

Guidance 2024-26

Improvement of macroeconomic conditions supports industry growth

Brazil's encouraging macro-outlook reduces risks and supports sector's positive momentum

Market outlook (1)

GDP



Modest but steady growth for the next 3 years (+2% p.y. on average)

Inflation



Downward trend towards central bank target at 3.5% p.y.

Interest Rate



Cuts totaling 325 bps until '26 to reach 8.5% p.y.

FX Rate



Below 5 BRL in '24, around 5 BRL in '25 and '26

Brazil's telecom sector offers great opportunities for an agile player like TIM Brasil

5 → 3 players

market with a much more balanced competitive stance

5G

rollout started with market offering opportunities for data monetization

Mobile



Fragmented market with regional players increased competition levels



Migration to FTTH is still underway offering opportunities

Broadband



A new market that needs to be shaped offer huge opportunities as we close Brazil's infrastructure gap

B2B IoT

Telecom market

TIM Brasil is enjoying the new environment, over-delivering the promises made to the market and outperforming LatAm peers

	SHORT-TERM TARGETS (2023)	2023 RESULTS (ACHIEVED)	
Service Revenue ⁽¹⁾	High single-digit growth YoY	+10.7% YoY	✓
EBITDA ⁽¹⁾	Low double-digit growth YoY	+14.2% YoY	✓
CAPEX ⁽¹⁾	< 20% on net revenue	18.9%	✓
OpFCF ^(1,2)	Double-digit growth YoY	+58.2% YoY	✓
Shareholder Remuneration	>R\$ 2.9bn	R\$ 1.6bn as IoC R\$ 1.3bn as Dividends	✓

Outperforming peers all around ⁽³⁾

- ✓ Fastest top line and service revenues growth
- ✓ Fastest EBITDA annual growth and highest margin
- ✓ Highest annual growth for OpFCF
- ✓ #Among LatAm Top Dividend Yield players

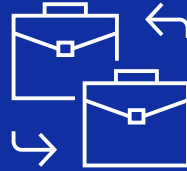
Crafting the next generation TIM with a well-defined strategy



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

Brazilian mobile market is healthier than ever before supporting a more for more strategy

New market dynamics

Valued-based competition increasingly more relevant than volume-based

One of the few large markets with **5 to 3 consolidation**

Market rationality with valued-based competition

Quality perception is the # 1 attribute ⁽¹⁾ used to choose a mobile operator

Service essentiality

High penetration with enrooted impact in daily lives

97% of internet users access it via a mobile device

79% of banking transactions done through mobile ⁽²⁾

Usage opportunity

Low data usage compared to other countries

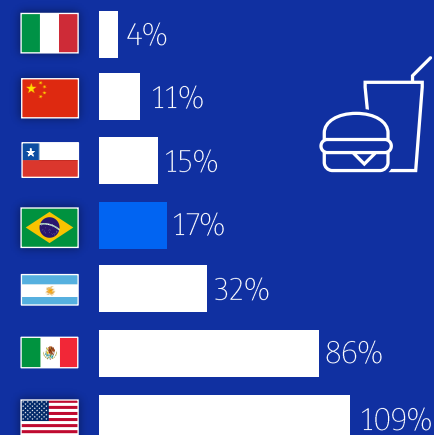
GB/month per connection, 2023 ⁽³⁾



Price affordability

Local cost of 1GB mobile data vs. 1 Big Mac (2022)

Percentage of 1GB of mobile data per 1 Big Mac in local currency ^(4,5)



Uniquely positioned to become the most preferred operator

The **best value proposition** in a value driven market



Best Service

providing the best customer experience

+8.1pp

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

Best in class in all resolution rankings

(PROCON-SP, Reclame Aqui and Anatel) (2)

+43%

Improvement of **Human Interaction NPS** in Call Center YoY in Q4 '23



Best Network

from structural gap to competitive advantage

1st

Operator to cover all 5,570 cities in Brazil with 4G



The MOST awarded(3) network:

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



The BEST 5G Coverage

#1 in 5G (4): 7.8k sites in 209 cities covered (Dec. '23)



Best Offer

innovative offerings and partnerships

Apple One

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



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

Cartão de TODOS

Offering health services through "Cartão de Todos" partnership

Shaping a new B2B market, leveraging our pioneer stance enabling the next wave of productivity for key industries

Brazil's infrastructure gap offers a compelling business opportunity

<20%

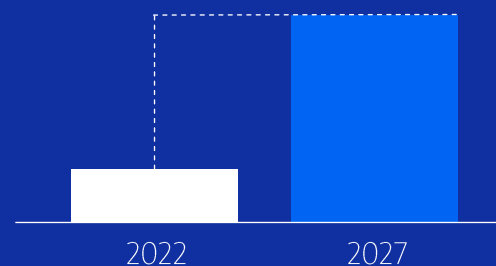
of the territory with network coverage ⁽¹⁾

>90%

of population covered ⁽¹⁾

Our B2B strategy focuses on IoT, while upholding traditional services

IoT
Connectivity Solutions
(HW, SW and services)



4x IoT revenue growth in the next five years ⁽²⁾

Examples of mapped use-cases



On-going

1. IoT Connectivity

Mobile Coverage Private Network



Starting

2A. IoT Solutions beyond Connectivity

Smart lighting Precision agriculture Herd management



Under Construction

2B. IoT Solutions beyond Connectivity (5G based)

Autonomous Operations Video surveillance & Analytics

Our expansion is being fueled by the significant market growth potential to be unlocked across key verticals



Agribusiness

Our achievements

16.6m ha

Current planted area with TIM connectivity

Market potential to explore

350m ha

Total planted and farming area ⁽¹⁾



Logistics

>4.7k km

Roads under concession with TIM connectivity

55k km

Highways being auctioned for mandatory connectivity in a total of 1.7m km of roads



Utilities

150K

Installed smart light poles from TIM

>15m

poles in PPP⁽²⁾ for street lighting until 2026

B2B contracted revenues

~R\$ 425m

Accumulated over the last 2 years

As pioneers, we have compelling reasons to persist in this direction, **molding this emerging market**

...generating growth with **incremental OpFCF margin** and positive social impact to the countryside of Brazil

Projects' social impacts:
Coverage of 349 public schools, 101 health units, 1.3m rural residents

There is a noteworthy potential for broadband expansion,
with TIM having the best value proposition

Market opportunity



~2% share ⁽¹⁾ of ~R\$ 40bn market



~2% share ⁽²⁾ of ~47m clients' market



~11% CAGR ⁽³⁾ Growing at the same
pace of other large Telcos

TIM Brasil has **ROOM** to accelerate
growth if the conditions are right

Best value proposition



Best offer with the highest speed and
best streaming content



Best service with NPS leadership ⁽⁴⁾ and
#1 in OpenSignal consistent quality index



Distinct positioning
driving to the highest ARPU ⁽⁵⁾

TIM Brasil is **READY** to accelerate
at the right moment

Broadband market still fragmented and competitive with convergence never becoming a killer application

Fragmented market with formal regional players

8k



Incentives for regional players results in over 26 different market share leaders in Brazilian area codes...⁽¹⁾

...triggering strong pressure on price per Mbps and driving a declining trend for FTTH ARPU ⁽²⁾

Broadband market share:

Non-integrated players: 63%



Integrated players: 37%

3-play offer cost:

Broadband

Mobile

TV

Average Income representation of the convergent offer price (%) ⁽³⁾



+



+



=



R\$ 270

16.6% share of income ⁽³⁾

Convergence helps churn, but so does content add-ons

Our efficiency leadership is helping to finance our best value proposition to clients and drive value to shareholders



OPEX

Continuous cost efficiency initiatives

Digitalization initiatives

Next generation with AI and GenAI

~14%

% of cost being benefited by traditional digital initiatives

Digital initiatives to improve customer experience while reducing operating costs



LEASE

Decommissioning

Network sharing agreement

100%

Decommissioned sites in 2024

~85% of sites had their contracts cancelled

Financial effects of the remaining 15% will occur in '24



CAPEX

5G Technology

Spectrum Portfolio

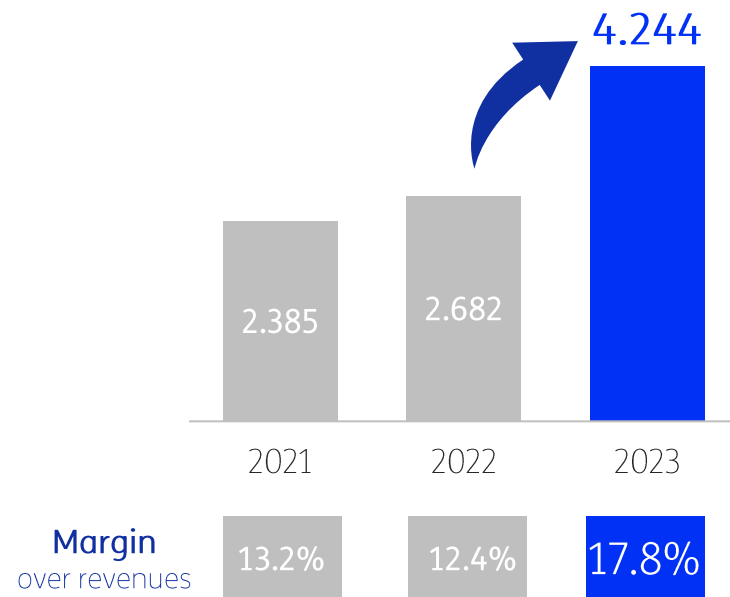
4.6MHz

MHz per client ⁽¹⁾

Highest MHz/client among competitors, keeping CAPEX at sustainable levels

A strong cash generation, reinforcing our financial health and cost control, enabling **higher returns to shareholders** and paving the way for new possibilities

EBITDA AL - CAPEX evolution ⁽¹⁾
(R\$ m)



Building the best value proposition to investors in LatAm

Revenue growth above inflation

MOBILE

More for More strategy
Best value proposition
Customer platform acceleration opportunity

B2B

High growth long-term revenue opportunity

BROADBAND

Focus on healthy business approach

Discipline on cash costs

OPEX

Ordinary cost control initiatives
Digitalization efficiencies
Long-term AI opportunity

LEASES

New approach to tower portfolio management

CAPEX

Benefiting from spectrum portfolio advantage
5G intrinsic efficiency

OpFCF ⁽²⁾ margin expansion is driving our ROIC improvement overtime

Another step in the continuous evolution of our shareholders remuneration ⁽¹⁾ leading to a distribution of **~R\$ 12bn ⁽²⁾ in the next 3 years**

(1) Includes IoC, dividends, shares buyback or other applicable instruments. This guidance is subject to the performance of the business and the deliberation of the Board of Directors

(2) All figures refer to TIM S.A.



Driving new possibilities - Updated plan (2024-'26)

GOALS		SHORT-TERM TARGETS ⁽⁴⁾ (2024)		MID-TERM TARGETS ⁽⁴⁾ (Until 2026)		
	Revenue ⁽¹⁾		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
	EBITDA ⁽¹⁾		EBITDA growth: 7% - 9% YoY		EBITDA growth (CAGR '23- '26): 6% - 8%	Solid growth pace confirmed with positive margin contribution
	Investments (CAPEX) ⁽²⁾		Nominal CAPEX: R\$ 4.4bn – 4.6bn		Nominal CAPEX: R\$ 4.4bn – 4.6bn (per year)	Stable CAPEX maintained with a clear path of infrastructure development
	Operating Free Cash Flow ⁽¹⁾		EBITDA-AL minus CAPEX growth: Double-digit YoY		EBITDA-AL minus CAPEX growth (CAGR '23-'26): Double-digit	Fast growth pace confirmed with relevant margin expansion
	Shareholders Remuneration ⁽³⁾	Remuneration sum (2024-'26): R\$ 11.8bn – 12.2bn				Continuous evolution of cash distribution to investors confirmed