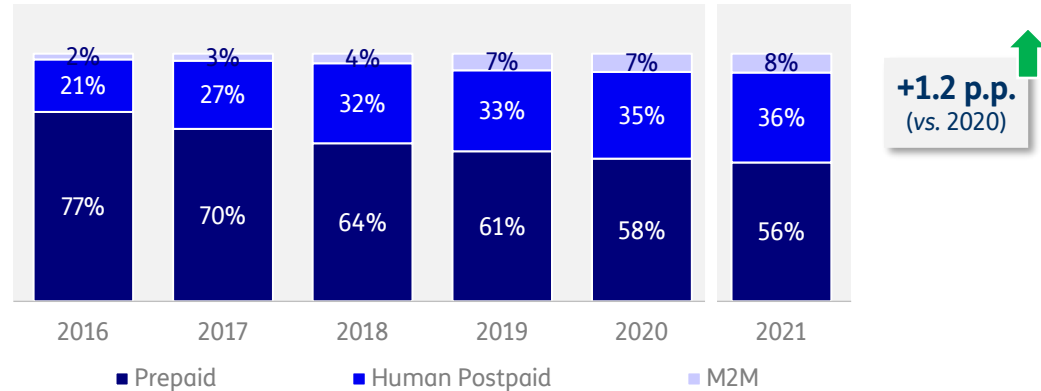
Mobile Service Net Revenue Share
(%)



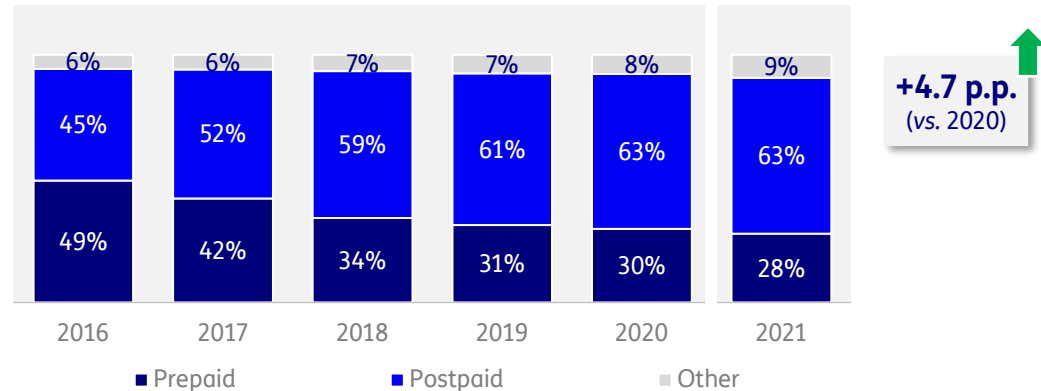
Transformation process of customer base seeks value



TIM Mobile Base Mix

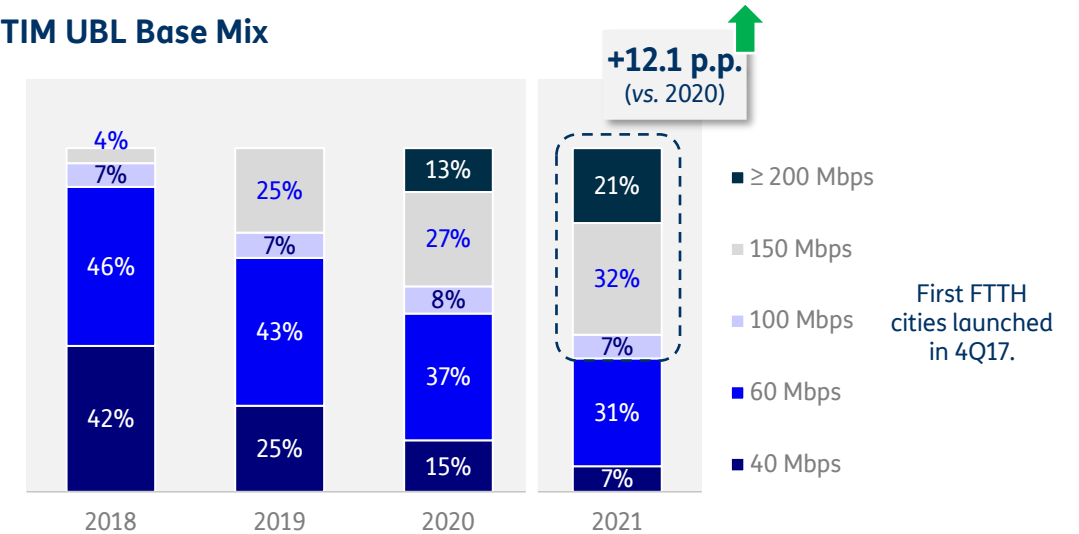


Mobile Service Revenue Mix

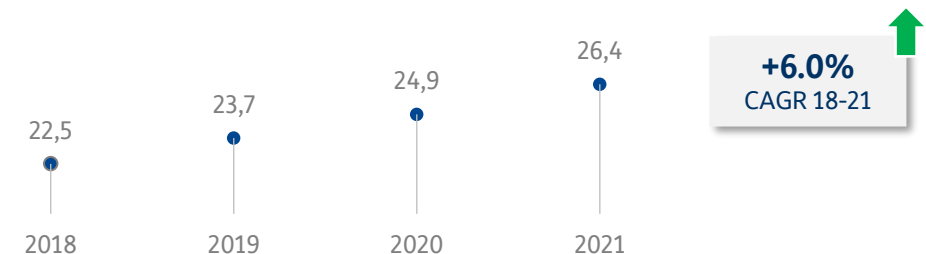


Transformation process from volume to value in mobile does not happen just through segment migration

TIM UBL Base Mix



Mobile ARPU (R\$/mo)





STRATEGIC PLAN 2022-24



Value Creation through time

(illustrative)

2022-24 Plan

ENTERPRISE
VALUE



5G B2B2C

M&A Projects
(Oi Mobile)

★ New Businesses

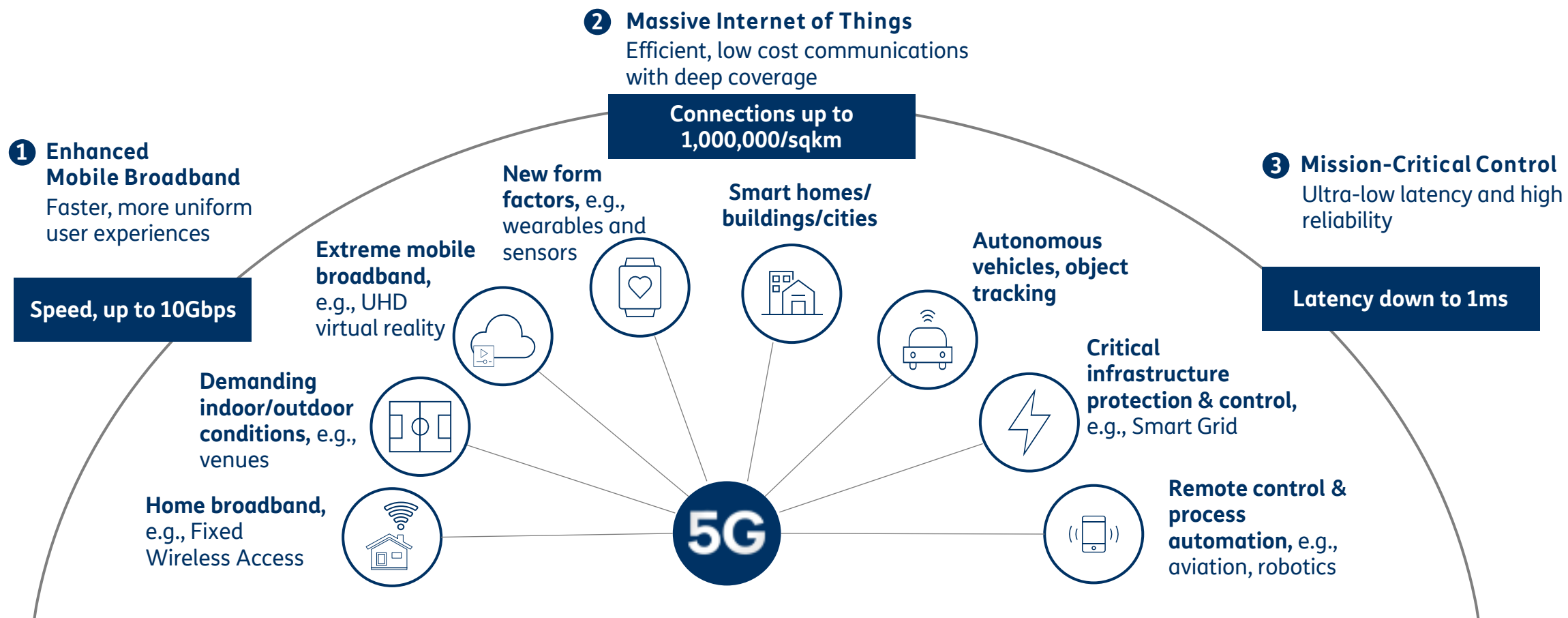
Infra Projects

Telco Core
(Mobile, UBB, FWA)

5G B2C

Time

5G will unlock use cases enhancing mobile broadband, massive internet of things and mission-critical control use cases

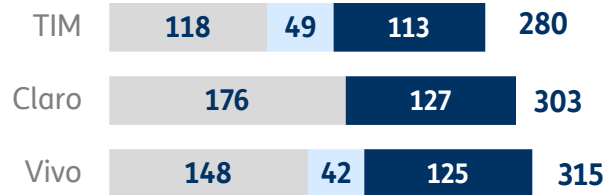




Oi Assets Acquisition + 5G -> Unique opportunity

Closing the historical spectrum gap

Spectrum¹ – National Average (MHz)



■ Before Merge
■ After Merge
■ After Merge+5G

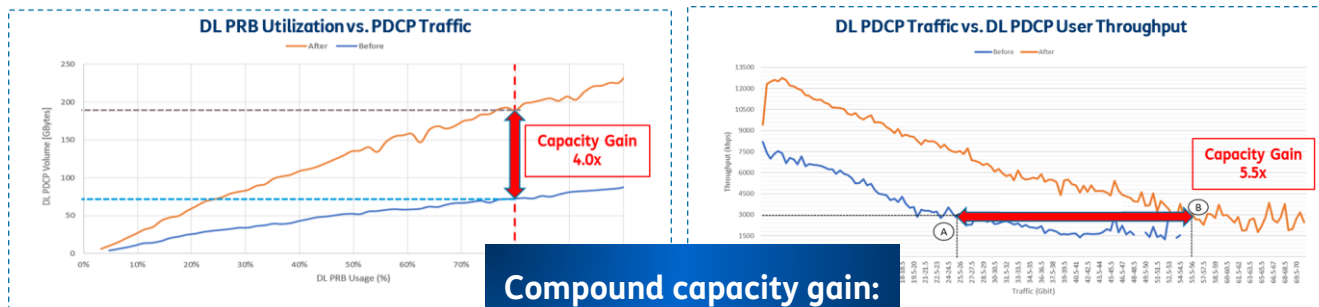
Spectrum per Access (MHz / Access)



■ After Merge+5G

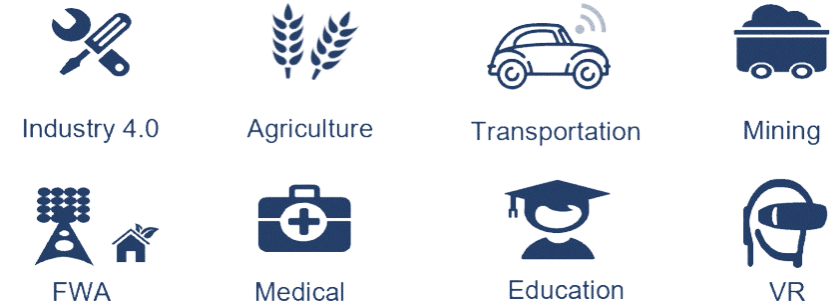


Massive MIMO Capacity Boost



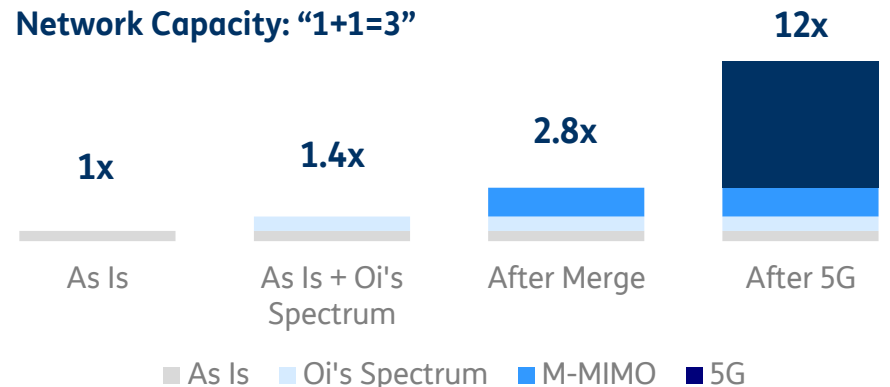
Compound capacity gain:
Up to 4.8x

Future Investments



- Lower Cost to Serve
- Better CEX
- New Revenues opportunity

Network Capacity: "1+1=3"





Synergies' buckets and theoretical deal timeline

>60% of synergies

Spectrum & Network



Spectrum

- ✓ Capex and Opex avoidance and reduction
- ✓ Additional frequencies will reduce the necessity for new sites, equipment, and etc.
- ✓ Synergies come fast, and last for long

Sites

- ✓ Opex and leasing reduction from overlapped sites
- ✓ Opex synergies come fast
- ✓ Leasing synergies depend on contract negotiation

Customer Base



SG&A

- ✓ Opex reduction due to **higher cost dilution for a higher revenue base**
- ✓ Synergies come fast, **from day one** after integration

Additional Value

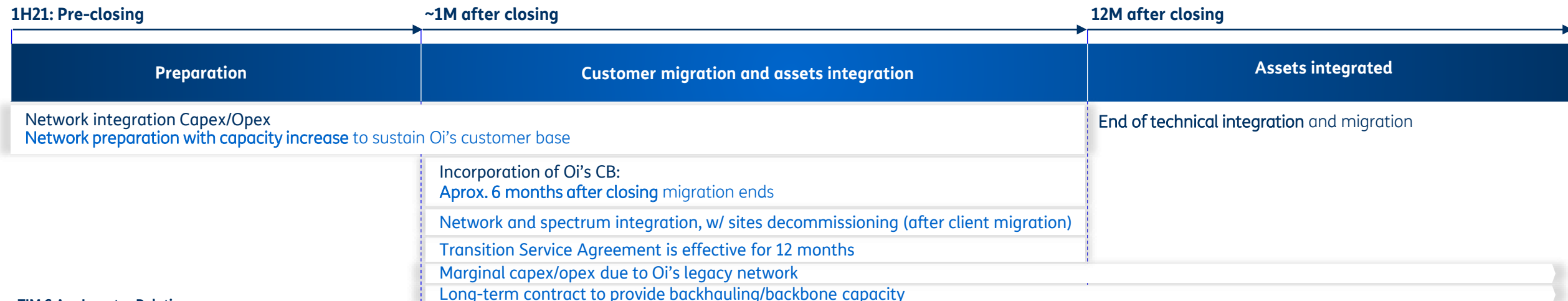


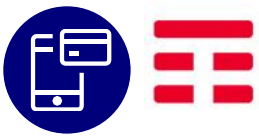
Market

- ✓ **Churn reduction:** decrease in the “washing machine” effect
- ✓ More **balanced competition**
- ✓ **Churn improvement** could materialize **faster**

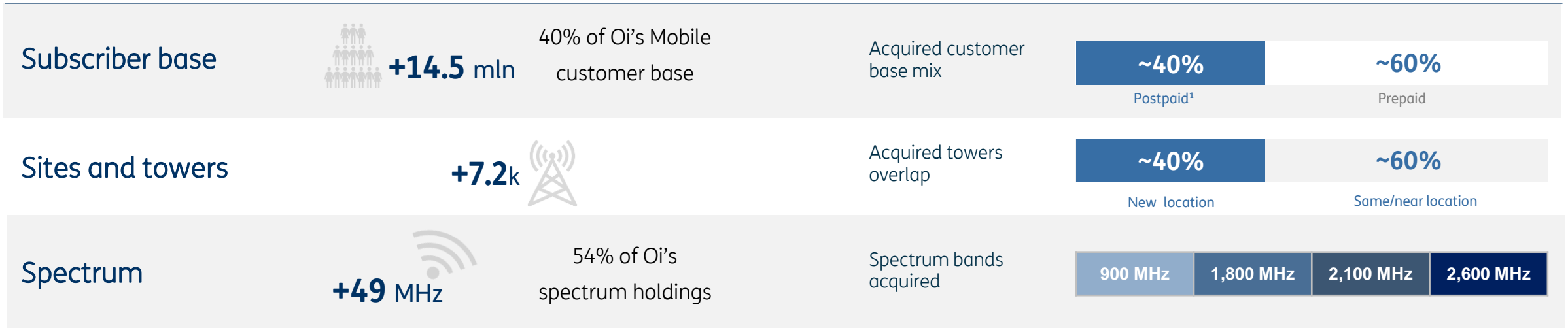
Revenues

- ✓ Increase with **possible launch of new products and services** as a consequence of **more spectrum**
- ✓ **Long term opportunity** to extract synergy





Perimeter of the transaction with Oi



Price of the Assets

44,3% of the bidding price for Oi assets (R\$ 6.98 billions)

Transition Service Agreement

Temporary contract to serve subscriber base (e.g. supporting care, bill-to-cash) and NOC maintenance during the transition (TIM's part is R\$ 318 millions)

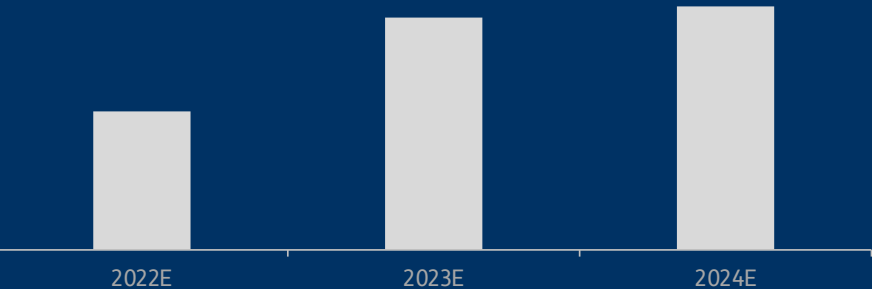
Long term capacity contract

Long-term contract to provide backhaul/backbone capacity, with connectivity assurance services between access and core network (TIM's part has an NPV of ~R\$ 476 millions)²

Full Impact of Oi's Mobile Assets in 2024

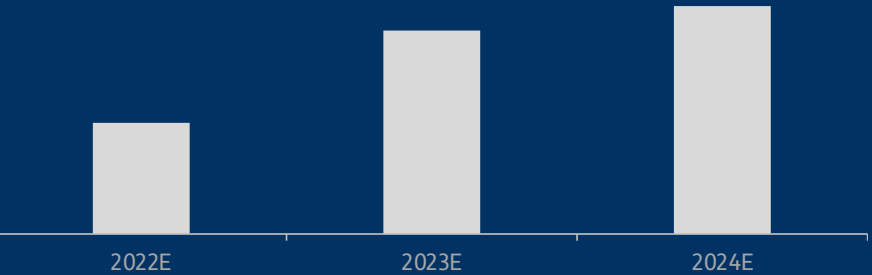


Service Revenues - Migrated Clients Contribution
(R\$ bln)



>15% of
TIM's NSR will come
from migrated
clients in 2024

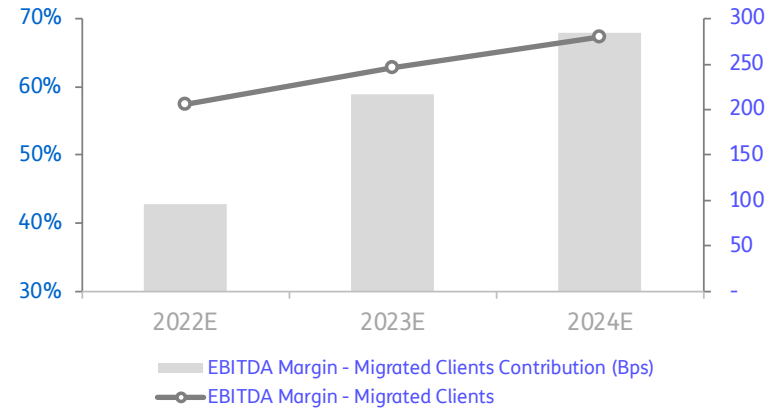
EBITDA - Migrated Clients Contribution
(R\$ bln)



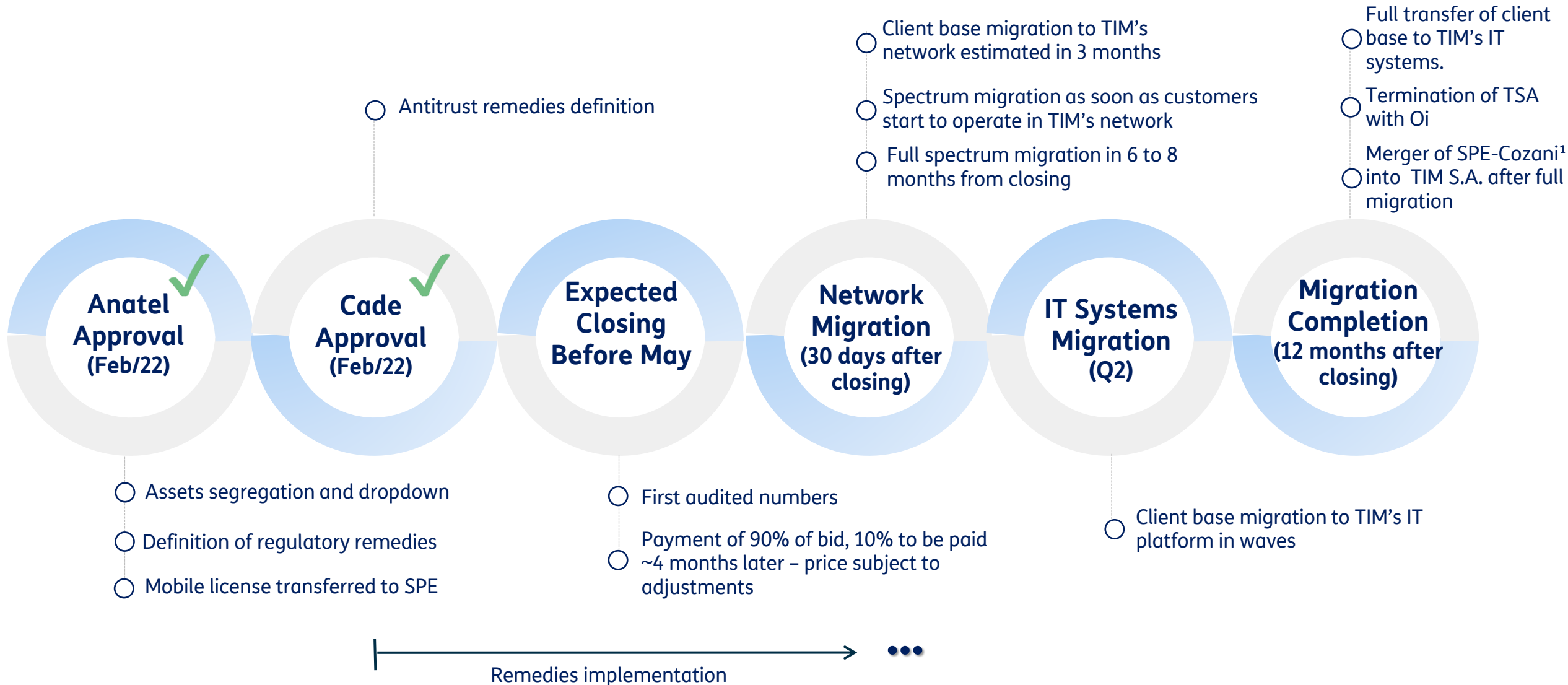
>20% of
TIM's EBITDA will
come from migrated
clients in 2024

**EBITDA Margin from migrated clients
will improve as TSA and other
integrations costs are
reduced**

EBITDA Margin - Migrated Clients



We're Ready to Successfully Integrate the Operations



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

FIBER CO (I-Systems)

- TIM now 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;
- Deal was **closed in Nov 16th, 2021**. FiberCo was renamed as **I-Systems**

DEAL HIGHLIGHTS



R\$ **2.7** bln
of Enterprise Value

Primary of
R\$ **0.58** bln

~R\$ **1.1** bln
paid at the closing and will help to 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 Plan¹
(R\$ bln)

◆ R\$ 13.5 bln ◆

■ Pre Deal
□ Post Deal



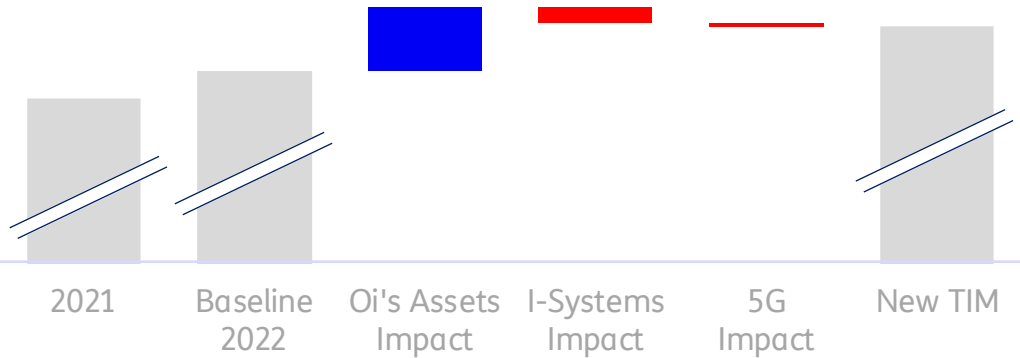
- TIM contributed with 6.4² mln homes passed – 3.5 mln of FTTH and 3.4 mln of FTTC
- I-Systems (FiberCo) 4-year plan expects to reach 8.9 mln of FTTH homes passed

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

Building Blocks of the New Plan: What is Changing and Why?



2022 EBITDA Bridge
(R\$)



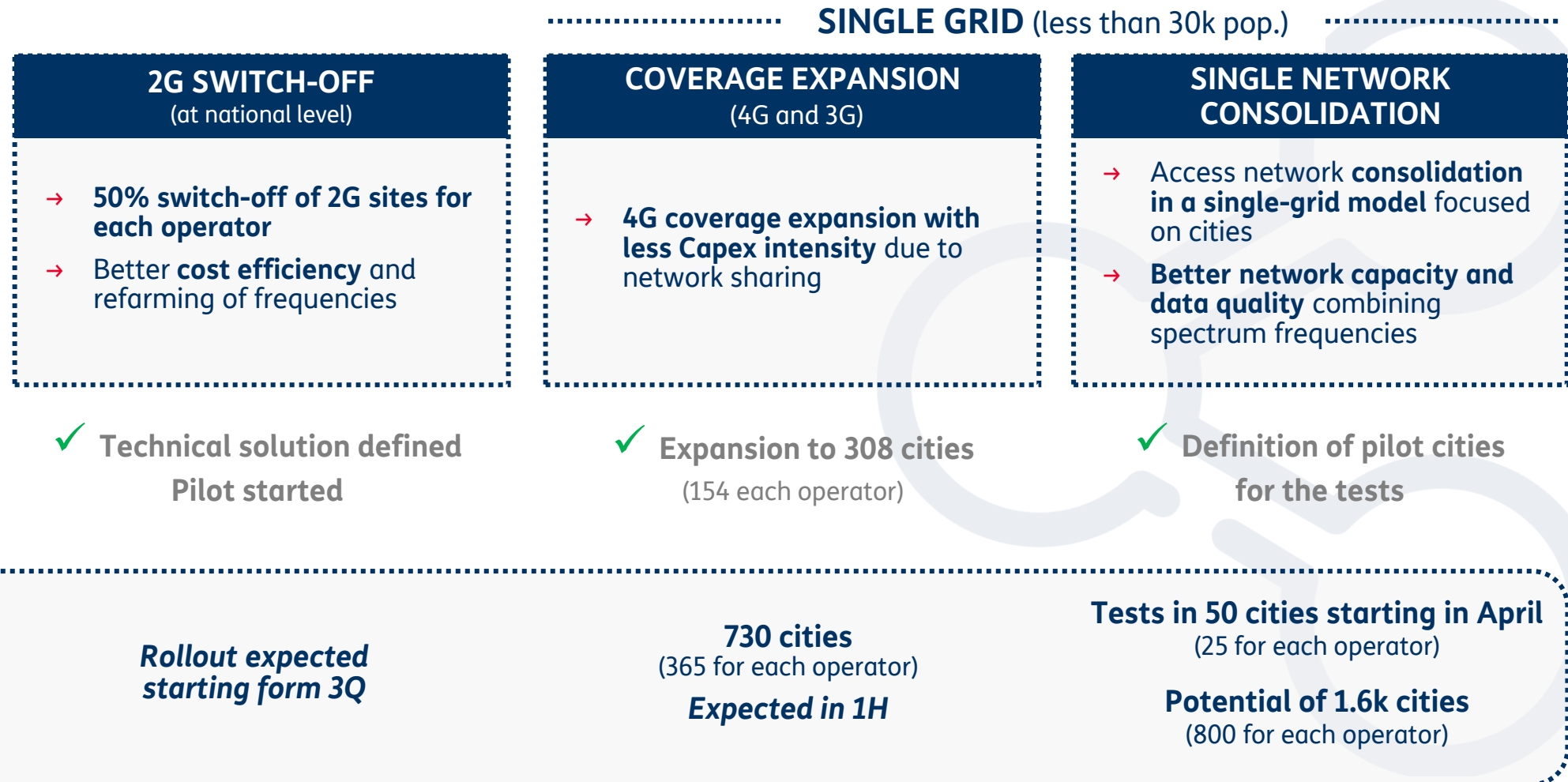
2022 EBITDA-Capex Bridge
(R\$)





TIM & VIVO Network Sharing Agreement: focus on cost savings and customer experience improvements

Increasing data demand put pressure at the cost to serve, leading to the necessity of different approaches...

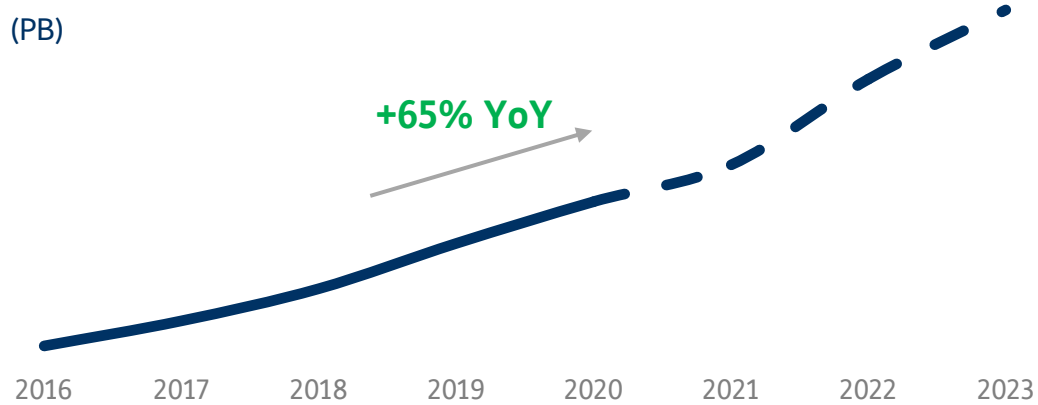




Impacts of efficiency in CTIO's total cost

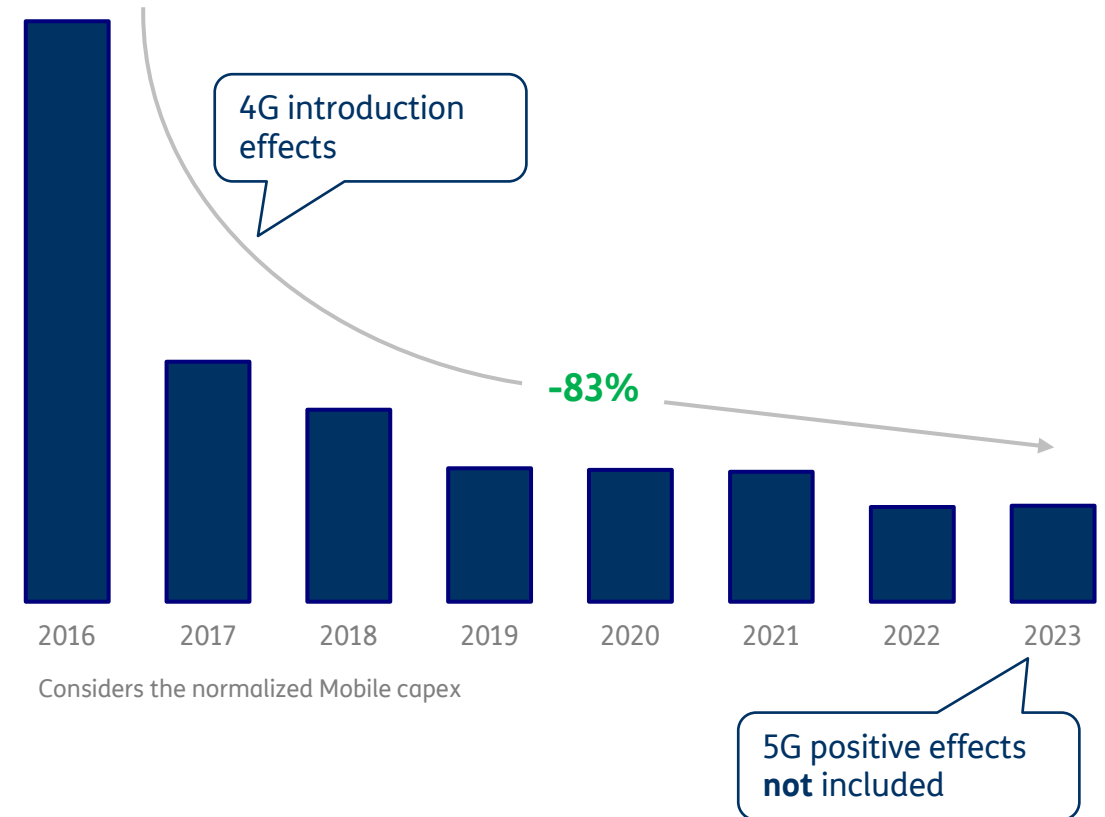
Network Traffic 4G

(PB)



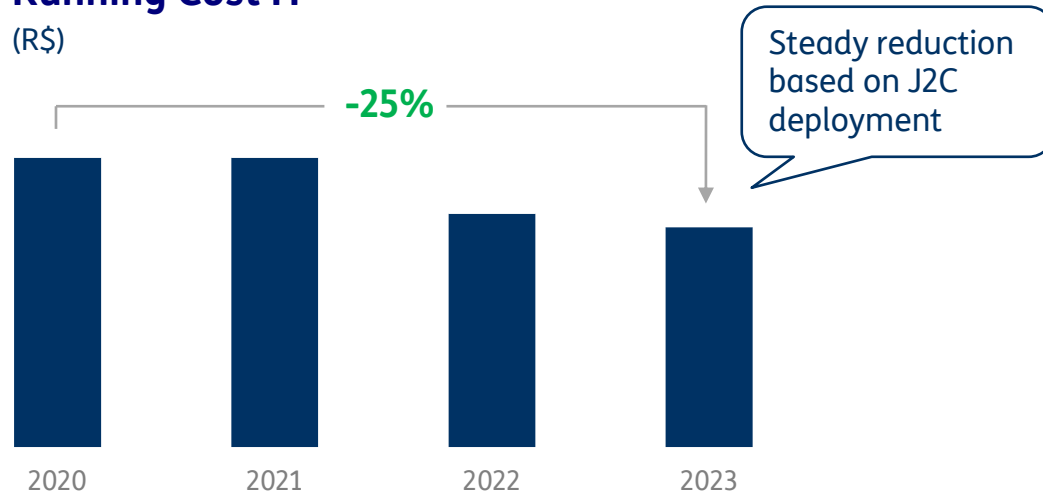
Capex Cost to Serve

(R\$/Incremental PB)



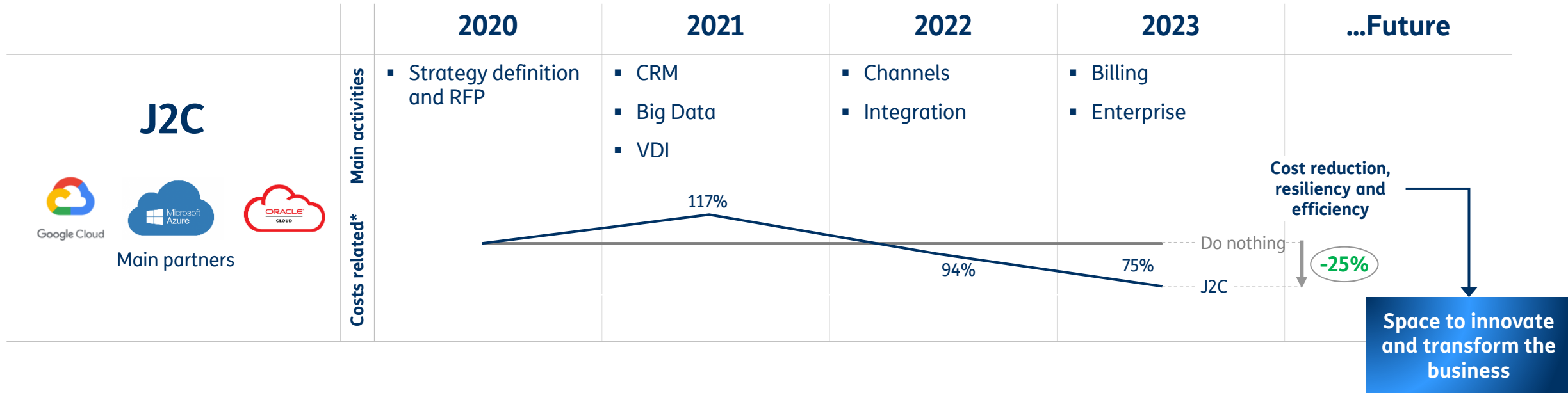
Running Cost IT

(R\$)





Journey to Cloud: Benefits



Business Benefits

- Deliver **best-in-class availability** to TIM's customers
- **Minimize time-to-market** for our business
- Guarantee **the best trade-off between service excellence and spending**
- **Define/Optimize** the current DCs asset strategy



Technology Benefits

- **Harmonize the evolution strategy** across technology department
- Greater **alignment to group technology** strategy
- Process, Tools and Technologies **standardization**
- Guarantee **infrastructure agility, availability and security**
- Re-focus on **differentiating DCs capabilities and related skills**



We are taking cash cost efficiency to the next level with a holistic approach using 4 levers



Improve process efficiency

Bad Debt (e.g. new credit models development, collections systems improvement)

Legal processes (e.g. predictive models to reduce JEC expenses)



Accelerate digital & automation

3S's: self-provisioning, self-healing and self-caring

Boost digital channels for sales and customer services (e.g. E-payment)

Increased usage of AI and cognitive systems (e.g. Cognitive IVR) in call centers, back office, operations and Legal

Cloudification (journey to the cloud) decreasing TCO and allowing fast response



Traditional efficiency initiatives

Administrative processes

Pay-roll management

IT Planning & Development



Real Estate/Energy efficiency plan





Office space optimization due to smart working and cloudification

Increased use of **renewable energy sources**

Reassessment of buy/sell due to IFRS 16

New Company, New Targets: 2022-2024 Guidance



GOALS	SHORT TERM TARGETS (2022)	LONG TERM TARGETS (2022-2024)
 Revenue Sustainability	Service Revenues Growth: + Double digit YoY	Service Revenues Growth: + Double digit CAGR 21-24
 Profitability	EBITDA Growth: + Double digit YoY	EBITDA Growth: + Double digit CAGR 21-24
 Infrastructure Development	Capex: ~ R\$ 4.8 bln	Capex: ~ R\$ 14 bln Σ 22-24 Capex on Revenues: <20% @2024
 Cash Generation	EBITDA-Capex on Revenues: >24%	EBITDA-Capex on Revenues: \geq 29% @2024

Guidance excludes:

- Additional M&A activity
- New Spectrum auctions
- Tax and regulatory changes
- Upside from Customer Platform partnerships (e.g. value created by equity stakes)

Previous Guidance:

- Previous guidance did not include 5G auction + rollout and I-Systems deal
- Oi M&A was expected to close in EOY 2021
- On like-for-like comparison, all metrics would be on track versus previous guidance



ESG

ESG: A long journey already taken

MORE THAN A DECADE OF INITIATIVES AND RESULTS

14 years ISE B3 Brazilian Telco for the longest time in the **Corporate Sustainability Index** of the B3



TIMS
B3 LISTED NM

Only Telco in the **Novo Mercado (since 2011)**, with the implementation of the **Statutory Audit Committee** since 2013

Instituto **TIM**

Since 2013, Instituto TIM has been developing and promoting projects and initiatives for the democratization of education in ST&I

Indexes and acknowledgements

(indexes)

ISE B3 **MSCI**

Teva Indices ESG Mulheres no Conselho®

ICO2B3



CDPR Index
Climate Resilience

Ambition

REFINITIV



Índice S&P/B3 Brasil ESG

(reports)



Communication
on Progress (UN)



GHG Inventory



Disclosure of emissions and
climate change-related information

Sustainability
Report

(acknowledgements and best practices)



Global
Compact
Signatory
since 2008



1st Telco
Pró-Ética
Seal (CGU)

TIMS
B3 LISTED NM

Novo Mercado since
2011, highest level of
corporate governance

1st in data privacy

The best rated company
in the survey on internet
providers' policies for
data protection¹

(certifications)

Quality
Management



Environmental
System Management



Anti-Bribery
Management

Ambition



Information
Security
Management

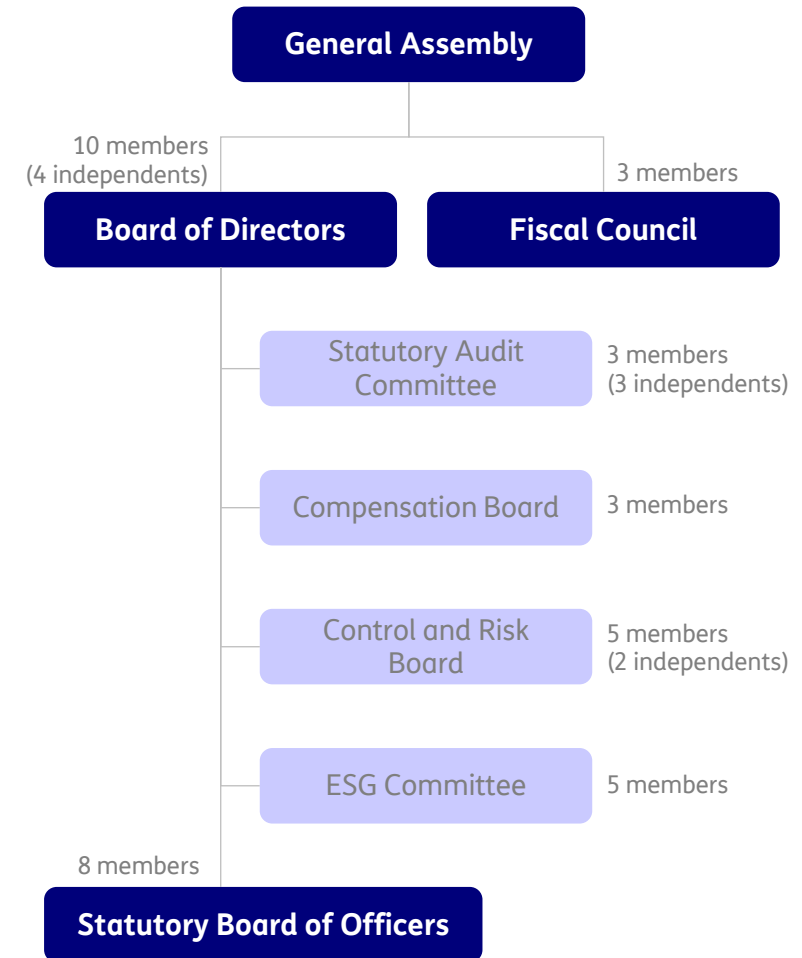
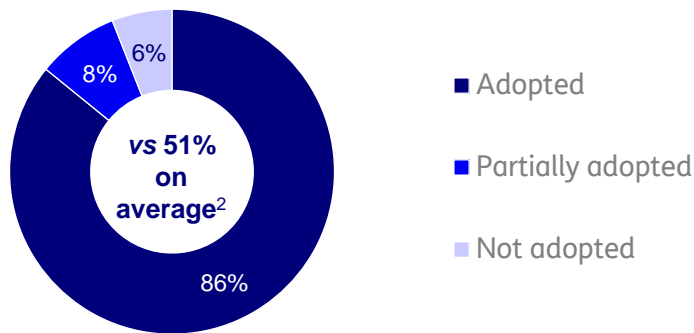
ESG: Highest level of Corporate Governance



STRUCTURE TO REINFORCE AND GUARANTEE A SOLID CORPORATE GOVERNANCE

- Unique Telco **listed on the Novo Mercado segment**: Equal rights – vote, dividends and tag along
- **Stock-based long-term incentives**: compensation aligned to shareholders' interests
- Board of directors: **40% independent + top 12 companies in female representation** (30% of board members)¹

Corporate Governance Form (ICVM 586)



ESG: A Year of Great Achievements and Developments

E

Committed to reducing environmental impact

>1.7k
Active Biosites



The new biosite in Ouro Preto (MG)

100%

of TIM's average electricity consumption from renewable sources

Zero

Indirect GHG emissions (scope 2)

-94%

scope 1 and scope 2 GHG emissions

S

Engaged in helping to build a more egalitarian community

Empowering Women
Partnership with *Mulheres Positivas* Movement



Diversity Indexes:

1st Telecom worldwide in the Refinitiv Diversity & Inclusion Index and Bloomberg Gender Equality Index

Digital Inclusion:
100% until 2023
municipalities in Brazil with TIM's 4G coverage

Employability programs for transgender, 50+ and black people

G

Aligned with the best standards and practices

R\$ 1.6 bln
in SLB Issuance:
Generating positive impact to society while reducing funding costs

14th

year listed in the B3 Corporate Sustainability Index



Women on Board Stamp

30% of the positions in the Board of Directors held by women



Boosting initiatives that increase our ESG impact

Legend

new New commitment
 ↑ Target increase

Environmental

We want to be green

Enablers

- Increasing **efficiency** and taking advantage of **green energy** cost reduction
- Developing **cloud data centers** to deliver more to our customers with less impact on operations
- Demobilizing obsolete technologies through **innovation** and **infrastructure sharing**
- Promoting efficient and responsible **solid waste** management

Social

New capabilities are a key factor in maintaining leadership

- Promoting an **inclusive environment**, with **equal** opportunities, valuing **talents** and caring for the **health and integrity** of employees
- Developing **digital education** to support the demand for connectivity
- Keeping **Instituto TIM** as a reference in **ST&I and education projects**
- Extending access to 4G **connectivity** to all municipalities in Brazil

Governance

Efficient mechanisms to fairly balance the interests of all stakeholders

- Maintaining the recognition as a company with **the highest level of commitment** to transparency and corporate governance
- Disseminating **ESG principles to high-risk suppliers**
- Adopting best practices related to **compliance, information security, data protection and privacy**
- Promoting **customer empowerment** through **digital transformation**

Commitments

Targets

Carbon neutral (tCO ₂ e, scopes 1 and 2)	-100%	2030
Eco-efficiency in data traffic ¹ (bit/Joule)	+80%	
Renewable energy	100%	2025
Indirect emissions ¹ (tCO ₂ e, scope 2)	-100%	
Solid waste recycling	≥95%	
Employee Engagement (per year)	≥80%	
Black employees	≥40%	
Women in leadership	≥35%	
Employees trained in ESG culture	≥99%	
Employees trained in digital skills	+5,000	2023
4G presence	100%	
Customer complaints ¹ (Regulatory agency)	-50%	
ISE, Novo Mercado and Pró-Ética	Maintain	
ISO 14001, ISO 9001 and ISO 37001	Maintain	
ISO 27001	Obtain	2022



4Q21 *RESULTS*

(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) Operation costs normalized by: sale of the control over the investment in the company I-Systems (-R\$ 782.2 million in 4Q21), specialized legal and administrative services (+R\$ 34.8 million in 4Q21, +R\$ 7.7 million in 3Q21 and +R\$ 13.7 million in 2Q21), expenses with consulting firm for the project of acquisition of Oi mobile assets (+R\$ 4.3 million in 4Q21) and adjustments to the tower sale-leaseback agreement (+R\$ 2.6 million in 1Q20). Net Income normalized by: impact from deferred and current taxes over the revenue generated through the I-Systems transaction (+R\$ 509.2 million in 4Q21), tax credit and other effects (-R\$ 13.3 million in 4Q21, -R\$ 526.8 million in 3Q21 and -R\$ 4.6 million in 2Q21).



Strong Execution Delivers Solid Results

Core

Value Strategy +
Differentiation
supporting
ARPU +6% YoY

**Positive 5G
Auction** outcome
as expected



New Businesses

Launch of **Ampli
Partnership**

C6 Partnership with
great results,
reaching 4.4%¹ of
Equity

**Revenues above R\$
100 mln target**



M&A

Closing of I-
Systems (FiberCo)
deal to **accelerate
FTTH rollout**

**Regulatory and
antitrust approval** of
the deal with Oi



Infra Projects

Network preparation for
Oi integration

85% achievement of
cities covered with
4G

J2C supporting
**customer experience
improvement and
cash cost efficiency**



Financials

**All financial
targets achieved**

R\$ 6 bln of OFCF,
with more than R\$
1 bln increase

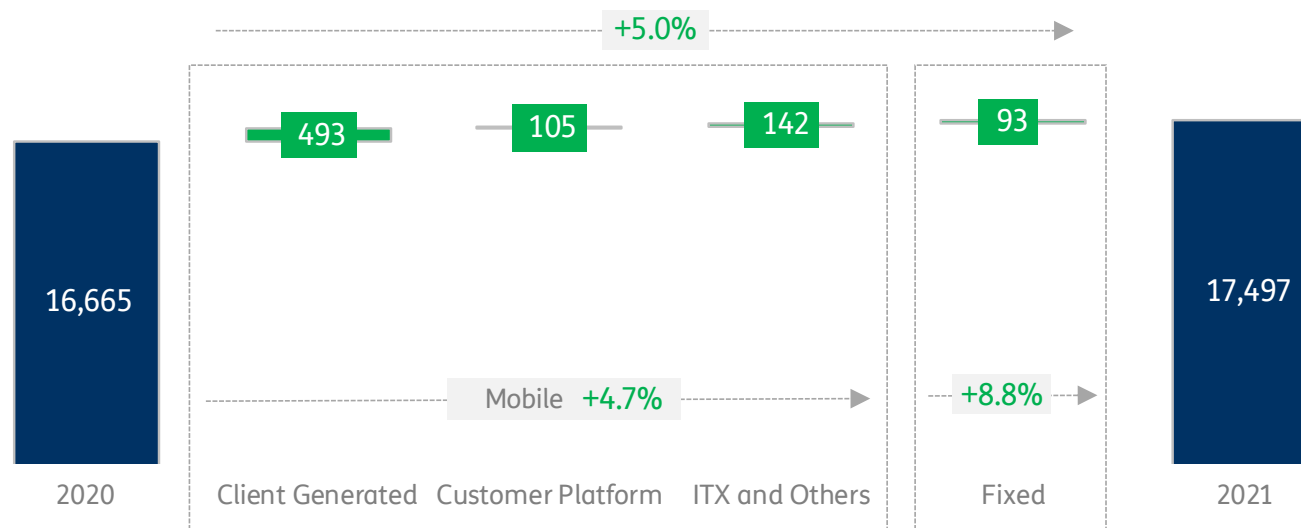
**Mid-single digit
growth** for Service
Revenues and
EBITDA²



DELIVERING ON THE PROMISES WE MADE

Revenue Growth on Track, Driven by Postpaid, Customer Platform and TIM Live

Net Service Revenue Breakdown (R\$ mln)



- ✓ NET SERVICE REVENUE GROWTH OF 4.0% YOY IN 4Q21
- ✓ NET MOBILE SERVICE REVENUE GROWTH OF 3.8% YOY IN 4Q21



MOBILE REVENUE GROWTH DRIVEN BY POSTPAID DYNAMICS

Postpaid Net Revenue

+5.4% YoY in 2021

+3.7% YoY in 4Q21

% of Net Service Revenue
59% in 2021 and 4Q21

INITIATIVES BEYOND THE CORE ARE CONTRIBUTING TO REVENUE GROWTH

Customer Platform Net Revenue

119 mln in 2021

8x vs. 2020

TIM LIVE: A SOLID CONTRIBUTION IN 2021, DESPITE THE CHALLENGES DURING THE 2H21

TIM Live Net Revenue

+14.7% YoY in 2021

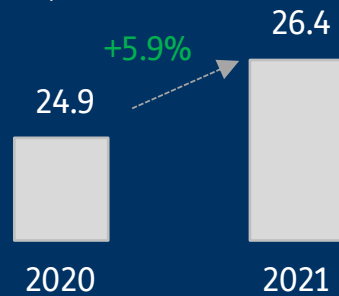
+9.4% YoY in 4Q21

Solid Execution Driving Consistent Performance

MOBILE: VOLUME-TO-VALUE WITH OFFER DIFFERENTIATION DRIVING SOLID PERFORMANCE

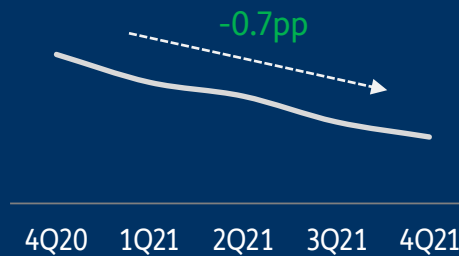


Mobile ARPU (R\$/mo)



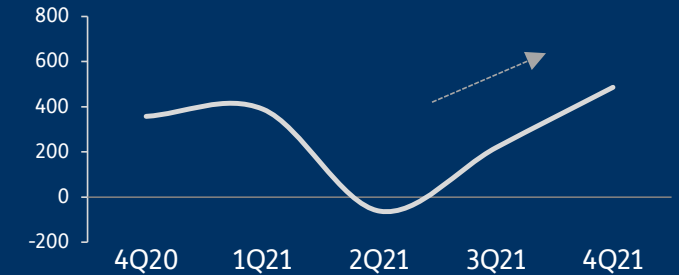
+2.6% YoY in 4Q21

Voluntary Postpaid Churn (ex-M2M) (%)



Improving Customers Lifetime Value

Postpaid (ex-M2M) Net Adds ('000)

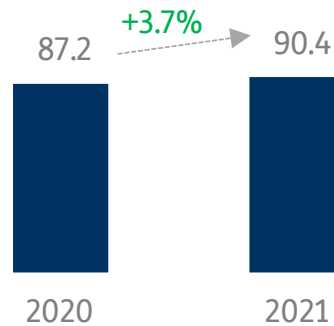


+64% YoY in 2021

TIM LIVE: A BETTER CUSTOMER BASE MIX SUPPORTS POSITIVE PERFORMANCE

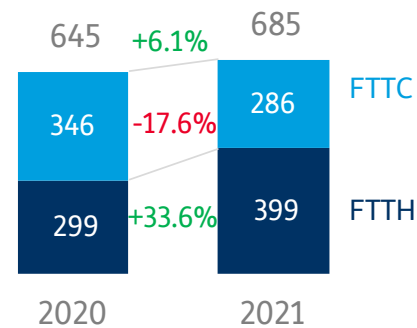


TIM Live ARPU (R\$/mo)



+0.5% YoY in 4Q21

Customer Base ('000)



Coverage rollout model transition: building to renting

- Seeking deployment acceleration
- Substituting capex to opex with positive FCF impact
- Closing in November/21
- I-Systems will deploy, operate and maintain last mile infrastructure
- 6 months of exclusivity period in new areas
- R\$ 1.1 bln in secondary proceeds

Differentiated Value Proposition Combining Innovation and Customer



MAIN 2021 GO TO MARKET DEVELOPMENTS

B2C Mobile

- Leading value proposition leveraging hub of services and content: pioneer in choice bundle
- Increased brand relevance and offer distinction through music: sponsorship of music events such as Rock in Rio and launch of offers such as Deezer Go
- Customer Platform partnerships (C6 and Ampli) supporting better LTV in mobile



TIM Live

- 1 Giga offer in all markets
- Upload speed as a differentiator
- New content partnerships

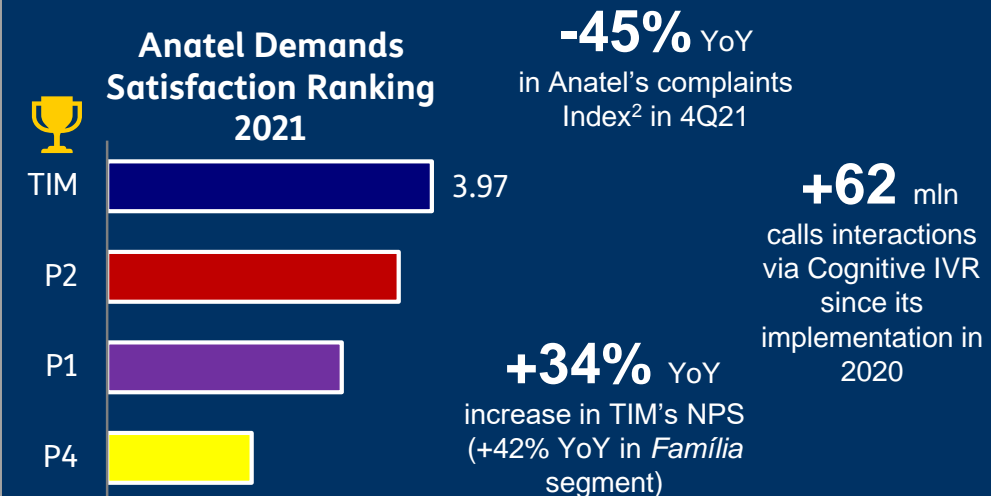


B2B

- Leadership in IoT Agribusiness initiatives
- Industry 4.0 pilot: Stellantis plant automation with AI and cloud computing
- Smart City pilot projects with Rio de Janeiro state government



IMPROVING CLIENT PERCEPTION METRICS



Best video and video conference experience while sustaining the leadership in 4G availability¹

Customer Platform Proving to Be a Solid Opportunity

FINANCIAL & EDUCATIONAL SERVICES

C6BANK

Keeping up the pace

- **4.4%¹** of total equity stake
- **Record numbers** of opened bank accounts



ampli

Acceleration underway

- **>50 thousands** students enrolled in undergrad and online open courses
- **~2x vs 3Q21** more undergrad enrollments through TIM's channels



R\$ **83** mln
in 2021

M-ADS & DATA MONETIZATION

TIM ADS

Going beyond traditional advertising channels

1 mln of TIM Fun registered users
+5 mln surveys answered
+27 mln audience



R\$ **36** mln
2021's Mobile Ads Revenue

✓ **Financial advisor hired to help finalize evaluation of partnerships under development and future opportunities**

✓ **TIM Insights and TIM Ads finding the right customer and engaging through the right channel**



Continuous Evolution of Our Infrastructure to Support TIM's Transformation

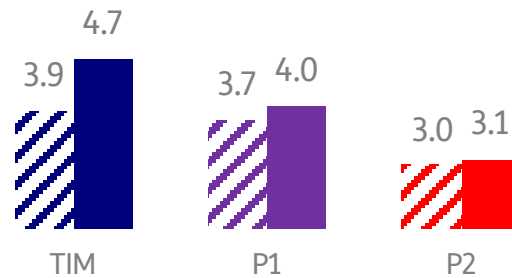
FOCUS ON COVERAGE AND CAPACITY EXPANSION

Coverage Expansion

4G
cities covered **4.7k**

Sky Coverage project **924** sites

Cities Coverage by Operator (2020 x 2021)



Capacity and Modernization

M-MIMO

+1.6k sites in 2021
Speed catch-up

+1.4k sites QoQ
Site Modernization

Network Sharing Agreement with Vivo Single Grid

- Coverage expansion: >353 cities implemented by TIM and 363 by Vivo (421 sites each)
- Consolidation: tests started in 21 cities

JOURNEY TO CLOUD GENERATING EFFICIENCY

44%
of J2C workload already migrated

Key strategic plan delivery

3,506
servers migrated

90
live systems

4.8PB
storage provisioned on
Cloud Azure and
Oracle

Digitalization Efforts are Helping to Offset Cost Pressures

DIGITALIZATION METRICS REMAIN ON TRACK



+17p.p. YoY

Recharges in Digital Channels Adoption



-12.4% YoY

Unitary Collection Cost



+5.6p.p. YoY

E-Billing Penetration

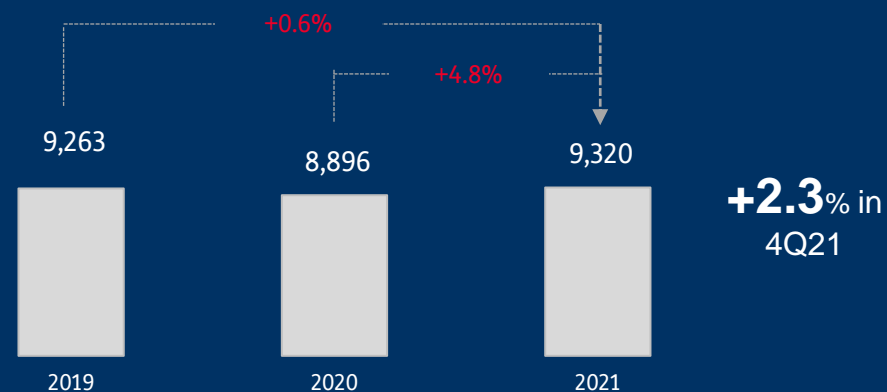


16%

PIX penetration in invoice payments

EFFICIENCY CULTURE CONTINUES TO PAY-OFF

Opex¹
(R\$ mln)

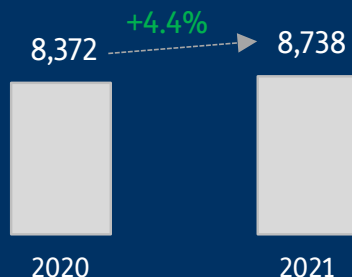


- **IPCA (19-21): 19.99%**
- **Bad Debt under control: -1.5% YoY in 2021**
(represents 2.1% over Gross Revenues)
- **1.5 months of rent from I-Systems impacts 4Q21 results**

Volume to Value Strategy and Cost Control Drove EBITDA Growth

Consistent level of EBITDA and Margin

EBITDA¹
(R\$ mln)



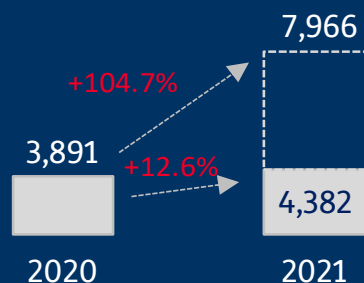
48.4% of EBITDA
margin¹ in 2021
(-0.1 p.p. YoY)

48.5% of EBITDA
margin¹ in 2021 excluding I-
Systems impact

+2.9% YoY of EBITDA¹
growth in 4Q21

51.0% of EBITDA
margin¹ in 4Q21

CAPEX
(R\$ mln)

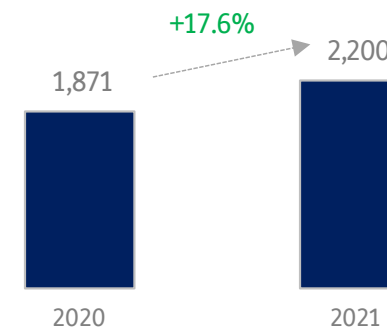


□ Spectrum Auction
Impacts
■ Organic

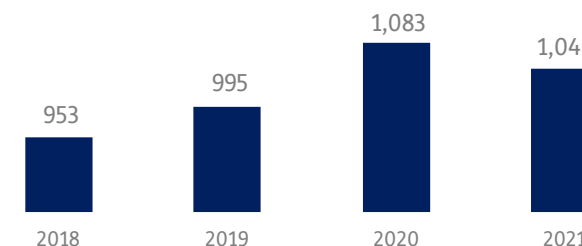
24.3% of Capex on
Revenues in 2021
(+1.7 p.p. YoY)

22.7% of Capex on
Revenues excluding Oi in
2021
(+0.2 p.p. YoY)

Net Income¹
(R\$ mln)



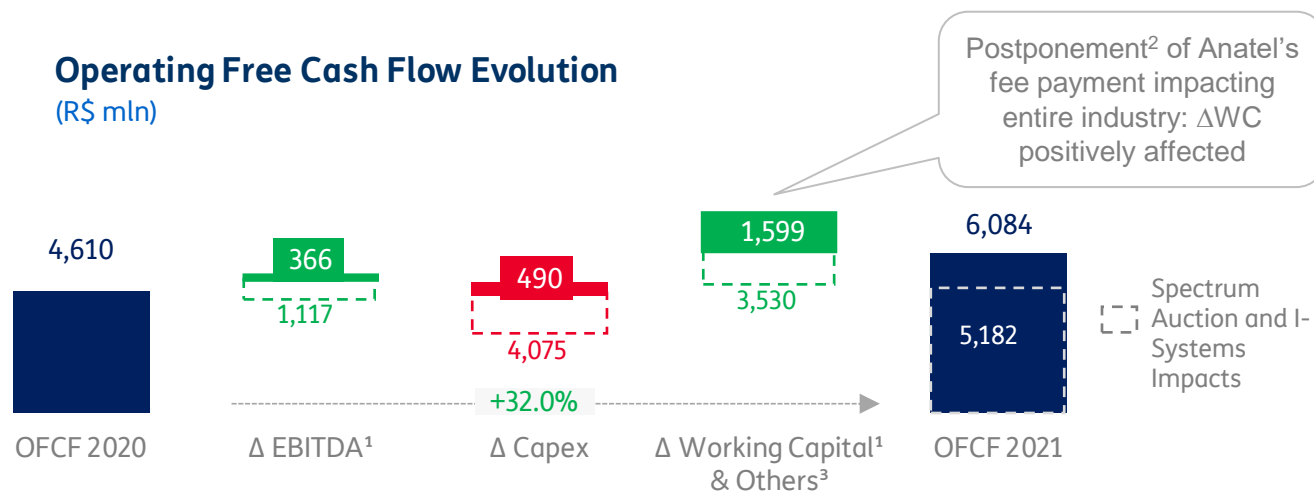
Sustaining Historical Shareholder Remuneration Levels
IOC announcements (R\$ mln)



Consistent Cash Generation Strengthening Financial Performance

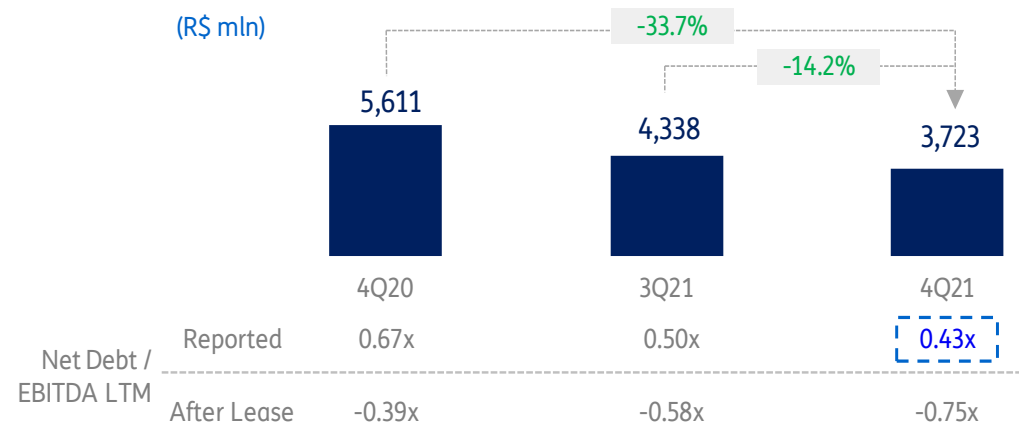
Operating Free Cash Flow Evolution

(R\$ mln)



Net Financial Position

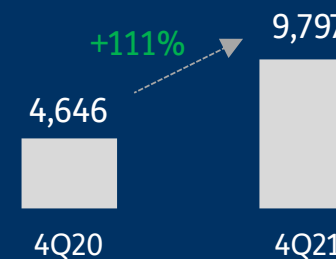
(R\$ mln)



Increasing Cash Position with cash flow improvements and new debt

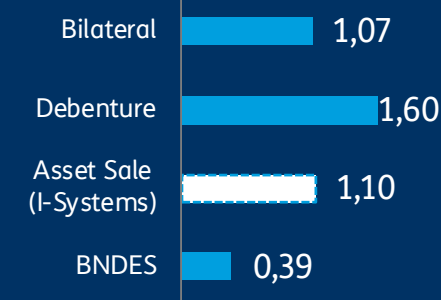
Cash Position

(R\$ mln)



New Financing





(R\$ bln)



R\$ 3 bln of New Debt
+ R\$ 1,1 bln of Asset Sales (I-Systems)

2021 Guidance Delivered



GOALS	SHORT TERM TARGETS (2021)	RESULTS (Actual)	
 Revenue Sustainability	Service Revenues Growth: Mid single digit (YoY standalone)	+ 5.0% YoY	✓
 Profitability	EBITDA: <ul style="list-style-type: none"> • Mid single digit growth (including preparation costs) • Stable margin 	+ 4.4% YoY 48.4% (stable)	✓
 Infrastructure Development	Capex ~ R\$ 4.4 bln (including preparation investments)	R\$ 4.38 bln	✓
 Cash Generation	EBITDA-Capex on Revenues: ~24%	24.1%	✓

All targets delivered: another year of solid results

- Significant improvements in Customer Experience
- Solid developments in brand recognition and positioning
- Innovation and customer needs continued to drive portfolio evolution
- Expansion of opportunities through partnerships in IoT, 5G and Digital Platforms.

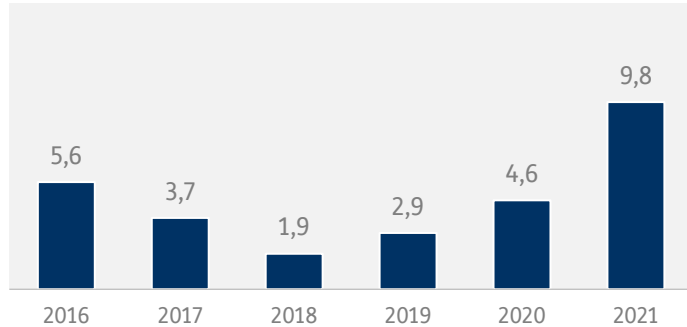


APPENDIX

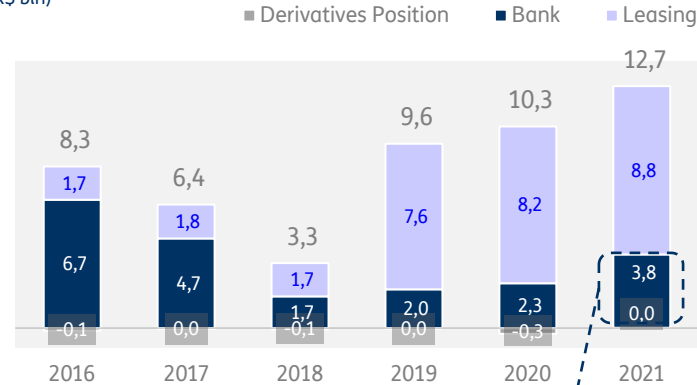
Solid financial position: Maintaining a strong balance sheet and increasing distribution to shareholders



Cash Position¹
(R\$ bln)

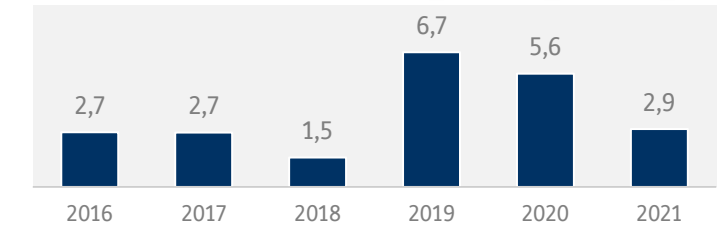


Gross Debt²
(R\$ bln)



Net Debt
(R\$ bln)

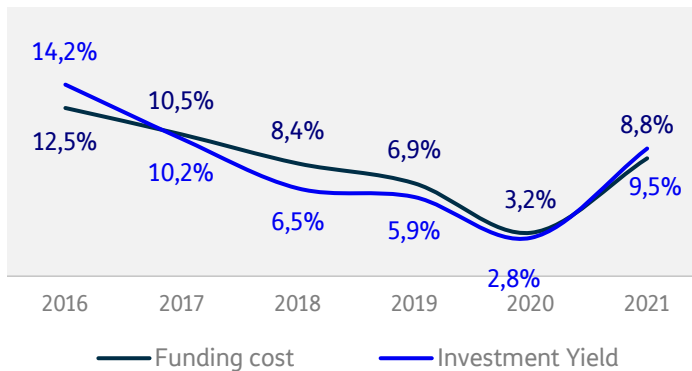
Net Debt-AL³



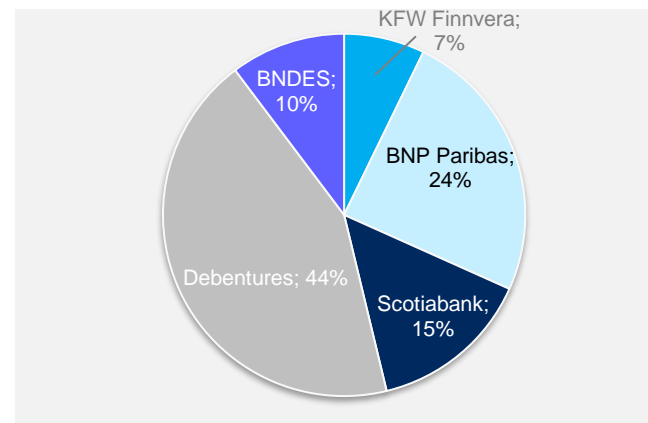
Net Debt / EBITDA 12M⁴



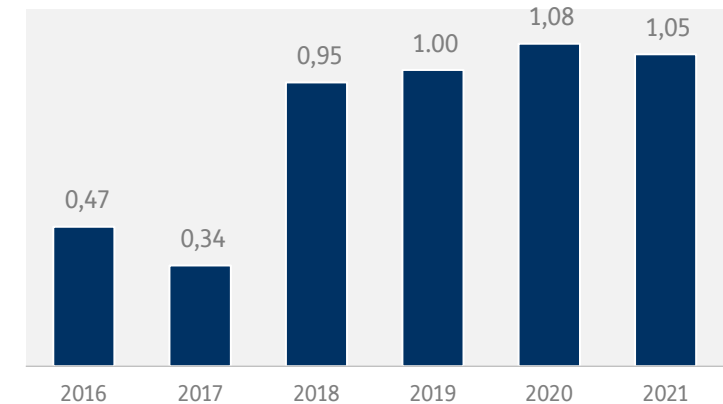
Funding Cost vs Investment Yield
(avg. p.y.)



Bank Debt by Lender (pre-hedge)



Declared IoC
(R\$ bln)



(1) Cash, Cash equivalents and short-term investments; (2) The Derivatives position excludes the subscription bonus in C6 Bank capital (Financial Statements, Note 37). Leasing related to the sale of towers, the LT Amazonas project and lease contracts with terms exceeding 12 months pursuant to IFRS 16; (3) Net Debt-After Leasing does not consider any current and non-current leasing liabilities; (4) EBITDA normalized.

Brazilian Telcos: Financial X-Ray



4Q21 Financial Summary - IFRS 16

Telecom Industry

	TIM			Vivo			Claro + Nextel			Oi		
	4Q21	4Q20	% YoY	4Q21	4Q20	% YoY	4Q21	4Q20	% YoY	4Q21	4Q20	% YoY
Total Net Revenues	4.799	4.678	2,6%	11.501	11.193	2,8%	10.169	10.075	0,9%	n.a.	4.720	n.a.
Service Revenues	4.620	4.441	4,0%	10.621	10.384	2,3%	9.737	9.573	1,7%	n.a.	4.694	n.a.
Mobile Service Revenues	4.323	4.164	3,8%	6.967	6.760	3,1%	4.644	4.300	8,0%	n.a.	1.812	n.a.
Fixed Service Revenues	296	277	7,1%	3.654	3.623	0,8%	5.094	5.273	-3,4%	n.a.	2.881	n.a.
Products Revenues	180	237	-24,3%	880	809	8,8%	393	488	-19,4%	n.a.	26	n.a.
Organic EBITDA	2.449	2.380	2,9%	4.933	4.877	1,1%	4.120	4.073	1,2%	n.a.	1.460	n.a.
Organic EBITDA Margin	51,0%	50,9%	0,1 p.p.	42,9%	43,6%	-0,7 p.p.	40,5%	40,4%	0,1 p.p.	0,0%	30,9%	n.a.
Capex	1.255	1.464	-14,2%	2.339	2.614	-10,5%	n.a.	2.664	n.a.	n.a.	1.729	n.a.
Capex/Net Revenues	26,2%	31,3%	-5,1 p.p.	20,3%	23,4%	-3,0 p.p.	n.a.	26,4%	n.a.	0,0%	36,6%	n.a.
EBITDA - Capex	1.194	916	30,3%	2.594	2.447	6,0%	n.a.	1.570	n.a.	n.a.	-269	n.a.
Net Debt	2.880	5.611	-48,7%	10.443	7.481	39,6%	n.a.	13.584	0,0%	n.a.	30.408	n.a.
Net Debt / EBITDA 12M	0,33	0,67	-50,8%	0,58	0,42	37,3%	n.a.	0,85	0,0%	n.a.	5,2	n.a.
Mobile ARPU	27,7	27,0	2,6%	28,2	29,1	-2,9%	22,0	24,0	-8,3%	n.a.	16,5	n.a.
Prepaid	13,4	13,9	-3,2%	13,0	13,4	-3,0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Postpaid (ex-M2M)	48,0	48,5	-1,0%	50,6	51,0	-0,7%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Brazilian Telcos: Operational X-Ray



4Q21 Operational Indicators

Telecom Industry

	TIM			Vivo			Claro + Nextel			Oi		
	4Q21	4Q20	% YoY	4Q21	4Q20	% YoY	4Q21	4Q20	% YoY	4Q21	4Q20	% YoY
Mobile Customer Base (MM)	52,1	51,4	1,2%	83,9	78,5	6,9%	70,5	60,2	17,2%	42,0	36,7	14,7%
Market Share	20,4%	22,0%	-1,6 p.p.	32,9%	33,6%	-0,6 p.p.	27,7%	25,7%	1,9 p.p.	16,5%	15,7%	0,8 p.p.
Human Postpaid Customer Base ex-M2M (MM)	18,9	18,0	4,7%	37,2	34,4	8,0%	29,2	23,1	26,1%	14,8	11,4	29,2%
Market Share	18,7%	19,8%	-1,1 p.p.	36,9%	37,8%	-0,9 p.p.	29,0%	25,4%	3,5 p.p.	14,7%	12,6%	2,1 p.p.
Mix	36,3%	35,1%	1,2 p.p.	44,3%	43,8%	0,5 p.p.	41,3%	38,4%	2,9 p.p.	35,1%	31,2%	4,0 p.p.
M2M Customer Base (MM)	4,0	3,8	5,0%	12,5	10,5	19,3%	12,2	9,6	27,2%	2,0	2,3	-10,3%
Market Share	11,3%	13,4%	-2,1 p.p.	35,3%	36,9%	-1,6 p.p.	34,7%	34,0%	0,7 p.p.	5,7%	8,0%	-2,2 p.p.
Prepaid Customer Base (MM)	29,2	29,6	-1,4%	34,3	33,7	1,9%	29,1	27,4	6,2%	25,3	23,0	9,9%
Market Share	11,3%	13,4%	-2,1 p.p.	35,3%	36,9%	-1,6 p.p.	34,7%	34,0%	0,7 p.p.	5,7%	8,0%	-2,2 p.p.
Mix	56,1%	57,6%	-1,5 p.p.	40,9%	42,9%	-2,0 p.p.	41,3%	45,6%	-4,3 p.p.	60,1%	62,7%	-2,6 p.p.
4G Customer Base (MM)	46,3	42,0	10,2%	61,9	55,9	10,6%	52,7	43,4	21,5%	32,1	26,8	20,1%
Market Share	23,4%	24,2%	-0,8 p.p.	31,3%	32,2%	-0,9 p.p.	26,7%	25,0%	1,7 p.p.	16,3%	15,4%	0,9 p.p.
Mix	89,0%	81,7%	7,2 p.p.	73,7%	71,2%	2,5 p.p.	74,7%	72,0%	2,7 p.p.	76,4%	73,0%	3,4 p.p.
Banda Larga >34 Mbps (MM) ¹	0,7	0,6	6,1%	6,3	6,4	-1,1%	9,7	9,8	-1,1%	5,2	5,1	2,1%
Market Share	1,7%	1,8%	-0,1 p.p.	15,3%	17,8%	-2,5 p.p.	23,5%	27,3%	-3,9 p.p.	12,6%	14,2%	-1,6 p.p.



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