



2020 Retrospective and Strategic Paths

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Financial results are presented considering impacts from IFRS 16 adoption, unless otherwise indicated.

The normalized numbers reported in this presentation are adjusted by the effects listed in the FY2020 earnings release.



Market guidance 21-23 shows Revenue and EBITDA growth, and positive impact coming from M&A



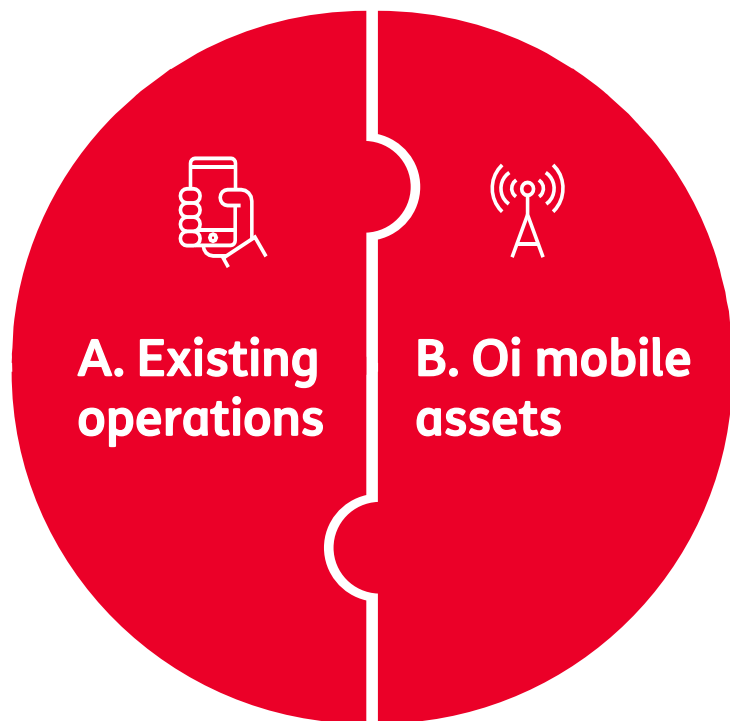
GOALS	SHORT TERM TARGETS (2021)	LONG TERM TARGETS
Revenue Growth Sustainability	Service Revenues Growth: Mid single digit (YoY)	Service Revenues Growth (CAGR '20-'23): Mid single digit standalone <i>High single digit combining Oi's assets</i>
Improve Profitability	EBITDA Growth: Mid single digit (YoY) <i>(Including preparation costs)</i>	EBITDA Growth (CAGR '20-'23): Mid single digit standalone <i>Double digit combining Oi's assets</i>
Infrastructure Development	Capex: ~R\$ 4.4 bln <i>(including preparation investments)</i>	Capex (cumulated 2021-'23): ~R\$ 13.0 bln standalone <i>~R\$ 13.5 bln combining Oi's assets</i> <i>(Capex on revenues declining starting in 2022 combining Oi's assets)</i>
Expand Cash Generation	EBITDA-Capex on Revenues: ~24% <i>(including preparation costs and investments)</i>	EBITDA-Capex on Revenues: ≥ 29% in 2023 combining Oi's assets

What is behind those numbers?

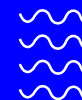


Strategic Plan 2021-23: Building blocks for the future

Events that will be incorporated in
TIM Brasil Strategic Plan numbers



Elements not incorporated in the Plan
numbers



**5G auction
and launch**



**Fiber assets
carve-out**

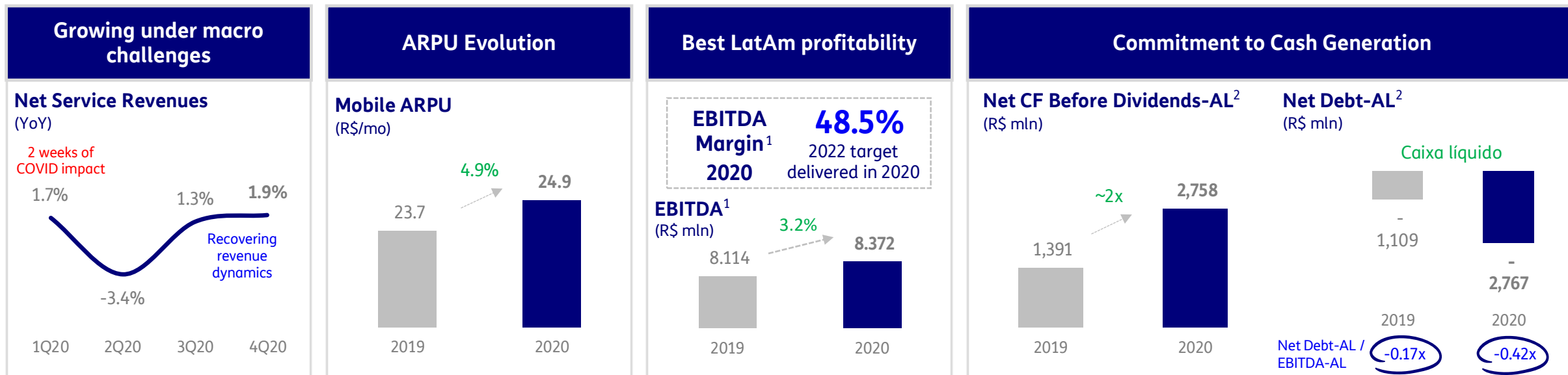
READY

Strategic Plan 2021-23: Building blocks for the future

***A solid 2020 base
to start from***

***Coherent
strategic
path***

Consistent Evolution in a Challenging Year



~26% EBITDA¹-
Capex on Revenues

ARPU growth in
all segments⁴

Right to **1.4%** of C6 Bank
equity stake³

Bad debt back on track **2.3%**
of gross revenues
(-0.7 p.p. YoY)



Signing of Oi's mobile
assets purchase
agreement

Creation of the
Board of Directors
ESG committee

Widest 4G coverage,
best experience and
availability⁴

300+ cities
active under the network
sharing agreement

Our prior plan already pointed to the right direction, combining Evolution and Transformation to develop six strategic pillars

2020-2022 Strategic Plan Framework



2020 plan recap, delivering what we promised

ENABLING INFRASTRUCTURE

Improved network quality and reduced cost to serve

1st 4G coverage and experience

>3 mln FTTH Homes passed

Network Innovation

M-MIMO, 700MHz Refarming,

IT supporting efficiency + CEX improvement

Cognitive IVR

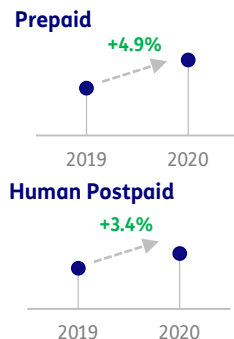


Cloud based solutions

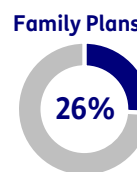


MOBILE EVOLUTION: FROM VOLUME TO VALUE

Consecutive ARPU growth in all segments



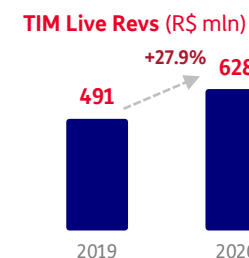
Customer base improvement



2022 churn guidance delivered

SURFING UBB GROWTH OPPORTUNITY

Delivering organic growth and building the path to accelerate

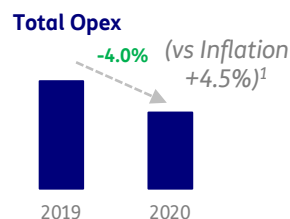


TIM Live customer base (+4.6 p.p. above total market) **645k**

Formal offers received and signing expected for 1Q21 **FiberCo**

TAKING EFFICIENCY TO NEXT LEVEL

Opex below inflation



Digitalization was a pillar for efficiency and CEX

Smart Capex

- Journey2Cloud
- Network Sharing Agreement

-10.5%
Digital-related opex Annual average⁴

NEW SOURCES OF REVENUES

Building an ecosystem of partners to go beyond the core



CONTINUE ESG TRANSFORMATION

B3 sustainability index 13 years in a row

1st Consumer data protection²

TOP ranked in the B3 & S&P ESG index

P90³
Record in employee's engagement



Delivering on guidance commitments: EBITDA Margin, EBITDA-CAPEX, EBITDA-CAPEX on Revenues

***But the telecom market will
change, so how to adapt?***

During the next years, some relevant trends will have structural implications on operators' business model in Brazil, while economy will recover, but still at uncertain pace



Mobile market consolidation



Acceleration in digital consumption



Wave of asset separation



Monetization of Consumer Platform



Paving the way for 5G



IoT and M2M technology

Dynamic

Moving from 5 to 4 after Nextel acquisition and from 4 to 3, after Oi's mobile assets sale is completed

Data demand growth for mobile and fixed, further accelerated by Covid-19

Increasing **initiatives of network separation** (InfraCo vs. ServCo)

Increasing numbers of **digital business leveraging Telco's Consumer Platform** (e.g. digital wallet, data monetization)

Preparation to launch **5G**, with 5G DSS as marketing positioning, auction and vendor analysis

Exponential number of **use cases in several industries** (e.g. agribusiness, connected cars, utilities, health)

Implications and Opportunities

Foster more **balanced competitive landscape** (e.g. pairing spectrum gap)

Revenue growth on data monetization
Increase **pressure** over network **cash costs**
Geographical expansion of fiber

Partnership negotiation to finance **network expansion and modernization**

New revenues sources for telco operators leveraging new digital disruptors (e.g. fintech, data provider, OTT content)

Focus on 5G network rollout with proposed auction framework, **Release 16 as catch up** for the country

Expand business beyond connectivity (e.g. applications, data monetization, implementation)

Adapting the approach but reinforcing the strategic pillars



Strategic Paths



Strengthen the core

Enhance and accelerate the transition from **volume to value**, to sustain mobile business growth, focusing on customer experience

Fill current **infrastructure gap with M&A**, also fostering inorganic growth and capturing potential synergies

Capture **ultrabroadband** market **growth opportunity** with new financial and business models

Build the future

Expand **new sources of value** (e.g. IoT, C6, Mobile Advertising, Customer Data Monetization, Health, Education) leveraging the customer base platform through ecosystem and partnerships

Implement **transformational projects** on infrastructure (e.g. 5G, ORAN, M-MIMO, cloudification)



Transformational Enablers

Boost disruptive efficiencies

Boost **disruptive efficiencies** through digitalization, automation and new operating models, leveraging skills and capabilities enhancement

Strengthen sustainability

Strengthen and consolidate **ESG proposition** making a positive transformation

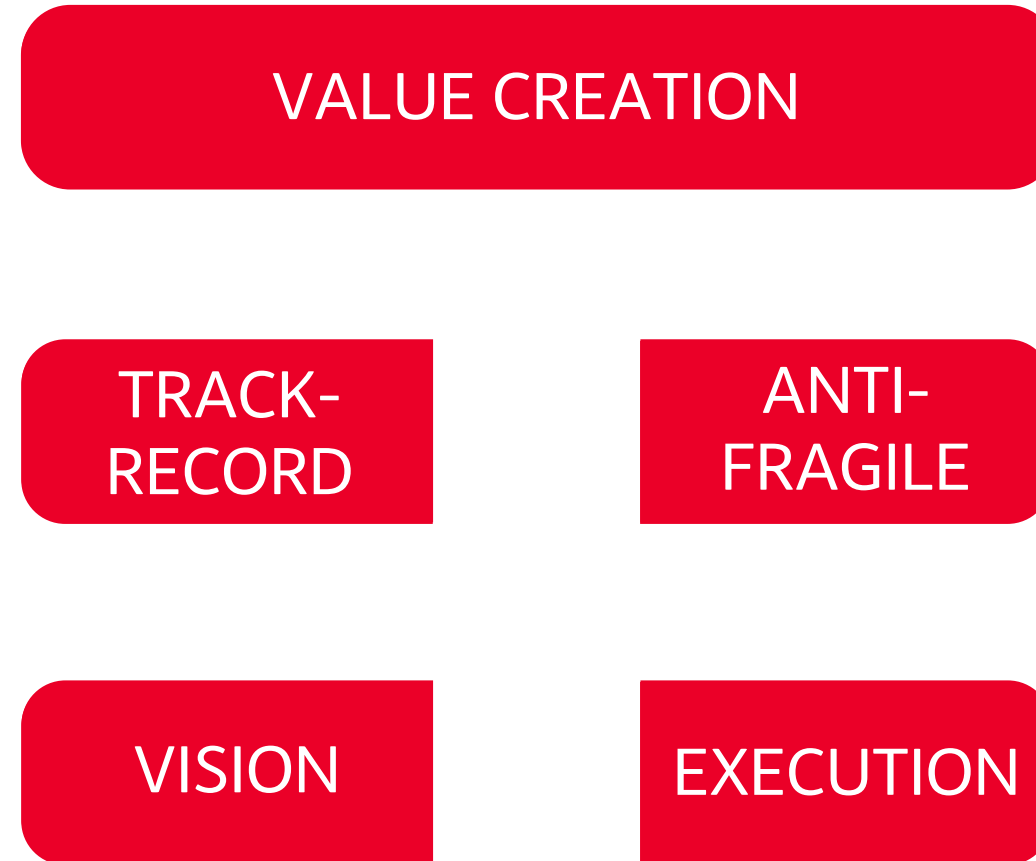


“Imagine as possibilidades”: Our aspirations for 2023 reflect market opportunities and trends





Unique combination to create long-term value





Unique combination to create long-term value

