

Imagine as possibilidades





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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.



Adapting the approach but reinforcing the strategic pillars



Strategic Paths



Strengthen the core

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)



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

Strengthen sustainability

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



Maximizing LTV and developing new sources of revenue: Evolving from Communication Assets to a Consumer Platform

CORE

Strategy focus on increasing customer loyalty through constant service quality improvement.

PRE-2019

Offer advertising channels through SMS/MMS, Data and Top up Rewards and Cashback GB bonus.

2019-2020

Provide a intelligence layer aggregating customer behavior information and insights, for banked and unbanked customers, for multiple uses (e.g. credit scores, fraud detection, id validation).

2020 and beyond

Generate value by combining our customer base, billing capability, communication assets and customer intelligence to become a digital start up enabler.

Consumer **Platform**

Customer Intelligence

Communication assets + Ad spaces

Optimizing customer LTV



Maximizing LTV and developing new sources of revenue: Evolving from Communication Assets to a Consumer Platform

2021

New channels: RCS, Video Push, News and Gaming Distribution.

2021

Target: 20 mln Opt-ins including Geo and TIM Apps. 2021

Model fine-tuning based on lessons learned of the partnership with C6.

Consumer **Platform**

Customer Intelligence

Communication assets + Ad spaces

Optimizing customer LTV



Consumer Platform Ecosystem: Looking for the new unicorns





New

opportunity

Banking

Digital

New opportunity **Digital**

Wallet

Insurance

Smart

Agriculture

BIG DATA & AI



quod



CYBERLABS

ADVERTISING



accenture

Play Pay

.# upstream

New

opportunity

Segmentation Platform

Advertising gamification

Mobile **Advertising**

AGRICULTURE



conectar4GRO







AUTOMOTIVE



FC



Connected car

Credit Score; **Identity**;

Fraud Analysis;

Propension Modelling

> **ENERGY & SMART CITIES**



New opportunity Marketplace

Smart City

Distributed Generation

EDUCATION



New opportunity Distance Learning



New opportunity

Telemedicine

ENTERTAINMENT



New opportunity

Video Content **Platform**



TIM has unique assets and key capabilities that enable the Consumer Platform strategy







Brand awareness and trust





At scale billing and collection capacity of non-credit card transactions





High Frequency interactions in Digital Channels 108 mln visits/mo @MeuTIM, Captive Portal, and TIM apps



Widespread sales channels capillarity in all major cities, call center structures and online presence (~215k POS)

Consumer willingness to participate in data monetization initiatives for giga bonus >12 mln consents in 3 months





TIM Consumer Platform Strategy: A unique approach that can unlock significant value with digital start-ups

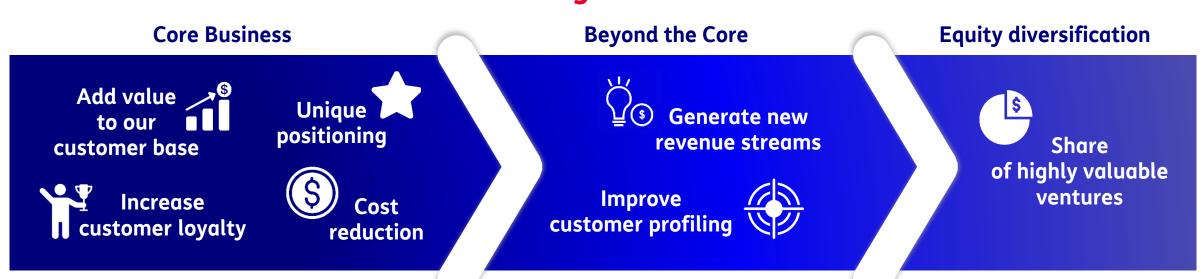
Differentiated Approach

1 Strategic partnerships

Explore industrial synergies beyond simple commercial agreements, speeding up time to market, and lowering execution risk and investment (not in house development).

2 "Best of breed"
Choose high flying players
that have the best chance to disrupt
their industries and generate value.

Where we can generate additional value





Consumer Platform's target markets

FINANCE





First Telco + Digital Bank integrated offer in LatAm

Additional revenue and equity share

Leveraging customer base to **reduce cost**

New digital Stone payment gateway

+500k POS network for recharge and invoice payment

EDUCATION



48 mln people eligible to a university degree

Double-digit CAGR

Until 2025 **Distance Learning** will reach **4.0 mln students** (from 2.1 mln in 2019)

10-18x EV/Ebitda multiples

HEALTH



Low availability

of quality public health services

>150 mln people

Without access to private medical care (~700 mln consultations / year)

Telemedicine

Pandemic changed perception and potential adoption

ENTERTAINMENT



Pay TV low penetration ~21% and decreasing

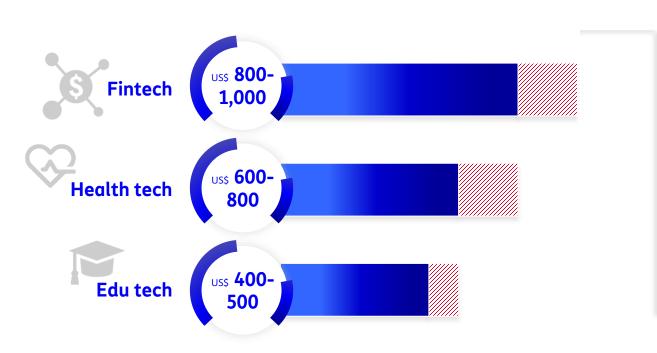
Video and other content platforms

Already popular (Video OTT with 35% penetration, reaching 25 mln households) and growing fast – expected 17% CAGR from 2020 to 2023



The Consumer Platform's target industries have significant market value per client

Enterprise value per client of digital disruptors in Brazil (selected industries)



TIM can leverage its assets to achieve:





