

RESULTS
PRESENTATION
4TH QTR 2023



TIMB
LISTED
NYSE

TIMS
B3 LISTED NM
ISE B3

5G



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



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, those do not represent necessarily a formal guidance.



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.



Financial figures are presented considering impacts from IFRS 16 adoption, unless otherwise indicated. Normalized numbers in this presentation are adjusted by the effects described in footnotes.

- (1) Net Revenue normalized by the temporary effect of PIS/COFINS inefficiency as a result of a contract between TIM S.A. and Cozani (+R\$ 41.0 million in 1Q23 and +R\$ 49.6 million in 4Q22). Cozani was merged into TIM S.A. as of April 1, 2023.
- (2) Operating costs normalized by: non-recurring asset income related to the closing price adjustment agreement for Oi's mobile assets (-R\$ 303.4 million in 4Q23), consultancy expenses in the scope of the Oi Móvel acquisition and customer migration project (+R\$ 190 thousand in 4Q23, +R\$ 2.1 million in 3Q23, +R\$ 16.3 million in 2Q23, +R\$ 12.5 million in 1Q23, +R\$ 25.2 million in 4Q22 and +R\$ 15.4 million in 3Q22), PIS/COFINS credits generated in the intercompany contract with Cozani (-R\$ 17.7 million in 1Q23 and -R\$ 13.5 million in 4Q22), FUST/FUNTEL expenses related to the intercompany agreement with Cozani (+R\$ 886 thousand in 1Q23 and +R\$ 7.1 million in 4Q22), expenses with specialized legal and administrative services (+R\$ 1.1 million in 3Q23, +R\$ 1.1 million in 2Q23, +R\$ 8.3 million in 4Q22, +R\$ 8.6 million in 3Q22, +R\$ 50.3 million in 2Q22 and +R\$ 8.4 million in 1Q22), payroll expenses related to the acquisition of Oi Móvel (+R\$ 8.4 million in 3Q23 and +R\$ 11.8 million in 1Q22) and expenses with the price adjustment from the sale of control over I-Systems (+R\$ 1.9 million in 4Q22 and +R\$ 14.6 million in 3Q22).
- (3) EBITDA normalized according to the items indicated in the Revenue (+R\$ 41.0 million in 1Q23 and +R\$ 49.6 million in 4Q22) and Costs (-R\$ 303.2 million in 4Q23, +R\$ 11.6 million in 3Q23, +R\$ 17.4 million in 2Q23, -R\$ 4.4 million in 1Q23, +R\$ 28.9 million in 4Q22, +R\$ 38.6 million in 3Q22, +R\$ 50.3 million in 2Q22 and +R\$ 20.3 million in 1Q22). EBITDA-AL Normalized by towers decommissioning penalties (-R\$57.0 million in 2Q23, -R\$98 million in 3Q23 and -R\$83 million in 4Q23).
- (4) Net income normalized according to the items indicated in the Revenue, Costs and Net Financial Result sections, described above, and by non-recurring items in Income Tax and Social Contribution: impact of deferred and current taxes on the result generated by the incorporation of revenue from the closing price adjustment agreement for Oi's mobile assets (+R\$ 93.8 million in 4Q23), tax credits related to the intercompany agreement with Cozani (-R\$ 8.2 million in 1Q23 and -R\$ 14.7 million in 4Q22) and other tax effects (-R\$ 64 thousand in 4Q23, -R\$ 3.9 million in 3Q23, -R\$ 5.9 million in 2Q23, -R\$ 4.2 million in 1Q23, -R\$ 12.0 million in 4Q22, -R\$ 13.1 million in 3Q22, -R\$ 17.1 million in 2Q22 and -R\$ 6.9 million in 1Q22).



RECORD-HIGH NUMBERS ACROSS THE BOARD

Highest Service Revenues¹

R\$ 23.1 Bln

(+10.7% YoY in 2023)

Best Capex on Revenues¹
Ratio

18.9%

Highest EBITDA¹

R\$ 11.7 Bln

(+14.2% YoY in 2023)

Highest Net Income¹

R\$ 2.7 Bln

(+50.4% YoY in 2023)

Highest EBITDA¹ Margin

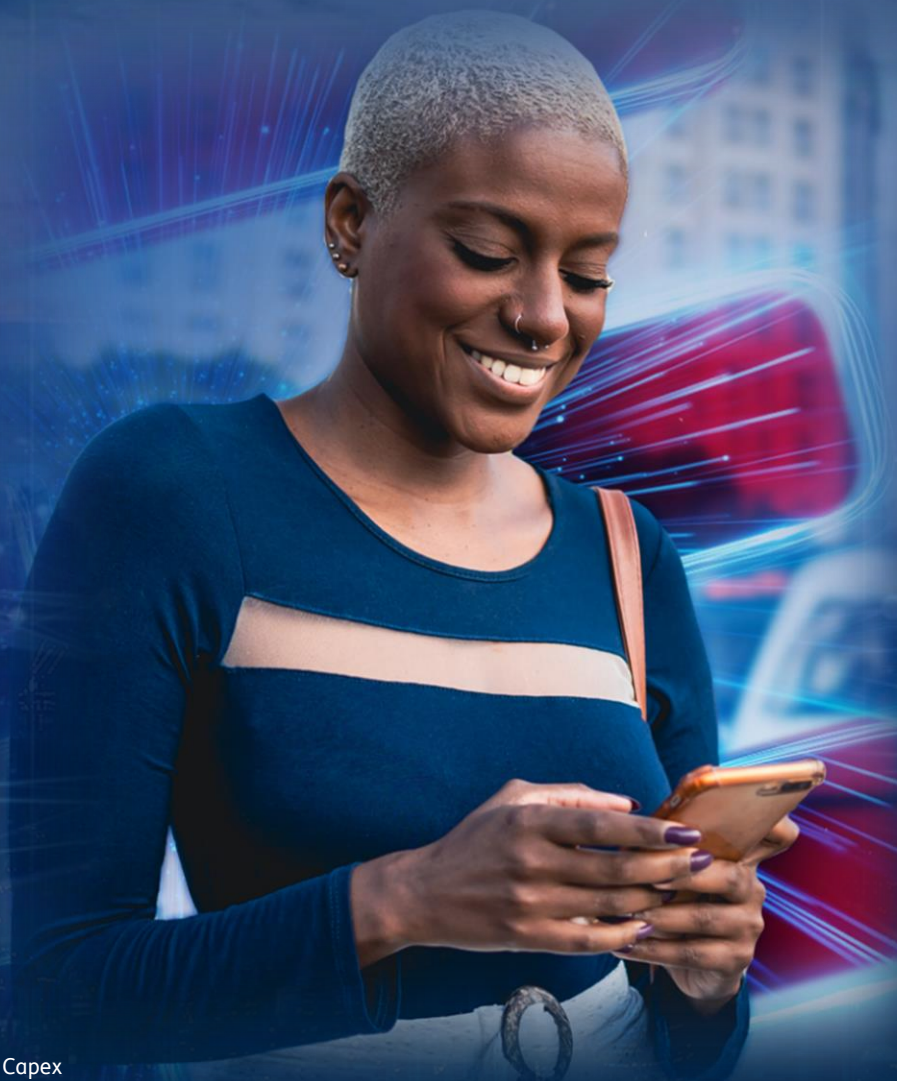
48.9%

(+1.5p.p. YoY in 2023)

Highest OpFCF²

R\$ 4.2 Bln

(+58.2% YoY in 2023)



(1) Normalized for the effects detailed in slide 2; (2) OpFCF calculated as EBITDA-AL - Capex



SUPPORTED BY THE BEST VALUE PROPOSITION TO OUR CUSTOMERS...

BEST SERVICE

Delivering improvements towards **customer experience excellence**

+8.1p.p.

Improving clients **Digital Interactions**¹ YoY in 2023

Best

in class **in all resolution's rankings** (PROCON-SP, Reclame Aqui and Anatel)⁴

+43%

Improvement of **Human Interaction NPS** in Call Center YoY in 4Q23

BEST NETWORK

Consolidating our leadership in **network quality in Brazil**

1st

Operator that covers **all 5,570 cities in Brazil** with 4G



The MOST awarded³ network:

1. Network **Consistency Quality Index (ECQ)**;
2. **1st place** in 7 of the 13 items evaluated

The LARGEST coverage

209 cities covered by 2023, **+36** cities² vs. 1st player and **+11** cities² vs. 2nd

BEST OFFER

Leveraging **innovation** through new partnerships



1st in LatAm to launch a **trial offer**, encouraging the usage of the best 5G network

Strategic partnership where **recharges gives cashback** to be used in "Zé Delivery" app



First and only operator in Brazil to embed **Apple One** on its plans

Offering **health services** through "Cartão de Todos" partnership



(1) Includes interactions in app and bot; (2) Source: Teleco 2023 ([click here](#)); (3) Sources: Teletime ([click here](#)) and Tudocelular ([click here](#)); (4) Sources: Procon-SP ([Click here](#)), Reclame Aqui ([Click here](#)) and Anatel ([Click here](#)).



OUR BUSINESS ENABLING NEW POSSIBILITIES FOR SOCIETY

NEW INITIATIVES PROVIDING ECONOMIC AND SOCIAL IMPACTS

+4.7k km
of highways covered, serving drivers and communities

+1.3 Mln
People being impacted by our 4G coverage in the countryside, connecting public schools and basic health units

>120k
TIM customers already downloaded “Tutti Saúde” App, **innovating access to health at an affordable cost**



Instituto 

10 YEARS

of **TIM Institute**, where more than 700k people were benefited through educational and social initiatives



New Partnership for Social Venture

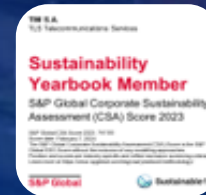
NATIONAL AND INTERNATIONAL ACKNOWLEDGEMENTS

A Great Place to Work Brasil (12th place)



Only Telco in Latin America in CDP's A List (Maximum Score)

ESG Industry Top-Rated company by Morningstar's Sustainalytics



Corporate Sustainability Benchmark by S&P Global (3rd consecutive year)

16
years
ISEB3

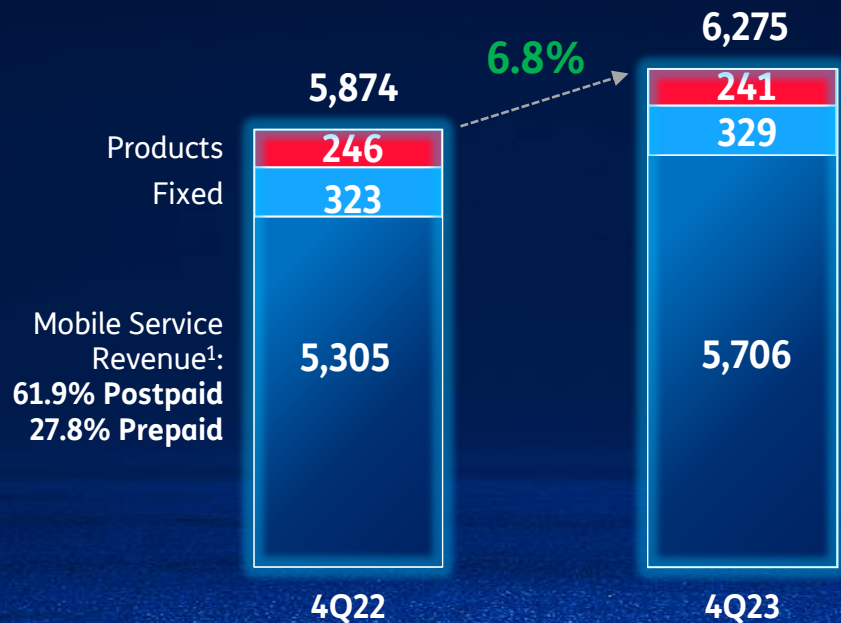
the TLC company for the most consecutive years in the **B3 sustainability index**



A SOLID PERFORMANCE IN THE QUARTER ENSURED A STRONG PERFORMANCE FOR THE YEAR

TOTAL NET REVENUE WITH SOUND GROWTH BOOSTED BY MOBILE

(Normalized¹ Net Revenue in R\$ Mln; %YoY)



Service Net Revenue

up by **7.2%** YoY in 4Q23

Mobile Service Net Revenue

up by **7.6%** YoY in 4Q23

Net Revenue¹

+10.6% YoY in 2023

Service Revenue¹

+10.7% YoY in 2023

Mobile Service Revenue¹

+11.1% YoY in 2023

B2B contracted Revenue

+36% YoY in 2023, totaling R\$ 198 Mln

TIM UltraFibra Revenue

+9.7% YoY in 2023

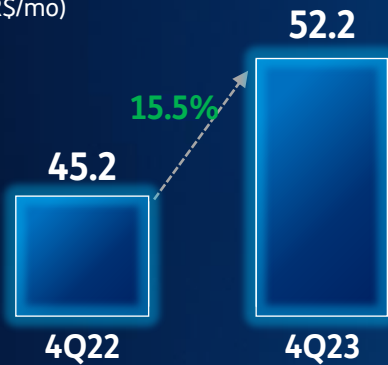
(1) Normalized for the effects detailed in slide 2.



THE BEST VALUE PROPOSITION IS BOOSTING MOBILE PERFORMANCE IN ALL FRONTS

POSTPAID: 4th Quarter confirms one of the best organic performances

ARPU (EX-M2M)
(R\$/mo)



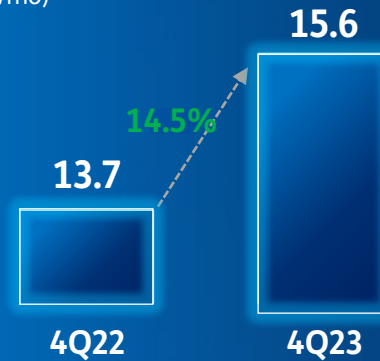
+7.4%
Postpaid Revenue
YoY in 4Q23

+15.4%
Postpaid ARPU
(EX-M2M) Growth
YoY in 2023

+11.8%
Postpaid Revenue
YoY in 2023

PREPAID: Growth sustained by offer evolution

ARPU
(R\$/mo)



+4.1%
Prepaid Revenue
YoY in 4Q23

+12.5%
Prepaid ARPU
growth YoY in
2023

+10.5%
Prepaid Revenue
YoY in 2023

Improving customer base profile by focusing on higher-value plans

-0.8%

Postpaid ex-M2M churn rate² in 4Q23

+21.3%

Increase in migration prepaid -> postpaid¹ YoY in 4Q23

+6.6%

Increase in migration control -> pure postpaid¹ YoY in 4Q23

+8.5%

Increase in spending on prepaid YoY in 4Q23

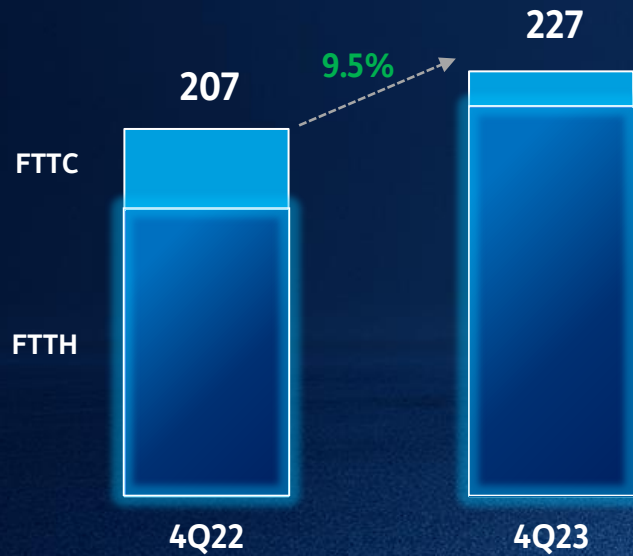
(1) Consumer Postpaid; (2) Without Migration.



OUR SELECTIVE APPROACH ENABLES THE CONSISTENT GROWTH PACE

SUSTAINING THE PACE...

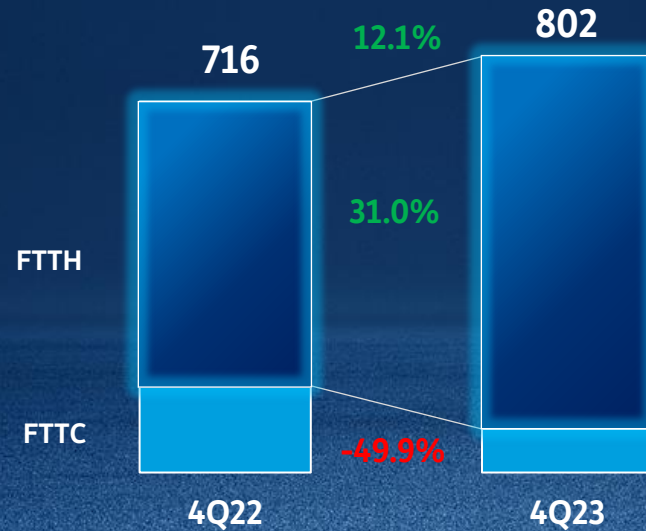
(Revenue in R\$ Mln; %YoY)



+9.7% of growth in 2023

DRIVEN BY A FTTH-CENTERED STRATEGY

(Customer Base in '000; %YoY)



FTTH net adds totaled **+170k** and
ARPU reached **R\$94** in 2023

PERFORMANCE MAINTENANCE

- More than **800K** Customers (+12.1% growth YoY in 4Q23)
- Presence in more than **130 cities** (+220% growth YoY in 4Q23), with the launch in Paraná and expansion in Santa Catarina
- FTTH expansion as a core**, adding 59k new customers in Paraná and 13k in Santa Catarina in 2023
- Focus on High-Speed plans, with **69%** of our customer base in plans above or equal to **300Mbps**





STRONG REVENUE PERFORMANCE SUPPORTING ANOTHER OUTSTANDING MARGIN RESULT

(Normalized¹ EBITDA in R\$ Mln; %YoY)

SOLID EXECUTION DROVE A ROBUST EBITDA GROWTH WITH MARGIN EVOLUTION



EBITDA¹ 14.2% YoY in 2023	EBITDA Margin¹ 48.9% in 2023 (+1.5 p.p. YoY)
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- 4Q23 Opex: +6.2% YoY, driven by:
 - higher international roaming costs, with the inclusion of new package offers for post-paid plans;
 - higher COGS due to loyalty strategy using subsidies for high value customers.
- 2023 Opex: +7.4% YoY, driven by:
 - higher costs with international roaming;
 - higher COGS due to loyalty strategy using subsidies;
 - higher personnel costs due to salaries readjustment;
 - more provisions related to tax and civil contingencies.
- Temporary Service Agreement with Oi ended in April, summing ~R\$ 85 Mln in 2023.

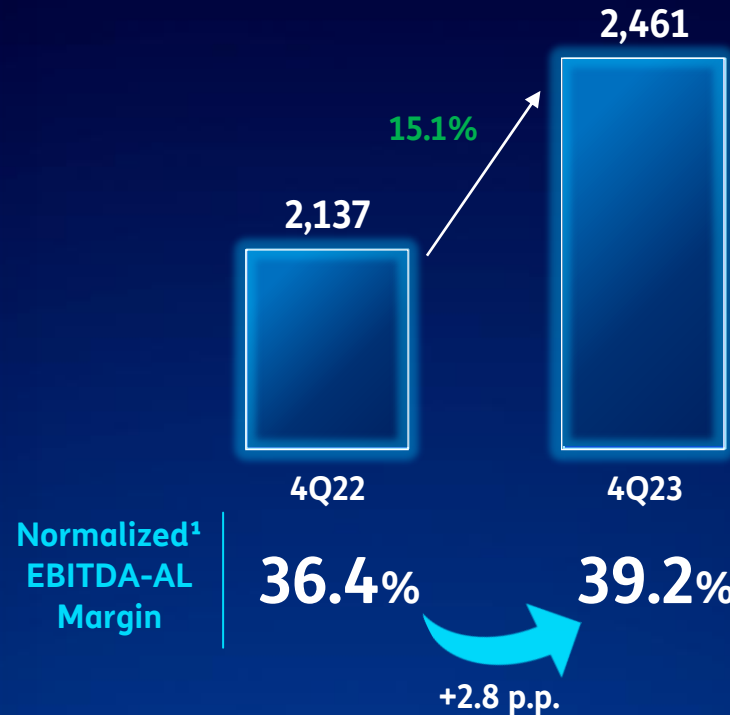
(1) Normalized for the effects detailed in slide 2.



ACCELERATED EXECUTION OF TOWERS DECOMMISSIONING BOOSTS EBITDA-AL EXPANSION

EBITDA-AL CONTINUES IN A HIGH-SPEED PACE

(Normalized¹ EBITDA-AL in R\$ Mln; %YoY)



Normalized¹ EBITDA-AL Margin

EBITDA-AL¹
18.0% YoY in 2023

EBITDA-AL Margin¹
36.6% in 2023
(+2.3 p.p. YoY)

- Decommissioning penalties totaled R\$ 83 Mln in 4Q23 and R\$ 238 Mln in 2023.
- Lease Costs decreased R\$ 104 Mln YoY in 4Q23 and increased R\$ 114 Mln YoY in 2023, since the benefit of decommissioning starts in 2Q.
- 4.4k sites** were physically uninstalled and **~3.8k sites** had its contracts cancelled.

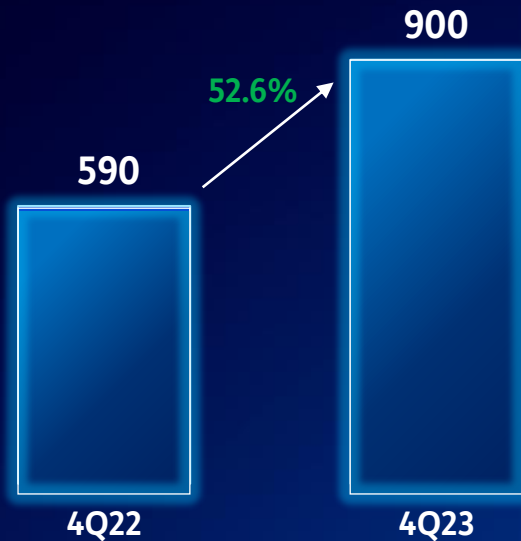
(1) Normalized for the effects detailed in slide 2.



A SMART OPERATIONAL EXECUTION LED TO A STRONG NET INCOME AND THE HIGHEST SHAREHOLDER REMUNERATION EVER

ROBUST NET INCOME GROWTH PERFORMANCE

(Normalized¹ Net Income in R\$ Mln)



Following the main effects of the quarter:

- **D&A (-5.8% YoY):** Leases reduction totaled R\$ 145 Mln YoY in 4Q23 and shows an improvement in QoQ of 14.8% vs. 3Q23.
- **Net Financial Results (+28.6% YoY):** Interests on lease was lower, +R\$ 44 Mln YoY in 4Q23, offset by lower interest capitalization and by lower C6 mark to market impact.
- **Taxes (-76.2% YoY):** R\$ 655 Mln of IOC approved in 4Q23 benefited the tax shield.

In 2023, we reached a **Net Income¹ of R\$ 2.7 Bln,**
a growth of **+50.4% YoY**

A NEW LEVEL OF SHAREHOLDERS REMUNERATION

(Annual announced shareholders remuneration in R\$ Mln)



- Out of R\$ 2.9 Bln, R\$ 1.6 Bln was already paid as IoC until February 2024.

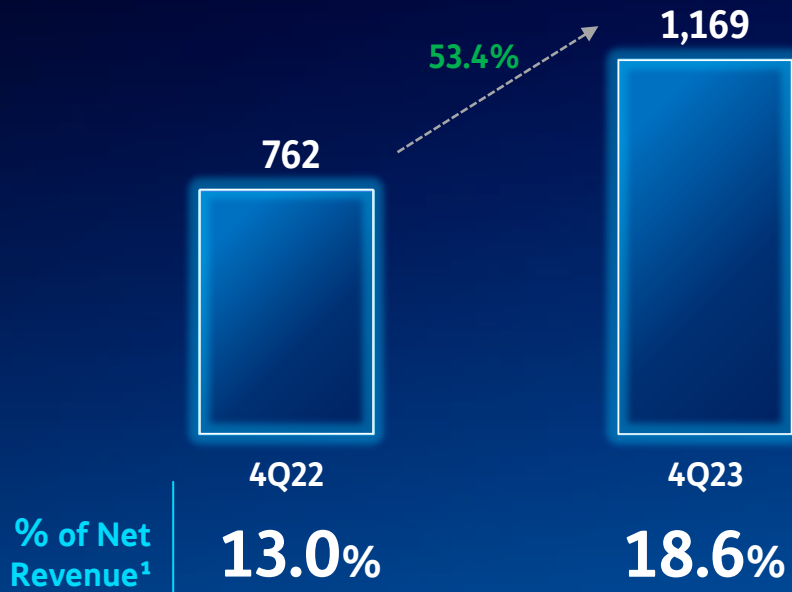
(1) Normalized for the effects detailed in slide 2; (2) Using as base price R\$ 17.15, as closing of 01/16/24 for TIMS3; (3) Subject to approval.



ROBUST OpFCF GROWTH, DRIVEN BY DISCIPLINED CAPITAL ALLOCATION, SUSTAINED A SOLID CASH POSITION

OUTSTANDING OpFCF PERFORMANCE...

(EBTDA¹ After Lease Minus CAPEX in R\$ Mln; %YoY)

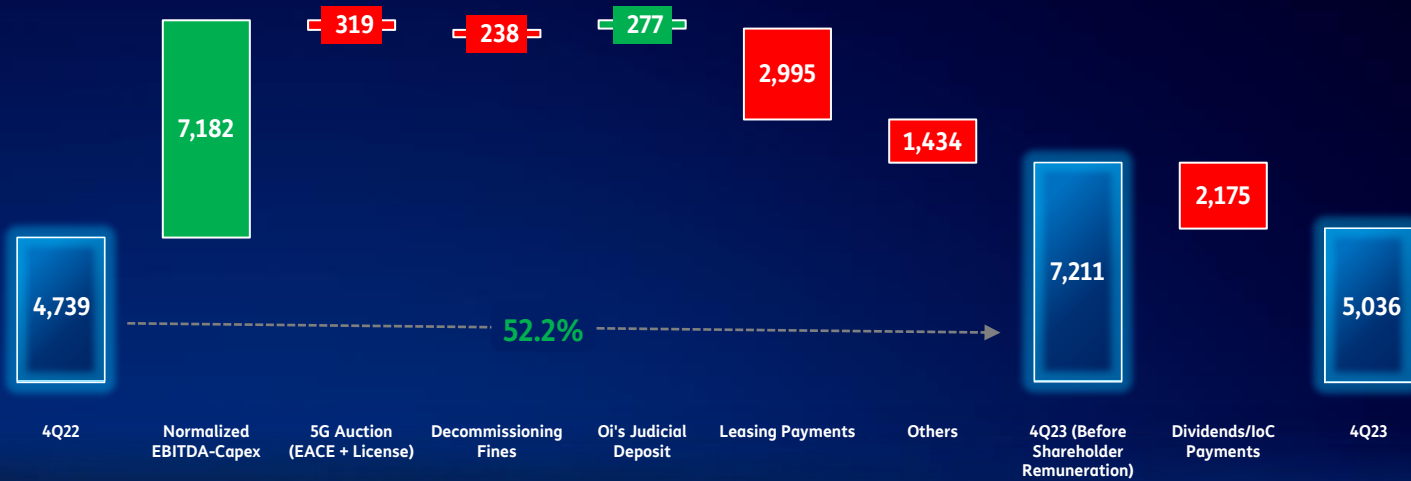


EBITDA¹ AL – CAPEX grew by **+58.2%** YoY in 2023, as % of Net Revenues was **17.8%**

EBITDA¹ – CAPEX grew by **+30.4%** YoY in 2023, as % of Net Revenues was **30.1%**

...AS A KEY DRIVER OF CASH POSITION GROWTH

(Cash³ in R\$ Mln; %YoY)



NET FINANCIAL POSITION AND LEVERAGE

(Net Debt in R\$ Mln)













Net debt of R\$ **11.6 Bln** in 4Q23 (-15.9% YoY)

The amount of R\$ 2.5 Bln related to Fistel (TFF) is still on hold²

(1) Normalized for the effects detailed in slide 2; (2) See Note 22 of the Financial Statements; (3) Cash & Cash Equivalents + Marketable Securities.



YEAR GUIDANCE OVER-DELIVERED, ACHIEVING THE BEST PERFORMANCE IN RECENT HISTORY

GOALS	SHORT-TERM TARGETS (2023)	2023 RESULTS (ACHIEVED)	
 Revenue¹	Service Revenue ¹ Growth: High single-digit YoY	+10.7% YoY	
 EBITDA¹	EBITDA ¹ Growth: Low double-digit YoY	+14.2% YoY	
 Capex	Capex on Revenue ¹ : Ratio < 20%	18.9%	
 EBITDA-AL^{1,2} minus Capex	EBITDA-AL ^{1,2} minus CAPEX Growth: Double-digit YoY	+58.2% YoY	
 Shareholders Remuneration	>R\$ 2.9 Bln	R\$1.6 Bln as IoC R\$1.3 Bln as Dividends³	

(1) Normalized for the effects detailed in slide 2; (2) EBITDA after the payment of leases; (3) Supplementary dividends will be announced in March.



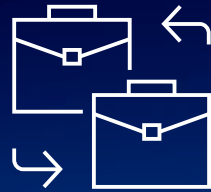
RECAP OF HOW OUR STRATEGY SUPPORTS OUR JOURNEY TO BECOME THE BEST OPERATOR...



MOBILE

Most preferred operator

Cash cow with increasing returns



B2B

Shaping a new market

Exponential growth opportunity



BROADBAND

Profitable growth

Selective approach, keeping our options open



EFFICIENCY

Intrinsic for the business

Strict discipline in capital allocation and expenditure



PEOPLE, SOCIETY AND ENVIRONMENT

We develop our business driven by People, Society and Environment







...DELIVERING CASH FLOW GROWTH AND LEADING TO THE MOST COMPELLING VALUE PROPOSITION FOR INVESTORS





DRIVING NEW POSSIBILITIES, UPDATED PLAN (2024-2026):

GOALS	SHORT-TERM TARGETS (2024)	MID-TERM TARGETS (Until 2026)	
 Revenue¹	Service Revenue Growth: 5% - 7% YoY	Service Revenue Growth (CAGR 23-26): 5% - 6%	Accelerating growth pace as market conditions improve and best value proposition is recognized
 EBITDA¹	EBITDA Growth: 7% - 9% YoY	EBITDA Growth (CAGR 23-26): 6% - 8%	Solid growth pace confirmed with positive margin contribution
 Capex²	Nominal Capex: R\$ 4.4 Bln – 4.6 Bln	Nominal Capex: R\$ 4.4 Bln – 4.6 Bln (per year)	Stable capex maintained with a clear path of infrastructure development
 EBITDA-AL¹ minus Capex	EBITDA-AL ¹ minus CAPEX Growth: Double-digit YoY	EBITDA-AL ¹ minus CAPEX Growth (CAGR 23-26): Double-digit	Fast growth pace confirmed with relevant margin expansion
 Shareholders Remuneration³	Will be disclosed in Telecom Italia Capital Market Day, on 7th of March		

(1) Normalized Figures; (2) Capex excludes 3rd license renewal and new auctions; (3) Includes IoC, dividends, shares buyback or other applicable instruments . This guidance is subject to the performance of the businesses and the deliberation of the Board of Director.