



Warsaw | 26.09.2022

Results summary for the first half of 2022

Krzysztof Folta
Chairman of the Board,
TIM S.A.

Piotr Nosal
Board Member,
Sales Director TIM S.A.

Piotr Tokarczuk
Board Member,
Finance Director TIM S.A.

Maciej Posadzy
Chairman of the Board,
3LP S.A.



AGENDA

About us

Financial Results TIM Group

Sales Results TIM Group

3LP S.A.

Strategic Decisions TIM Group



About us

1957
Wrocławskie Zakłady
Przemysłowe

1998
Wzrost na 200%
Przejęcie przez 3LP SA
Siedziba przenosi się do
Wrocławia

2008
Z Wrocławia do Siechnic
W polskiej grupie grime rusza nowoczesne
centrum logistyczne, które skróciło znacznie
czas dostawy towarów. Wkrótce zacznie
do Siechnic (na 6 lat) przenosi się także
siedziba TIM SA.

2011
Narodziła się Grupa Kapitałowa TIM
TIM SA staje się właścicielem 100% akcji
wrocławskiego przedsiębiorstwa
Przemysłowe Zakłady

2013
Narodził się TIM.pl
Pukała e-sklep TIM SA.
Początkowo pod adresem sklep.tim.pl,
a następnie - www.tim.pl

2014
Rebranding
Pierwsza w historii zmiana logotypu
i identyfikacji wizualnej - symboliczne
podkreślenie przejścia z epoki handlu
tradycyjnego do modelu hybrydowego.
Siedziba powraca do Wrocławia.

2016
Logistyczne zmiany
Rusza pierwsza rozbudowa centrum
logistycznego w Siechnicach. Operatorem
obiektu zostaje 3LP SA - nowa spółka
w Grupie Kapitałowej TIM.

2018
70 x 2
Udział sprzedaży poprzez TIM.pl
w obrotach TIM-u na stałe przekracza
70%. W październiku miesięczne
przychody ze sprzedaży przebijają
barierę 70 mln zł.

TIM Group in brief

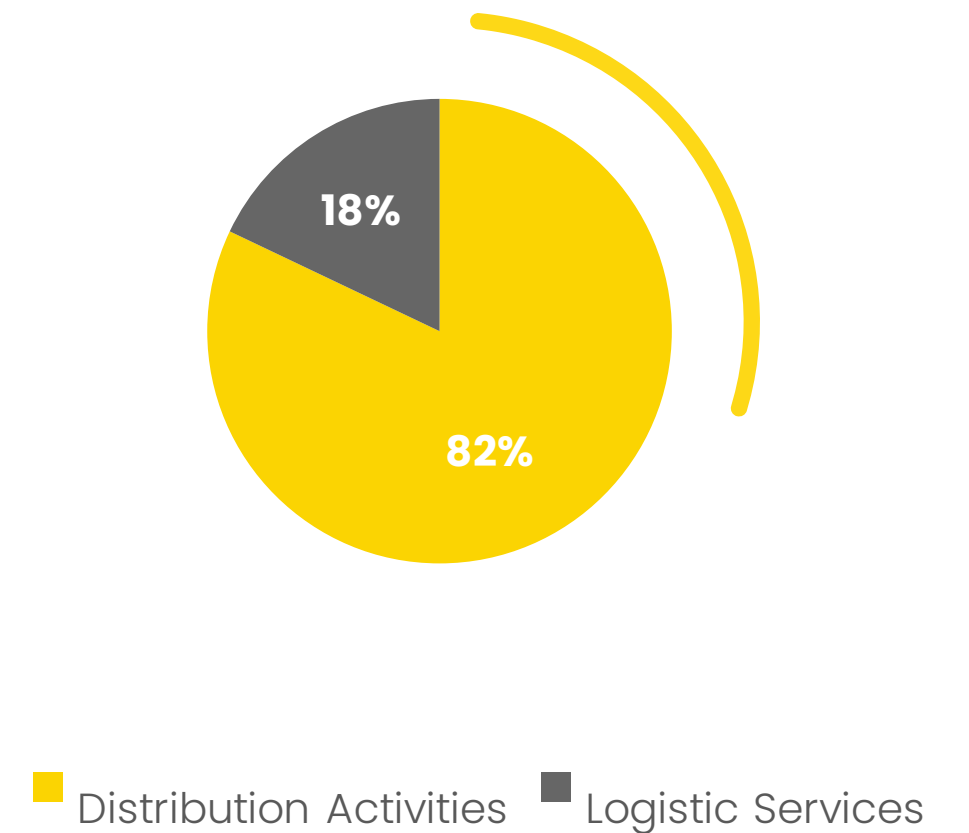


- **E-commerce B2B Leader in Poland**
- Ambitious development plan based on the new development strategy
- Great financial results, „strong” cash flow & negative net interest debt
- Attractive dividend policy



- **Dynamically growing player in the e-commerce services market**
- Investments in the expansion of 3LP space under management, increasing the scale of business in leaps and bounds
- Operational competence and infrastructure specialized in logistics services for the e-commerce sector
- Continued implementation of the development strategy

**EBITDA LTM TIM Group
by business lines:**



Summary of 1H 2022

1

Best financial results 1H in TIM Group's history

- 772 million PLN income (+28% yr/yr)
- 92 million PLN EBITDA (+38% yr/yr)
- 60 million PLN net profit (+40% yr/yr)

2

Completion of work on new long-term strategy of TIM S.A.

- Further development of the e-commerce B2B platform
- Focus on electrical engineering & professional customers
- Financial goals up to 2026: 3 billion PLN income & 250 million PLN EBITDA at TIM S.A.

3

3LP S.A.

- Completion of construction of a new 25,000 sq. m. hall. + installation of shelving and automation
- Preparation for the launch of a branch in Syców.
- Commencement of operations for the client in a 72 thousand sq. m. warehouse in Zelgoszcz.

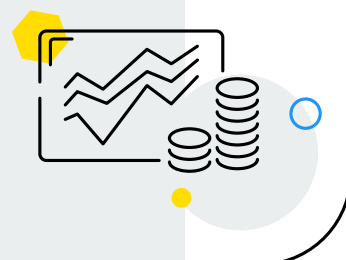


Financial Results TIM Group



Selected Financial Results TIM Group

TIM S.A. – listed on WSE,
parent company to 3LP S.A.



Unit Data LTM:

1 421 MM PLN

Unit Revenue TIM

140 MM PLN

Unit EBITDA TIM

149 MM PLN

Unit Revenue 3LP –
logistics

30 MM PLN

Unit EBITDA 3LP
– logistics

Consolidated Data GK TIM LTM:

Sales Revenues:

1 484 MM PLN

EBITDA:

170 MM PLN

Net Profit:

109 MM PLN

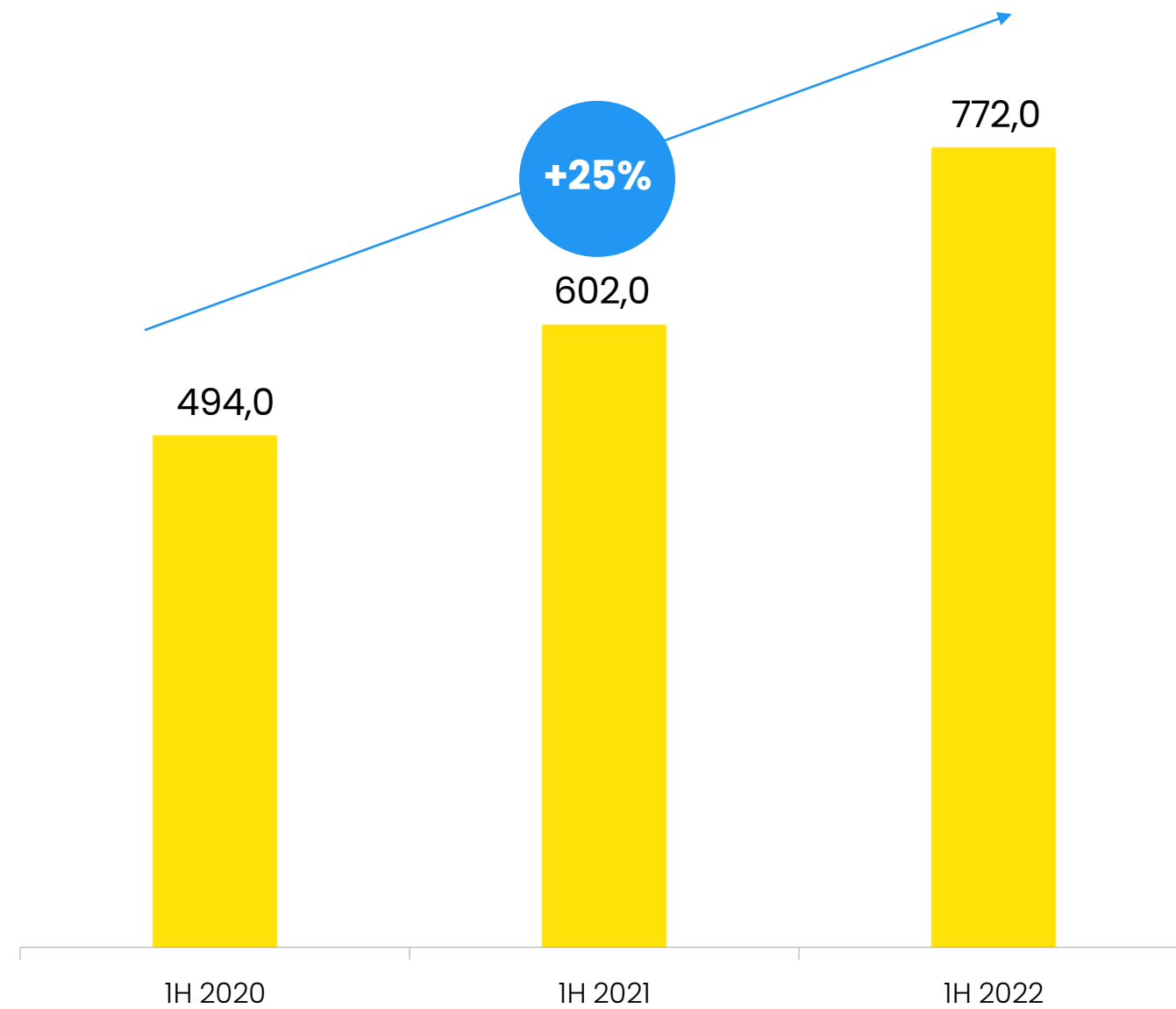
Total Assets*:

706 MM PLN

* Data as of the balance sheet for
30.06.2022

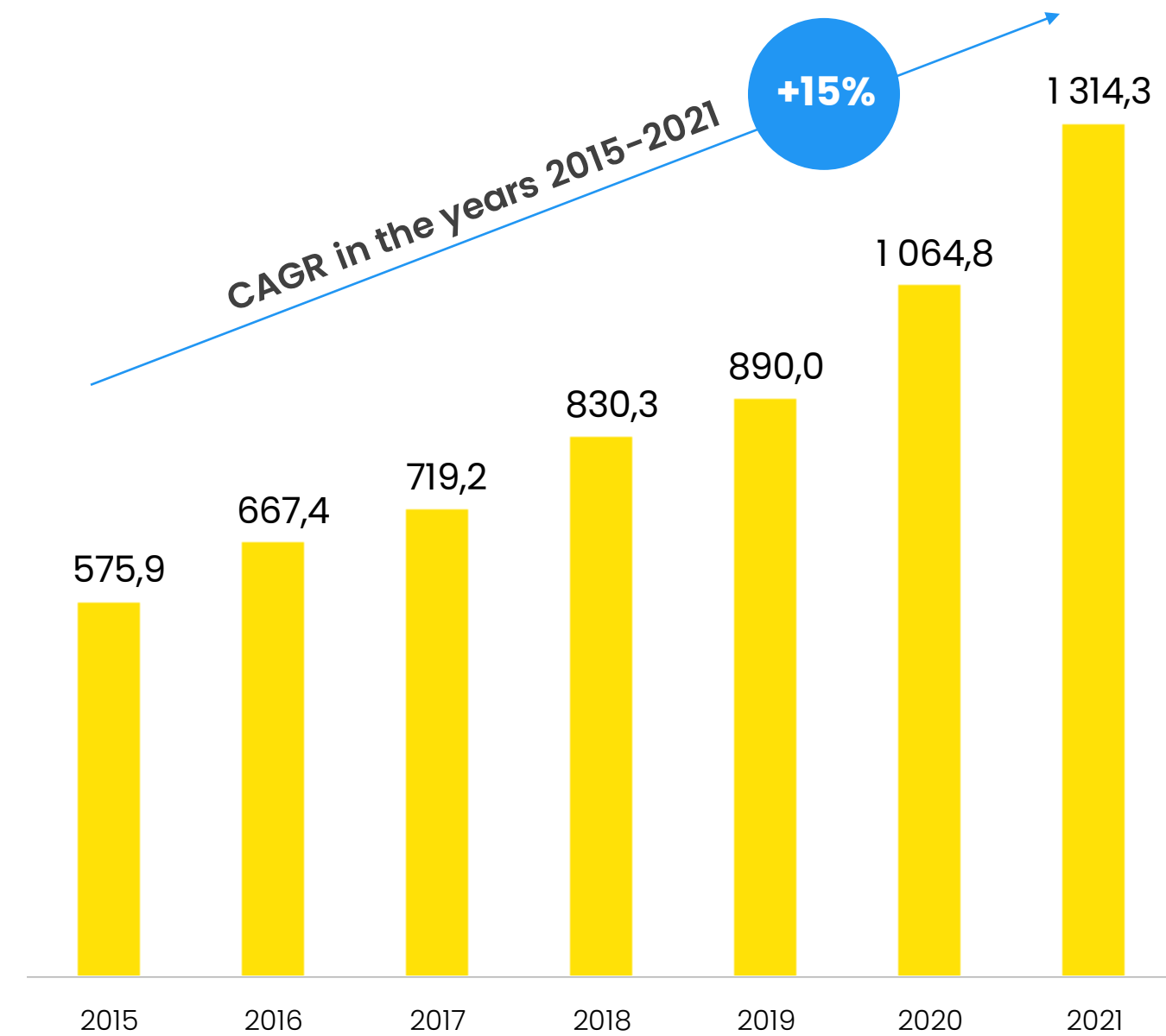
TIM Group – dynamic growth of sales revenue

Sales Revenue (MM PLN)



- After 8 months 2022 (last reported data) TIM S.A. achieved 961 MM PLN revenue (+21,8% yr./yr)

Revenue in the years between 2015–2021 (MM PLN) and their average annual growth

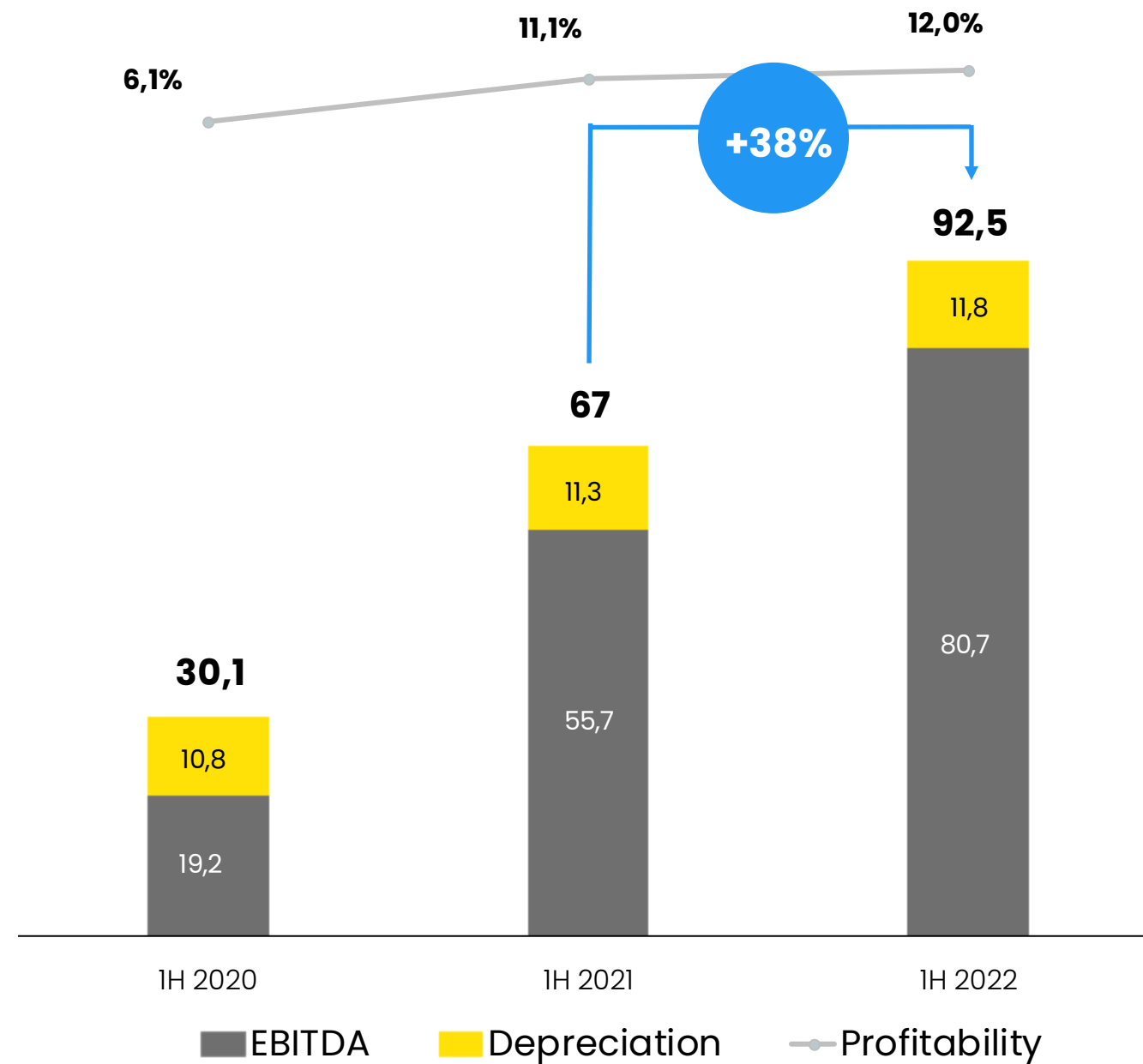


- Turnover more than doubled in 2015–2021 confirms the development ambitions of TIM Group

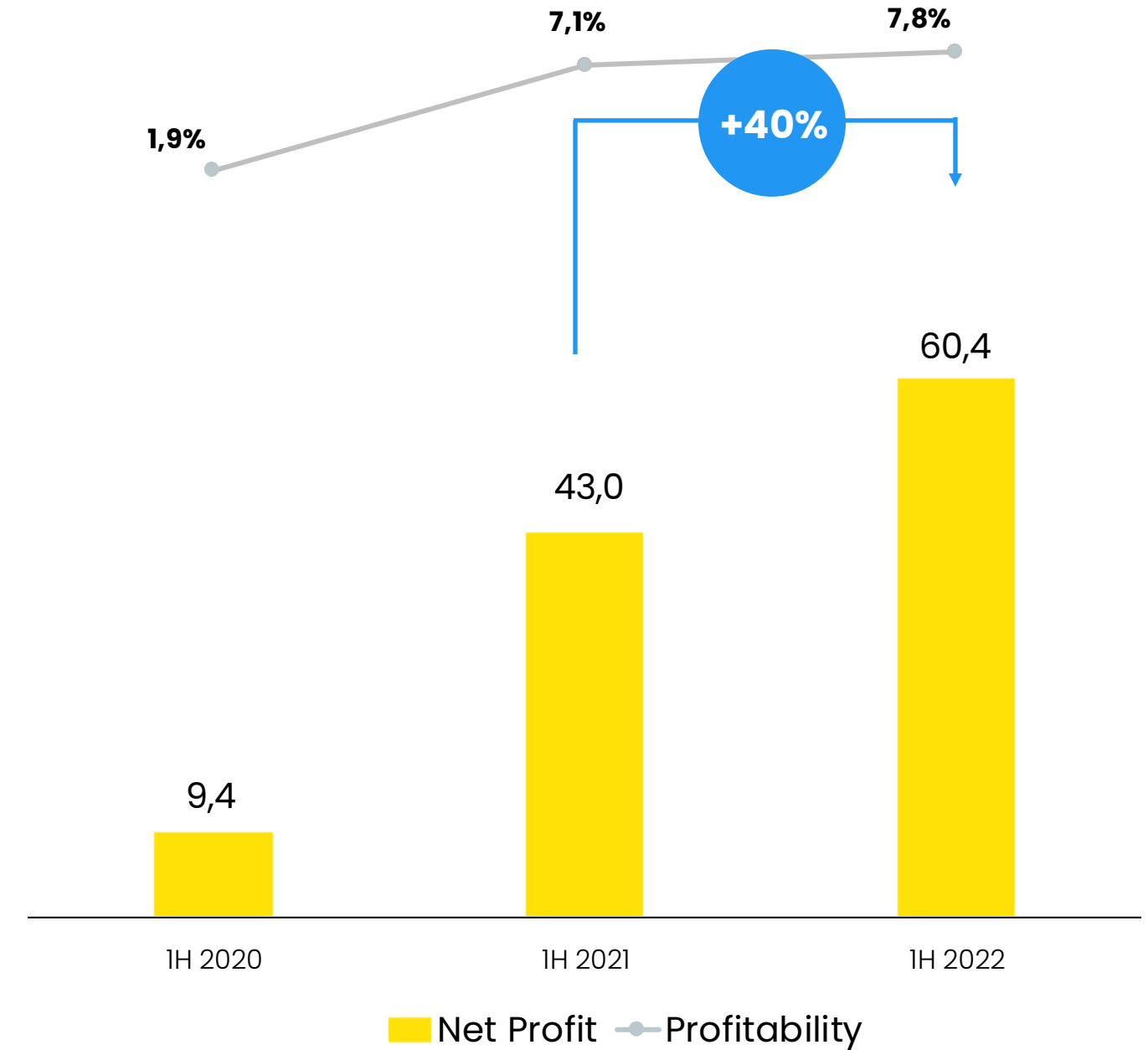


Growth in Profits and Profitability

EBITDA (MM PLN)



Net Profit (MM PLN)



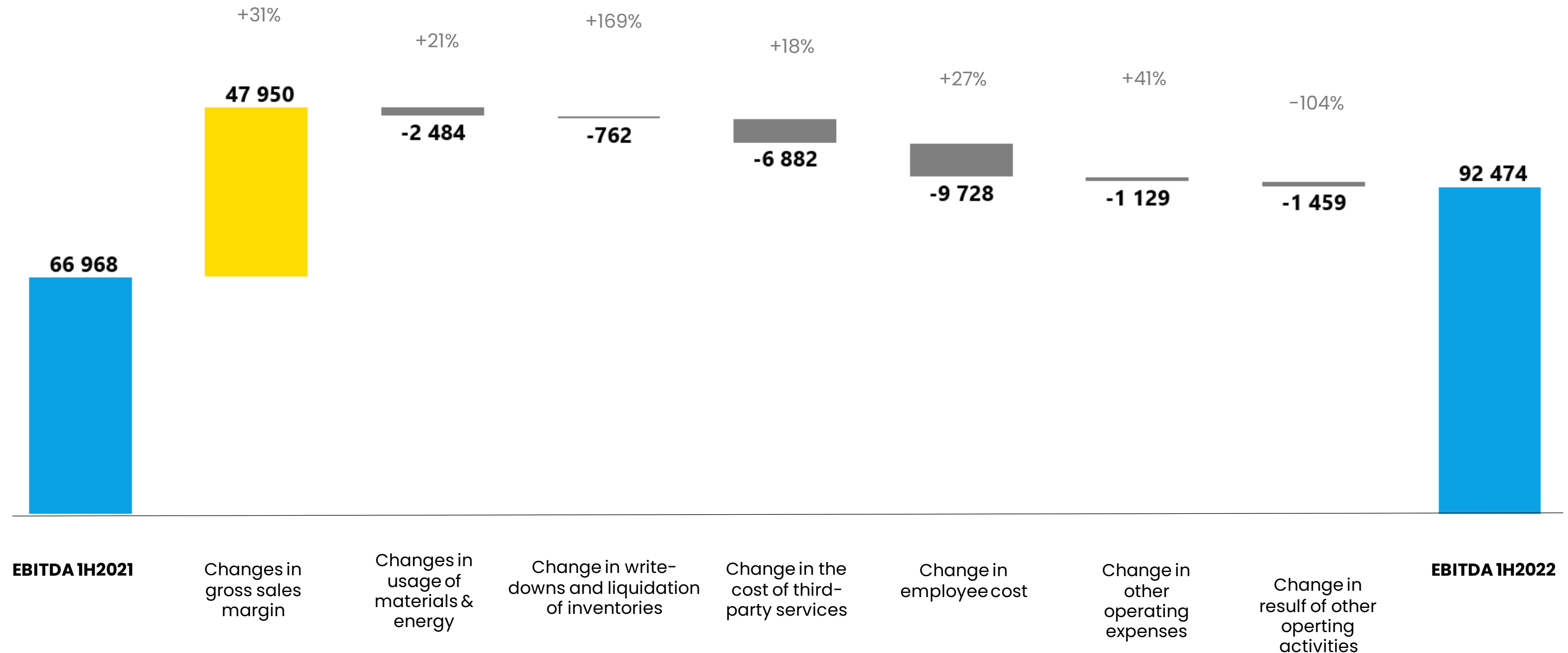
- Continual growth of EBITDA in reportable periods.

- Over 40% growth of the net profit for the first six months of 2022 compared to the same period last year



TIM Group - decomposition of year-on-year change in EBITDA result

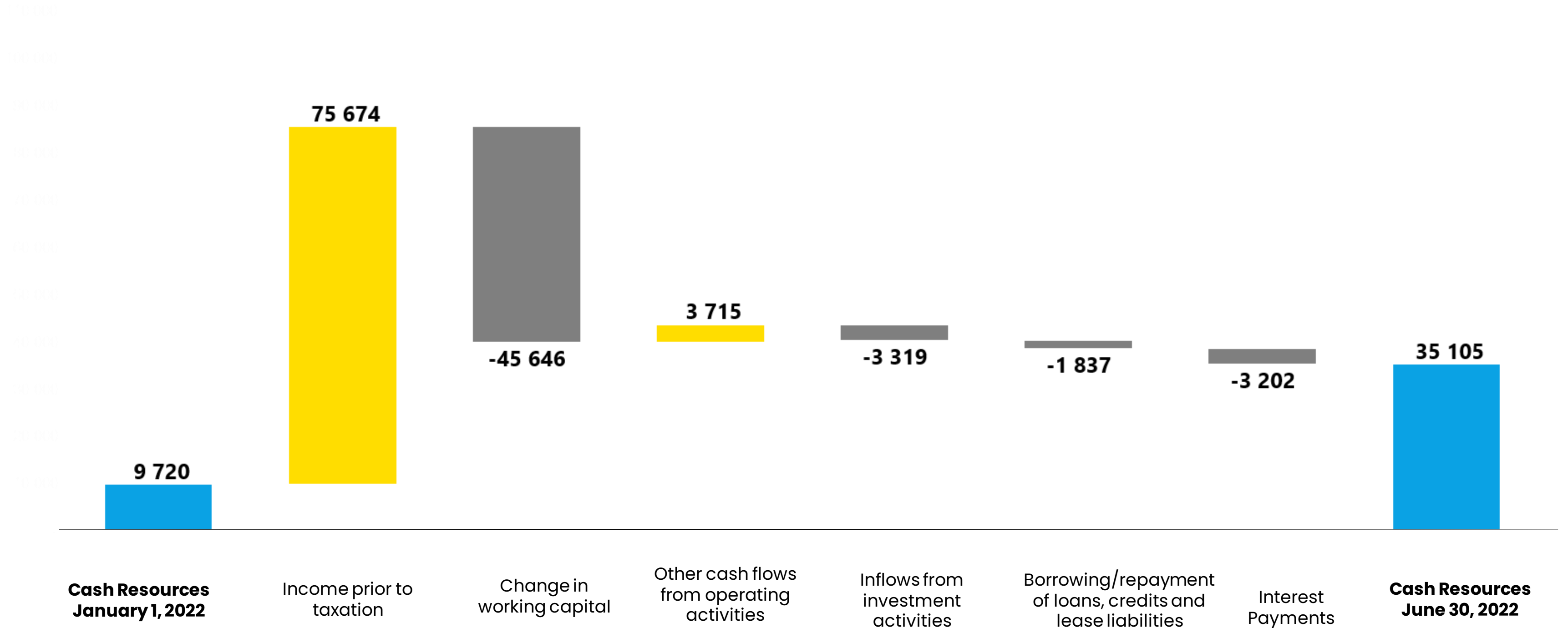
- Increased scale of operations and higher % gross margin on TIM sales (22,7% vs. 21,3%) main factors affecting growth TIM Group EBITDA.





TIM Group – positive cash flow

- High operating profitability allowed to generate 33.7 million PLN of positive operating cash flow





Sales Results TIM S.A.





(e)(m)commerce B2B longerm growth factor

600 bn PLN

The value of the annual market for B2B transactions in Poland concluded online*

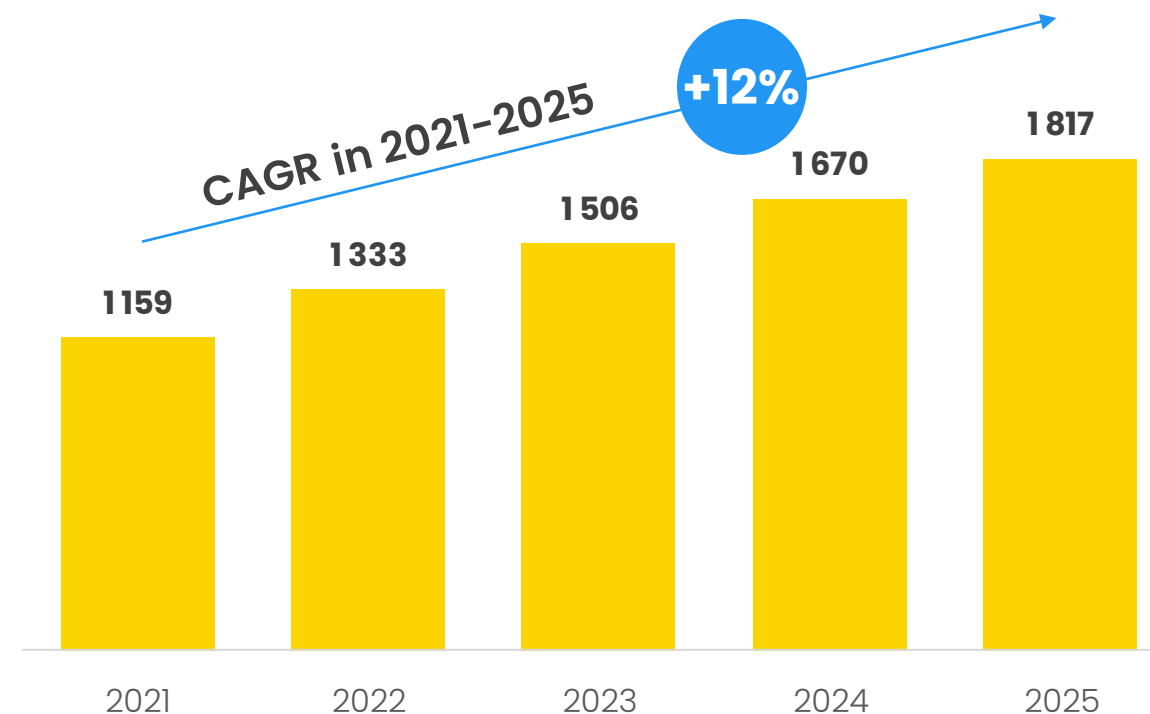
80%

of all sales interactions between companies by the end of 2025 will take place online*

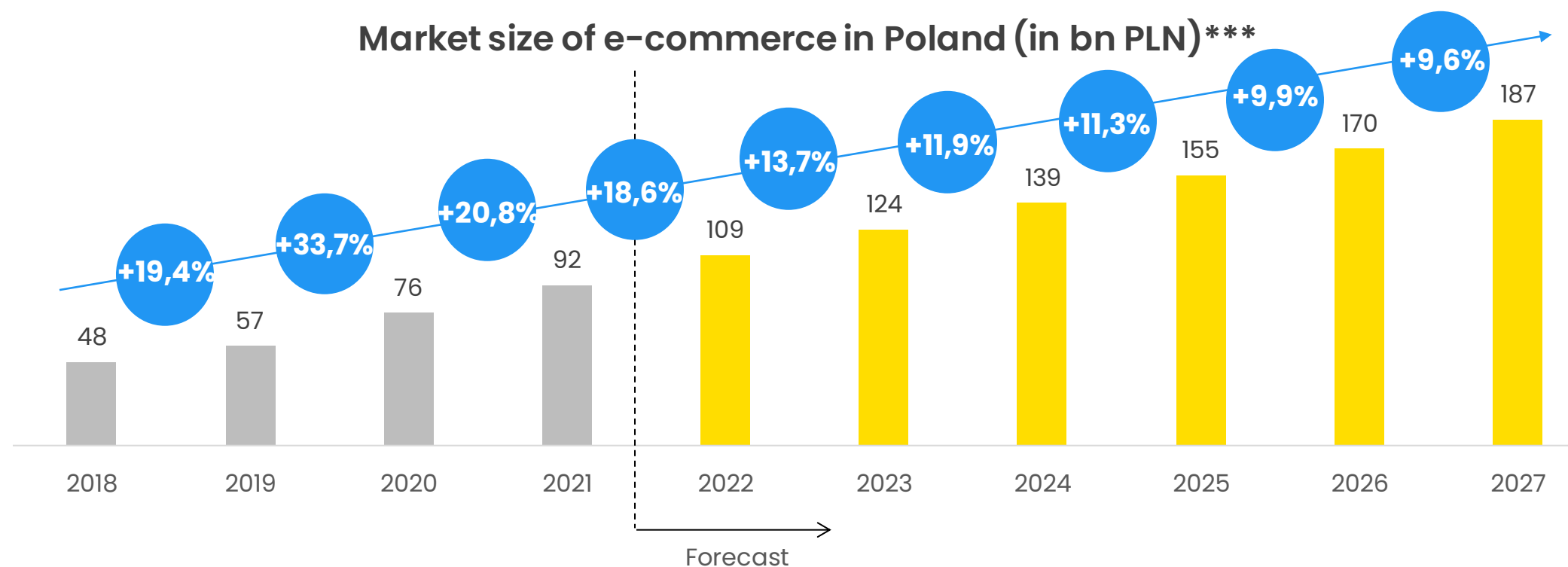
131%

dynamics of sales growth B2B on marketplace platforms in the USA in 2021**

Turnover Prospect for e-commerce B2B in Europe (in bn in USA)**



Market size of e-commerce in Poland (in bn PLN)***



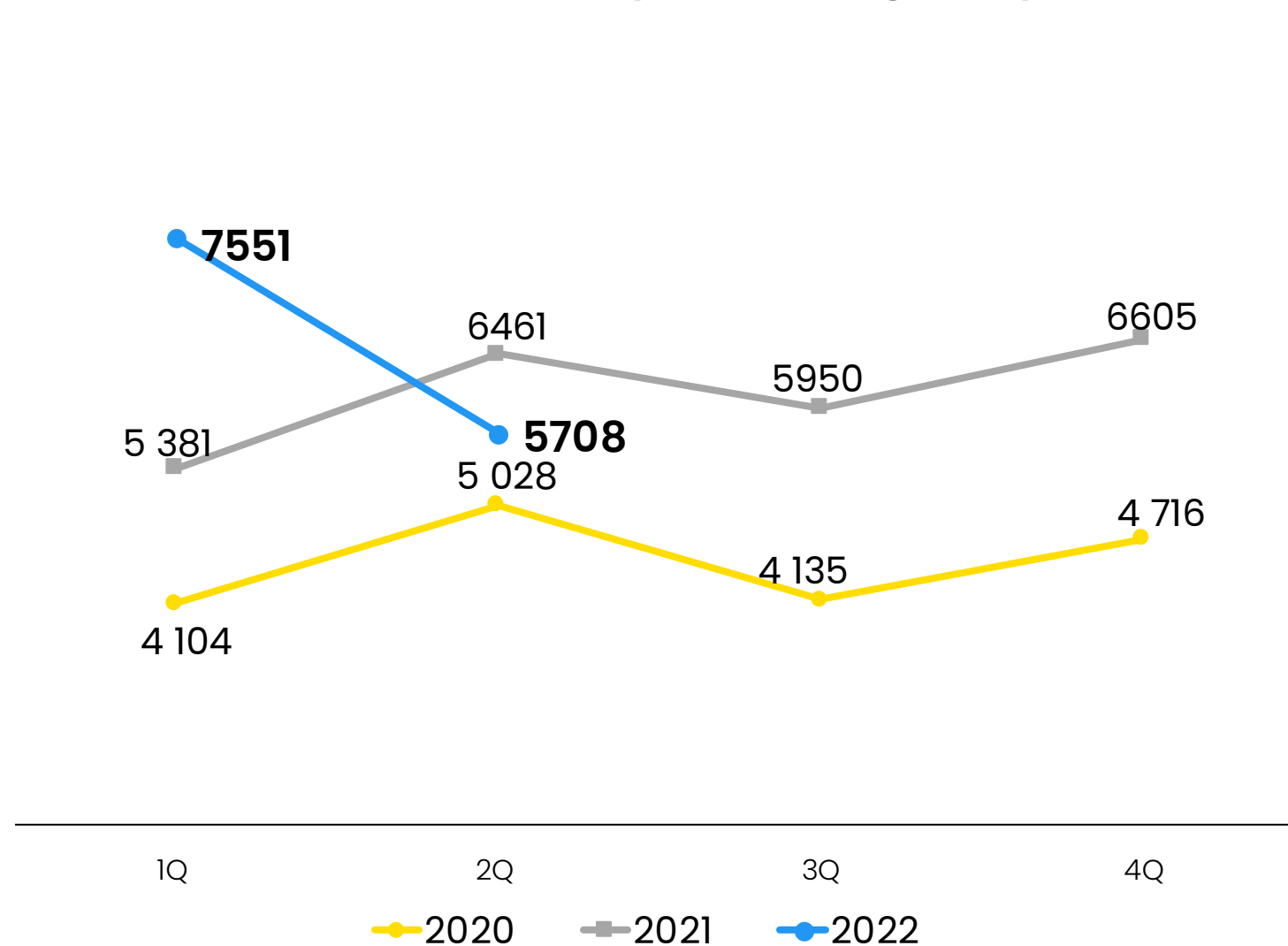
* „B2B e-commerce Market in Poland”, Marketplanet, 2022

** digitalcommerce360.com

*** Development prospects of the e-commerce market in Poland 2018-2027, Strategy & July 2022

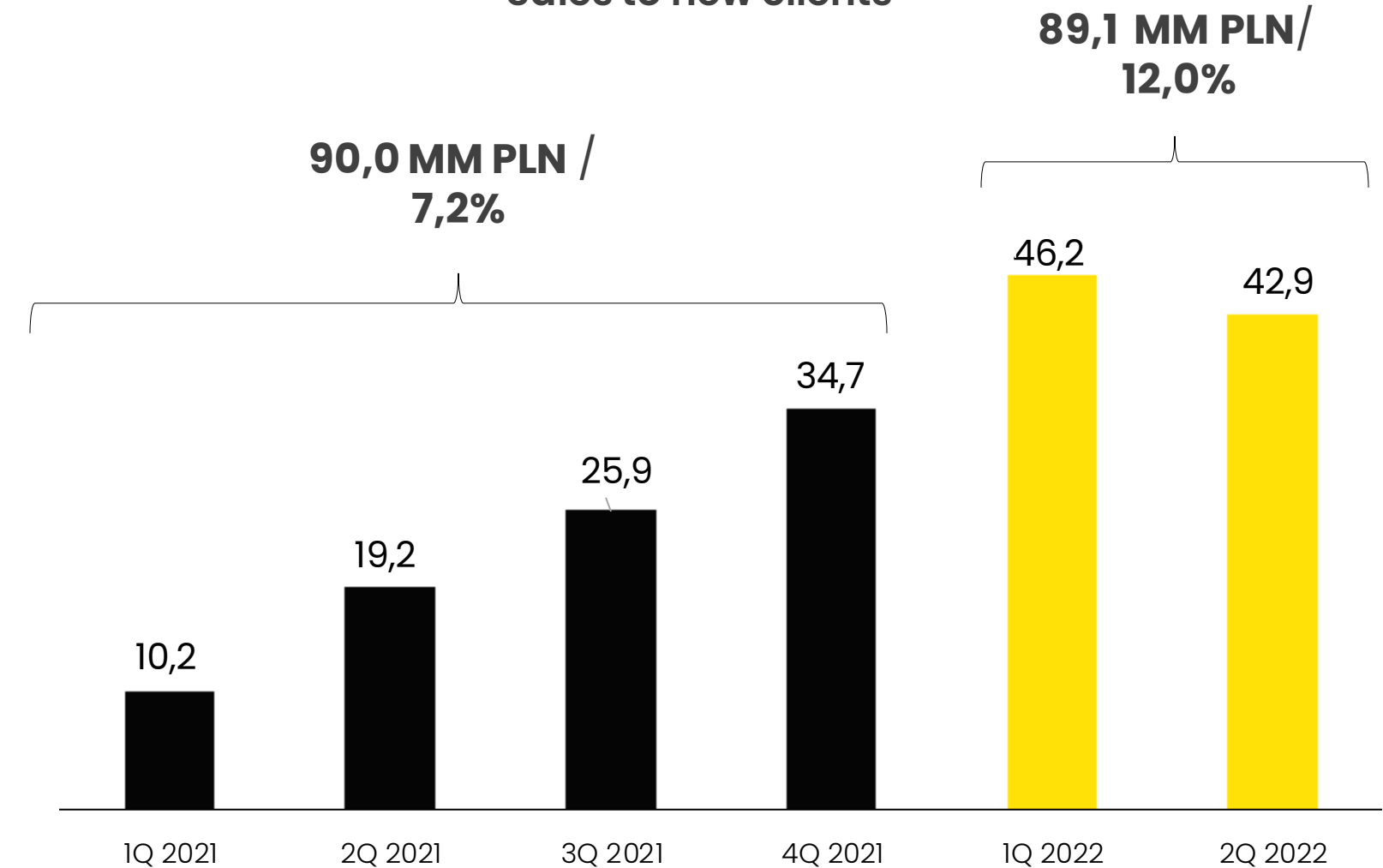
TIM S.A. – systematic improvement in sales indicators

Number of clients acquired in the given quarter



- Decrease of interest in certain groups of products in the 2nd quarter of 2022. It has translated into the number of their searches on the Internet.
- Despite a weaker second quarter, nearly 12% more customer registrations in the first half of 2022.

Sales to new clients*

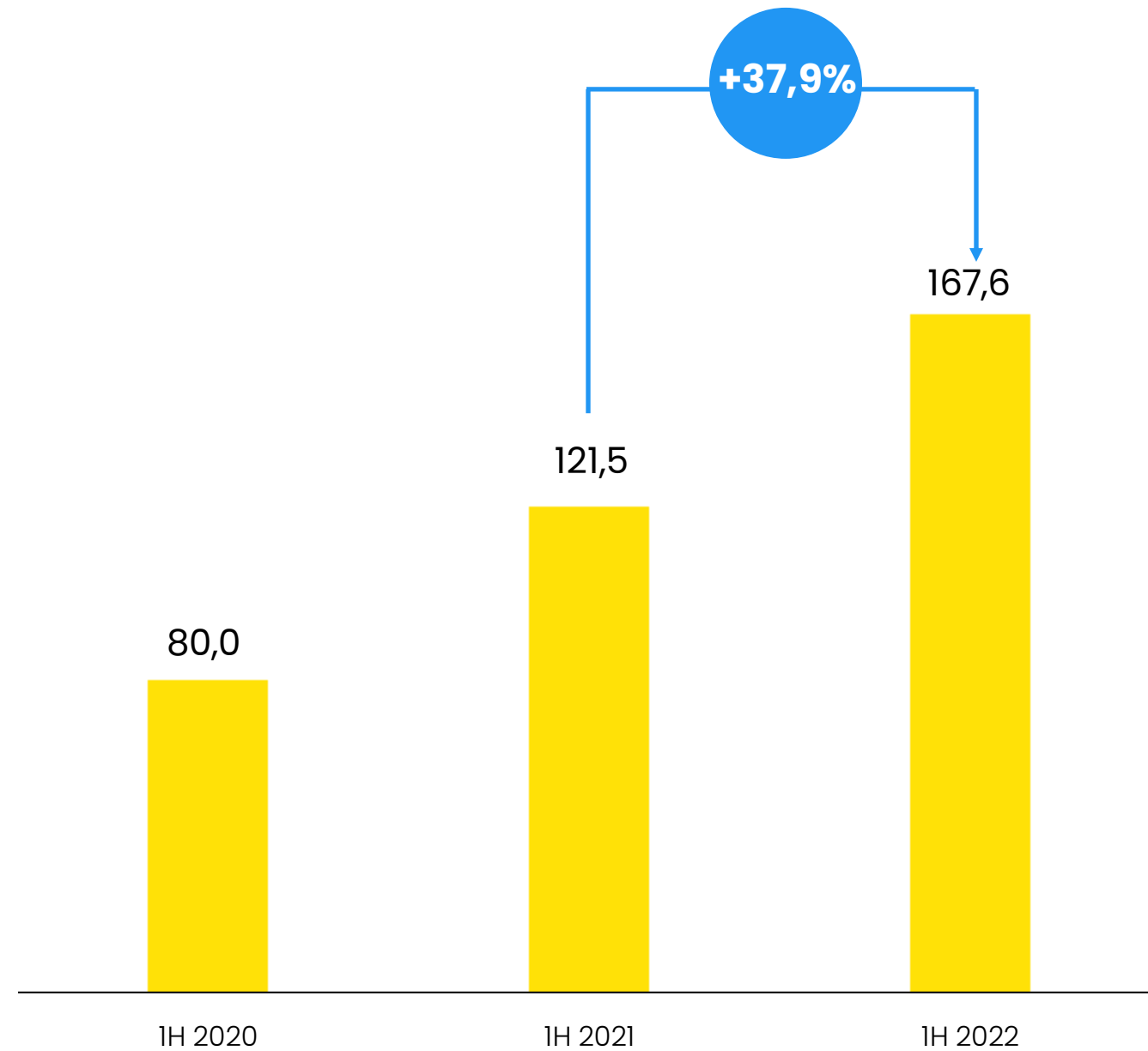


- Sales to new customers is nearly 12% of the total sales realized in H1 of 2022
- Fewer registrations translates into volume of sales to new customers

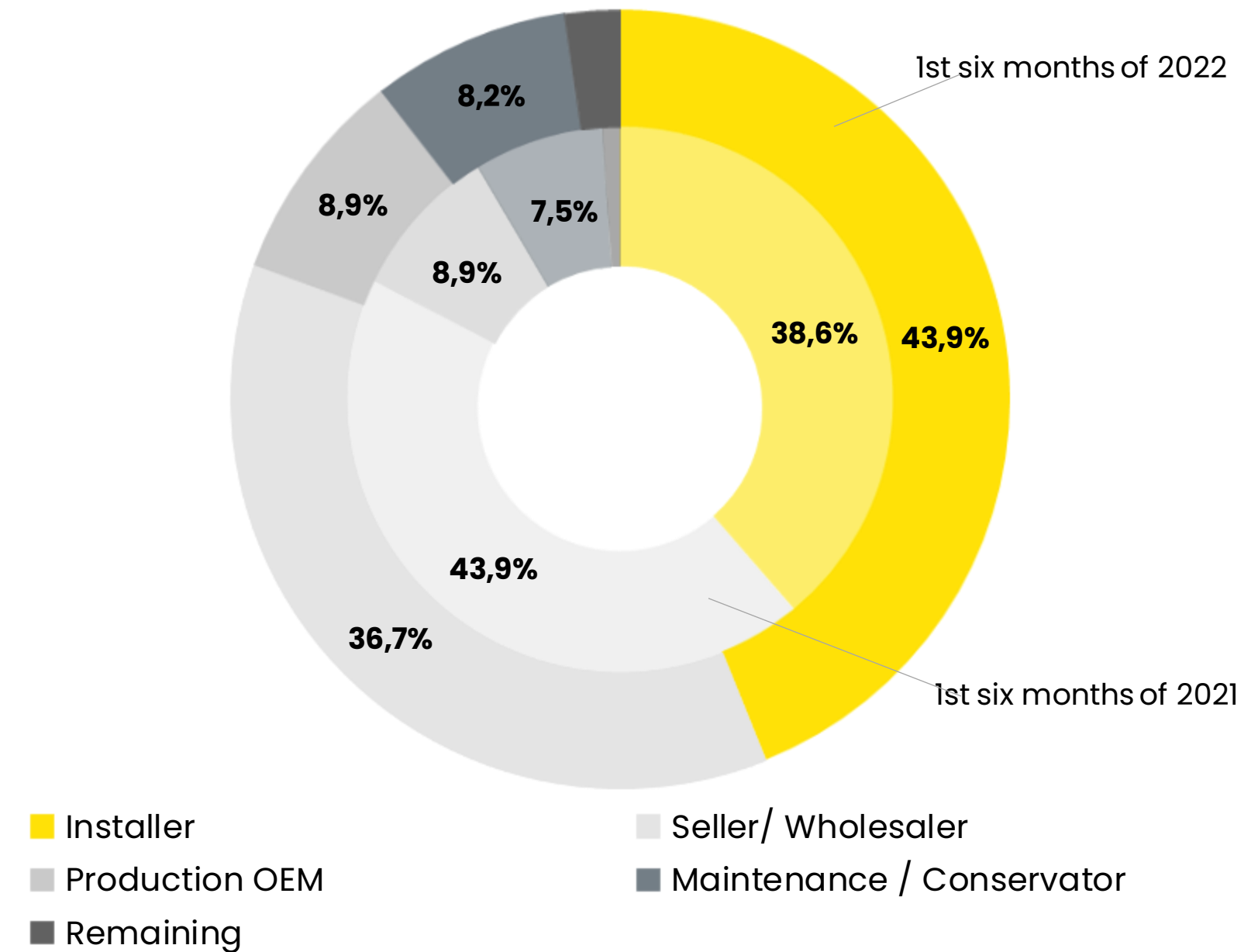
*client, with whom cooperation has begun as of 01.07.2020

TIM S.A. – Sales Profitability and Segmentation

Gross Margin on Sales (MM PLN)



Revenue divided into client segments 1H 2022 vs 1H 2021 (%)



- Dynamic growth in nominal gross sales margin in 1H 2022

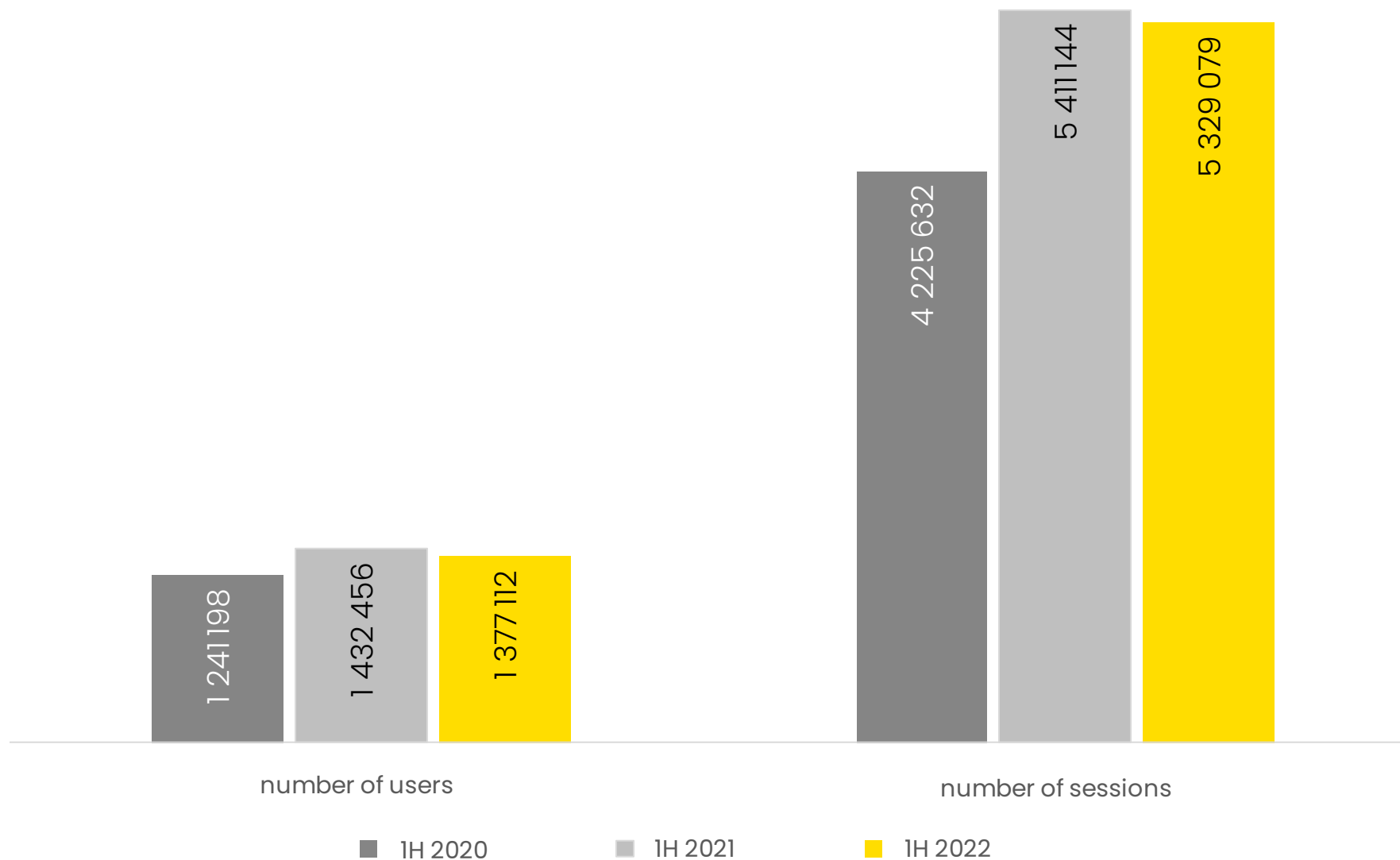
- End of 1H 2022 number of key clients* came to 20 445, meaning it grew by 27,3% YoY.

* Customer making sales of more than 1.5 thousand PLN per month in the last 12 months.



TIM S.A. – efficiency of the e-commerce

Number of users & sessions



54,55%

User come from organic traffic (SEO)

+21,87%

Revenue increase from organic traffic in 1H 2022
(despite a much weaker 2Q 2022)

+8,89%

Increase in conversion rate in 1H 2022

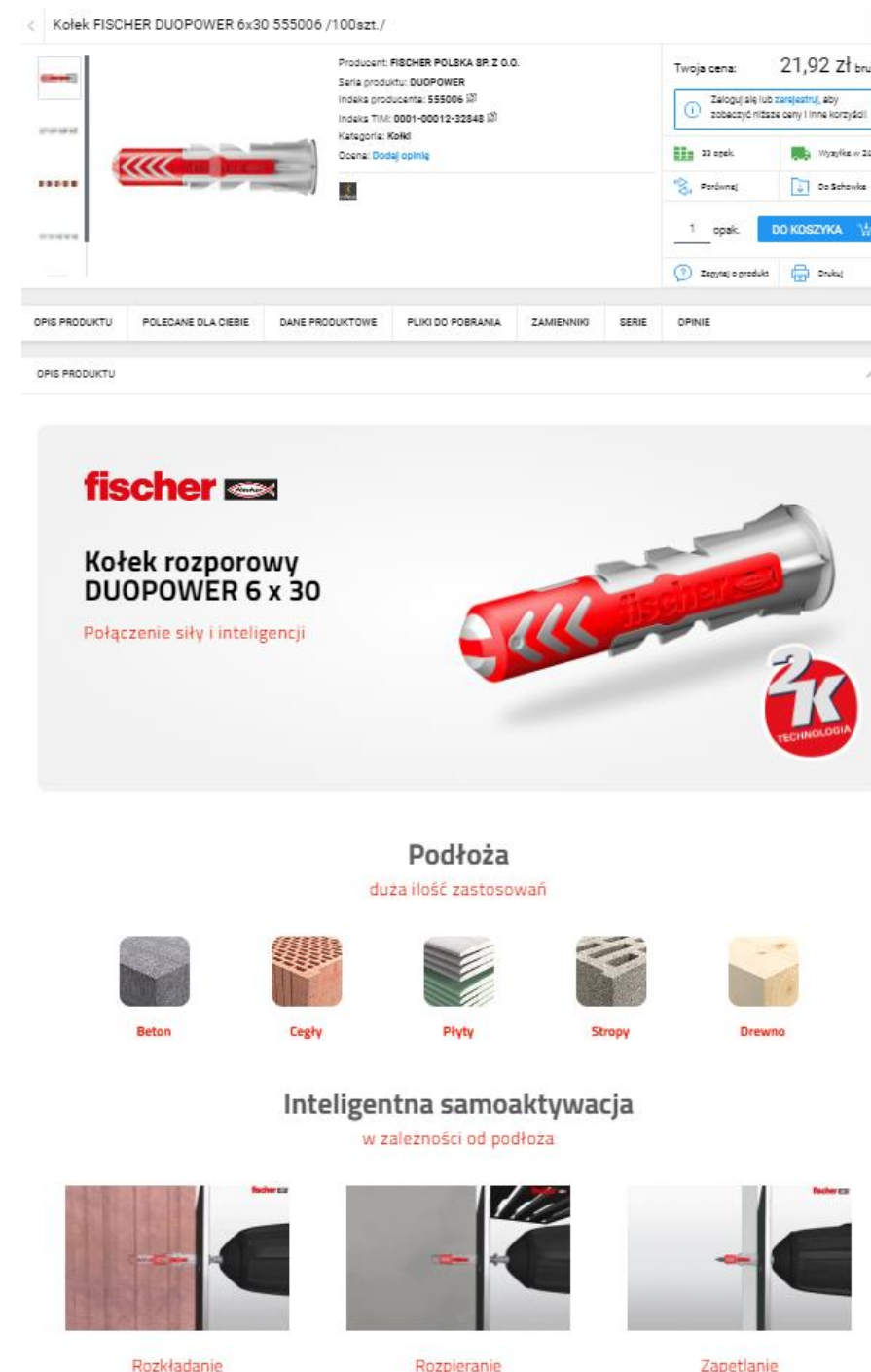
Award: E-Commerce Poland awards 2022 for TIM & partners



Best adaptation to new digital reality B2B

Rich content

- Replaces the traditional product card (product photo and text description with listing of the most important parameters).
- It provides the customer in an attractive, interactive form with complete knowledge about the product, which helps to make a purchasing decision.
- Rich content for fischer on TIM.pl is a pioneering implementation of such innovative communication of building products on a B2B e-commerce platform in Poland.
- After implementation for the first batch of 118 fischer products on TIM.pl: **+45%** of sales revenue, **+58%** of average time spent by users on the product page, **-91%** rejection rate.



From left: Maciej Tomaszuk – CEO Custommerce, Marcin Nowicki – Product Management Team Manager

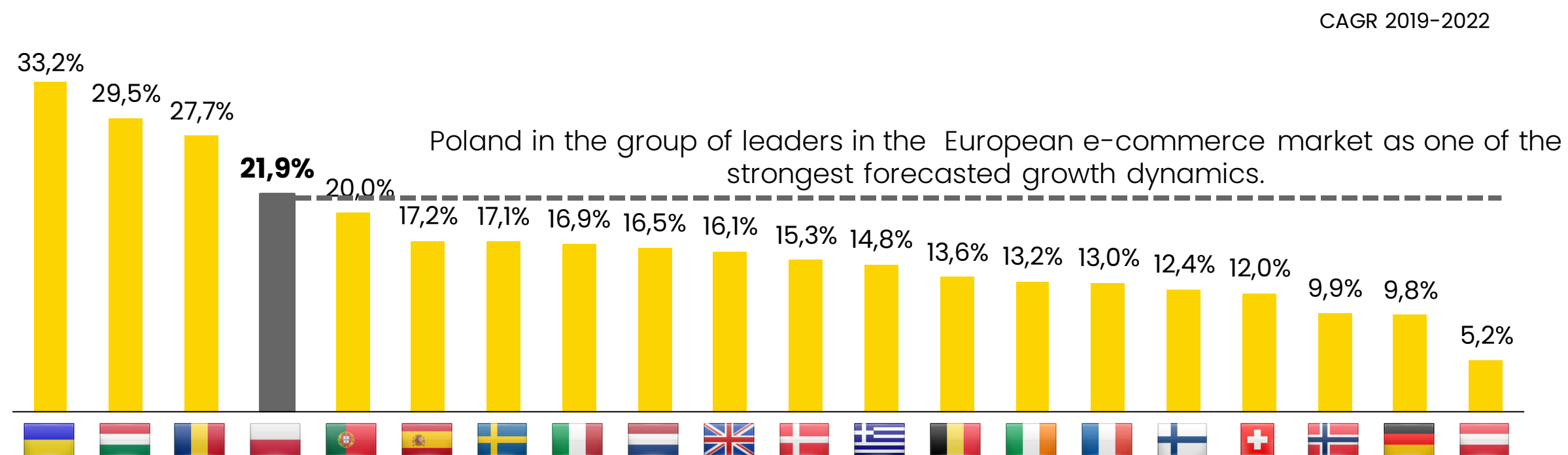


MOSCA
EXCELLENCE IN STRAPPING SOLUTIONS

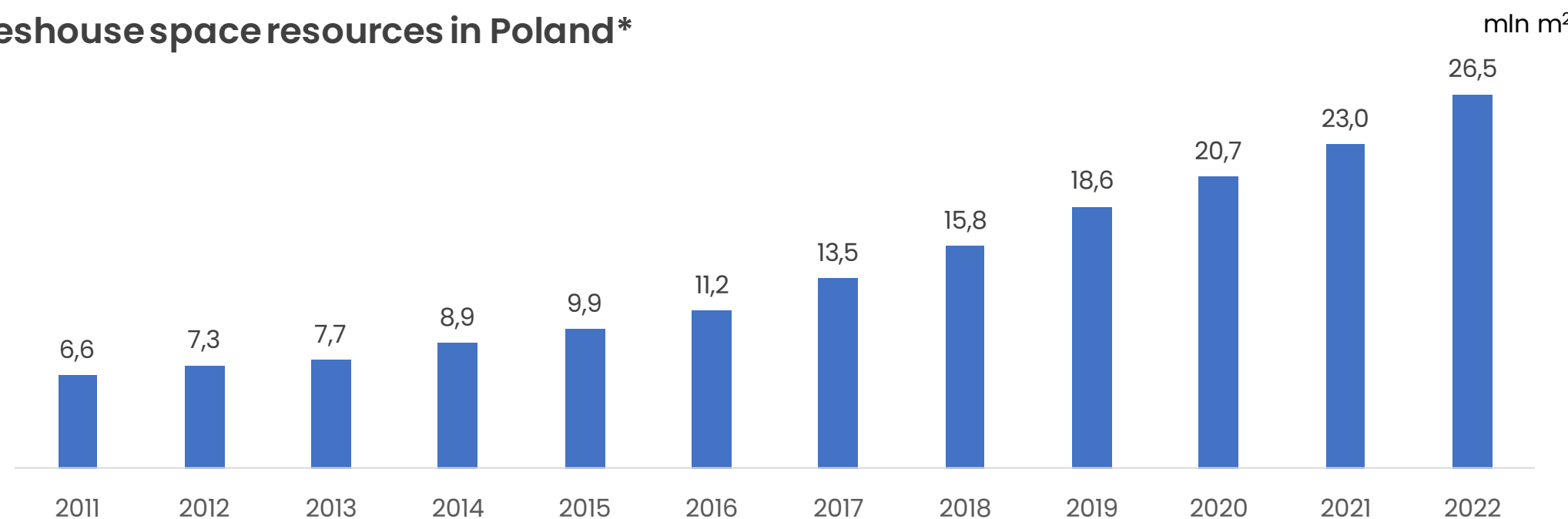
3LP S.A.

Growing demand for warehouse space in Poland supported by developing **e-commerce & nearshoring**

Forecasted growth dynamics of e-commerce*



Warehouse space resources in Poland*



Changes in consumer habits supports dynamic growth in e-commerce & quick digitization of purchases.

12% (up to 162 billion PLN in 2026) - estimated CAGR increase in online sales of goods in Poland in 2020-2026

The development of e-commerce is a key factor in the growth of demand for warehouse space & logistics services.

Estimated share of e-commerce exceeds 1/3 of total demand of warehouse surface on the Polish market

Additional growth factor in the change in global supply chains on a global scale, caused by the pandemic & war in Ukraine. Nearshoring, which shortens supply chains, is increasing demand for logistics services in Europe and Poland.

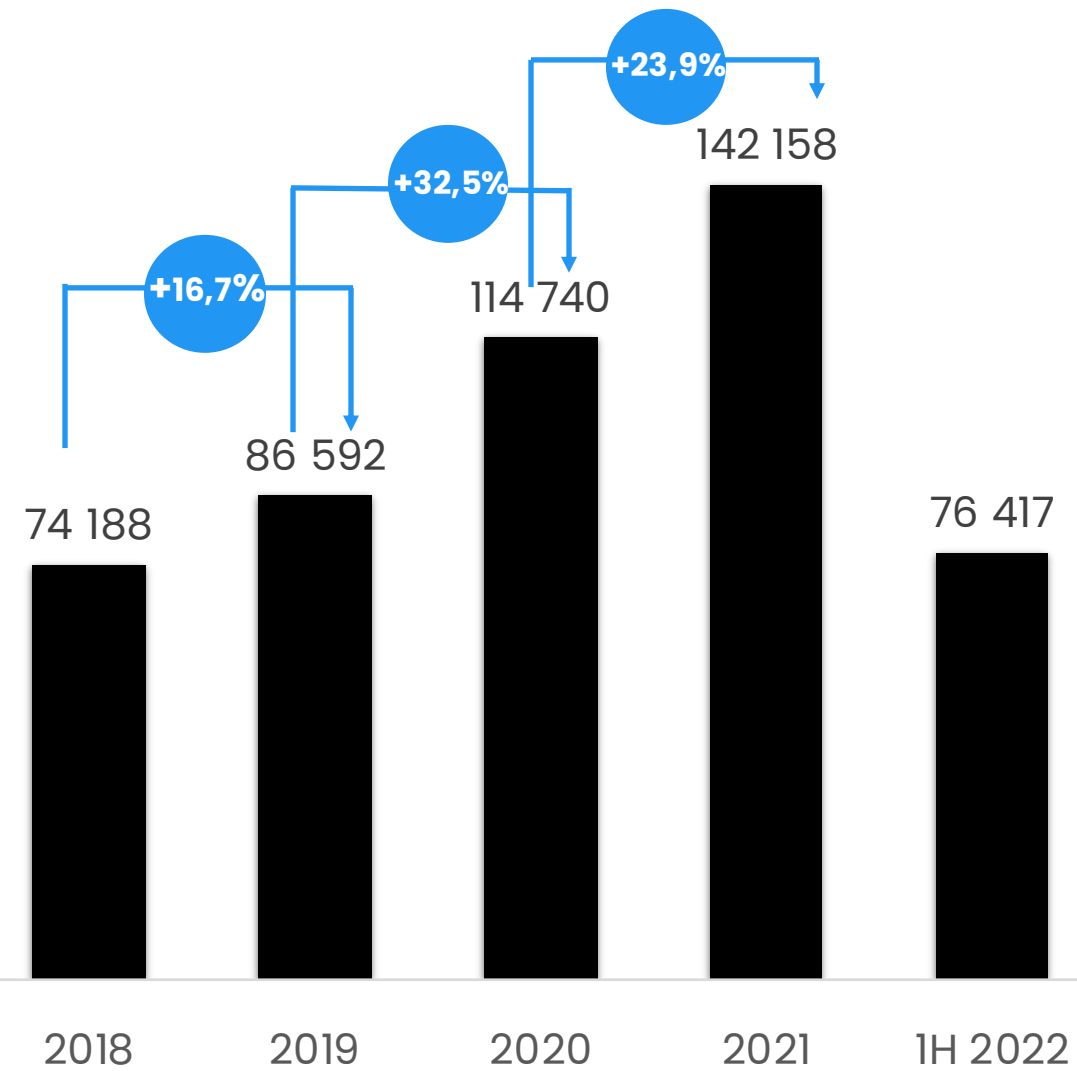
* Euromonitor, Cushman & Wakefield
 ** Data at the end of 3Q2021, forecast



Growing revenue diversification

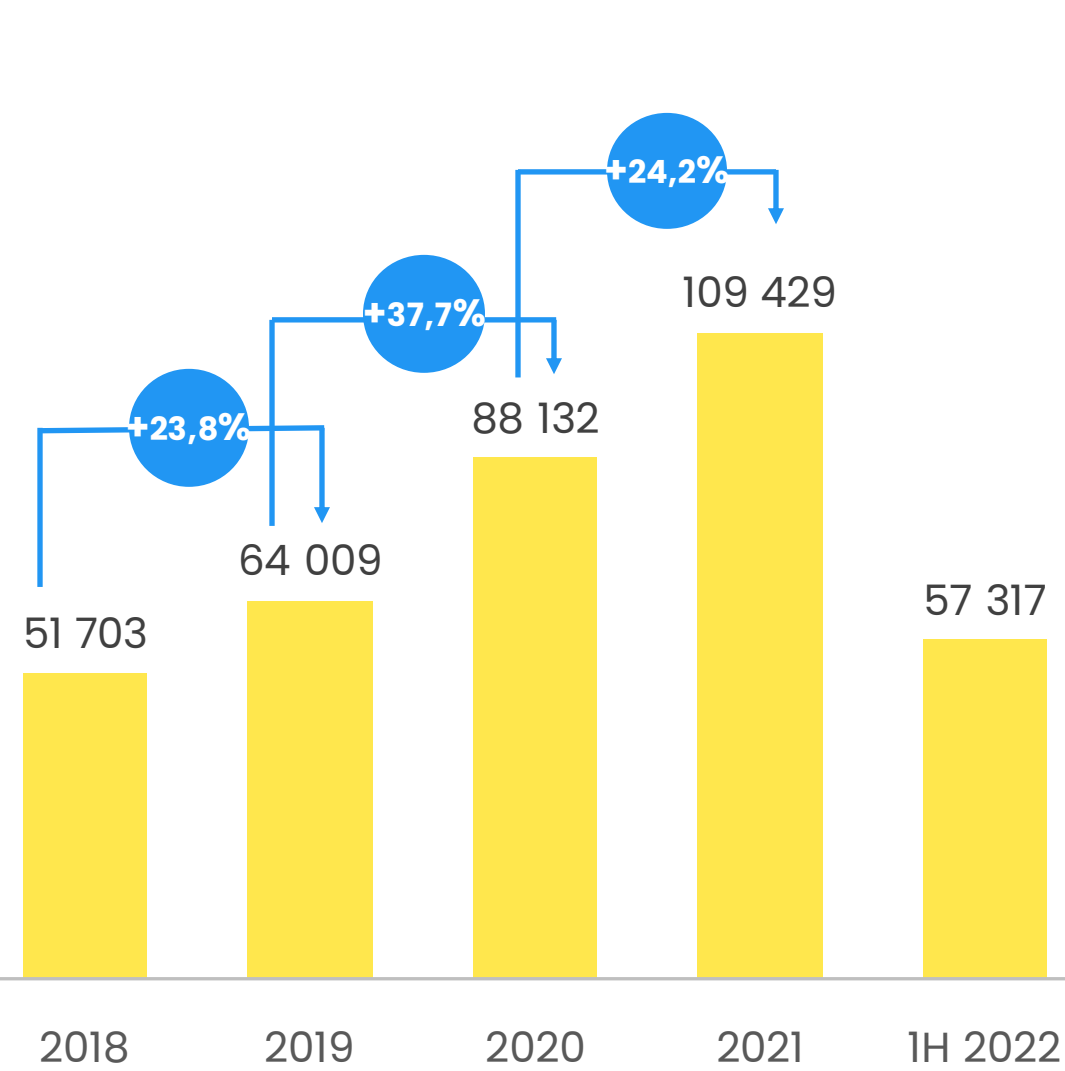
Total Revenue

tys. zł



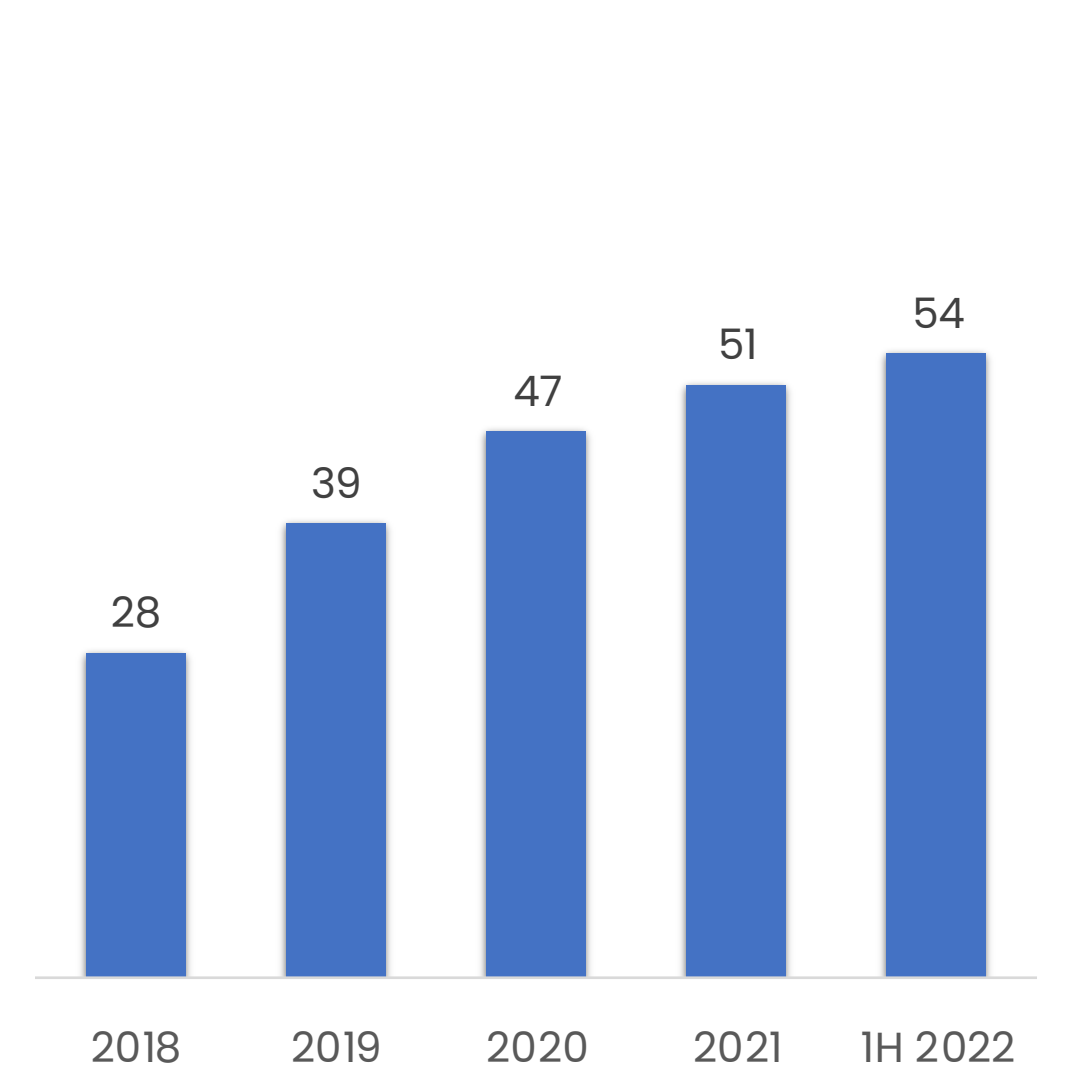
Revenue from fulfillment services

tys. zł



Share of fulfillment revenue without GK TIM

%

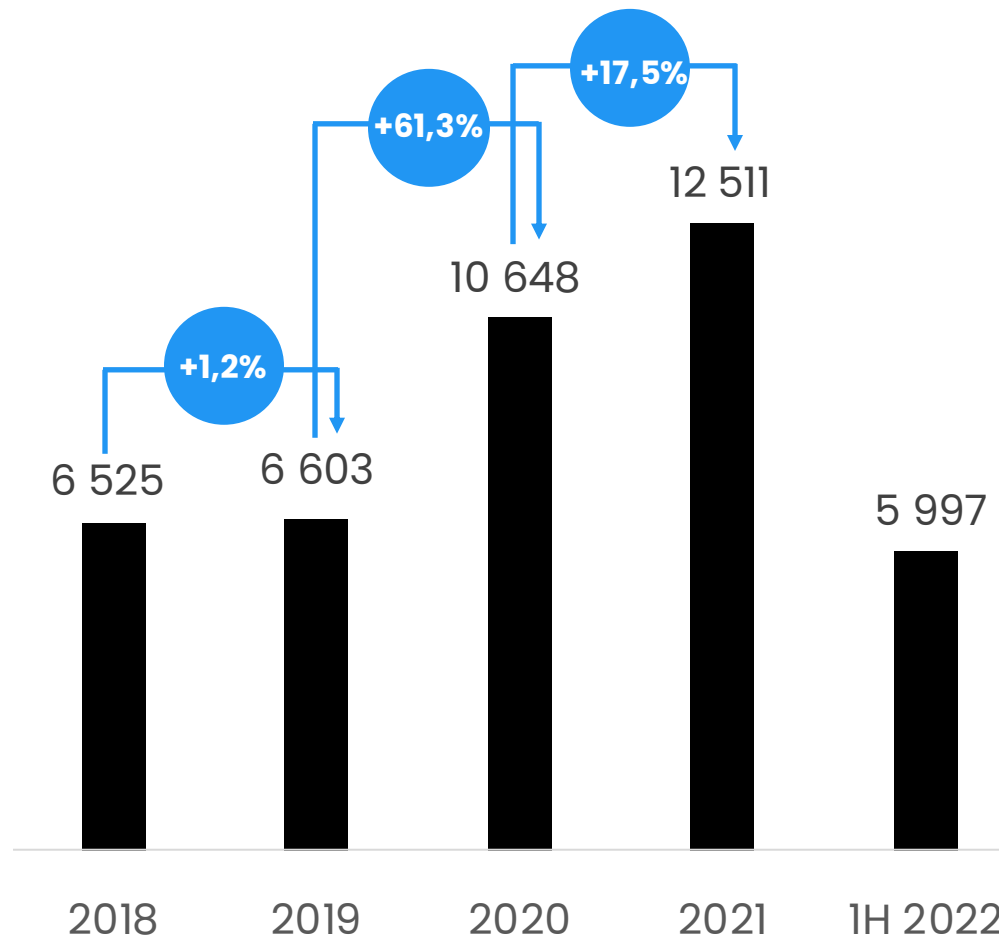




Dynamic growth in the scale of the business

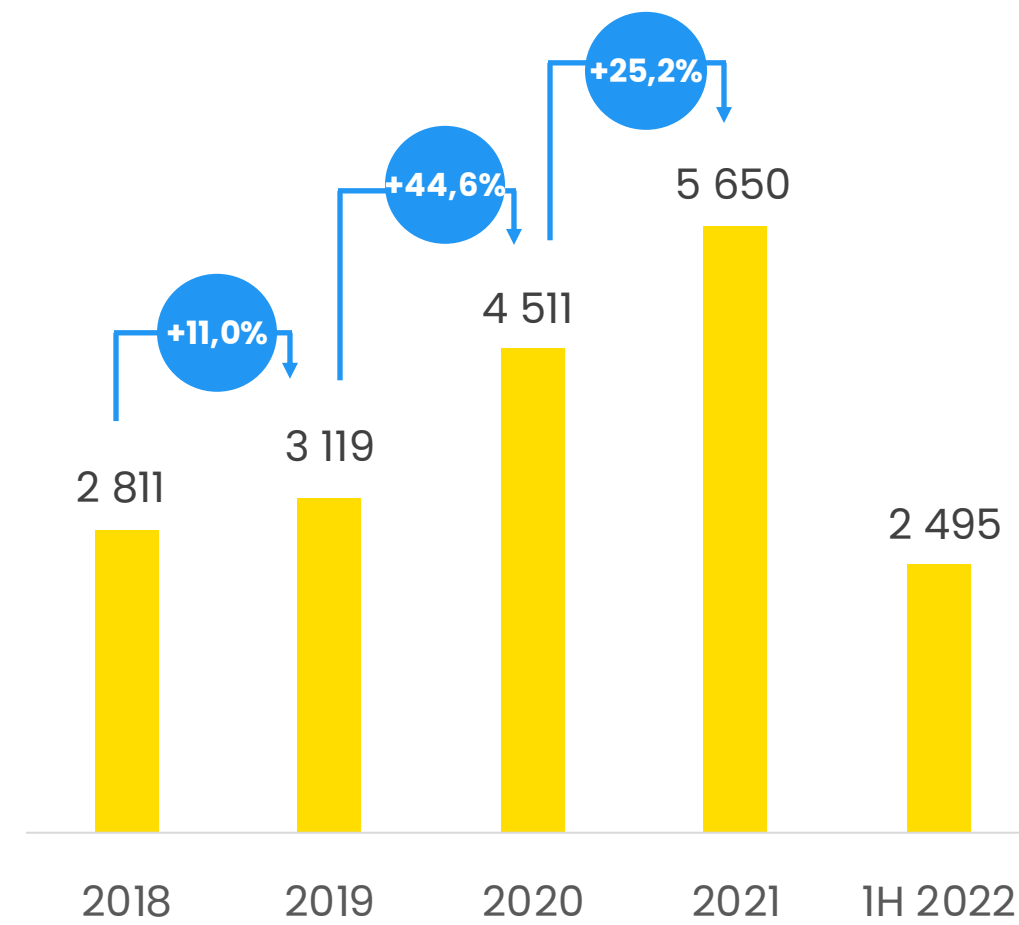
Number of completed order lines

Thousands.



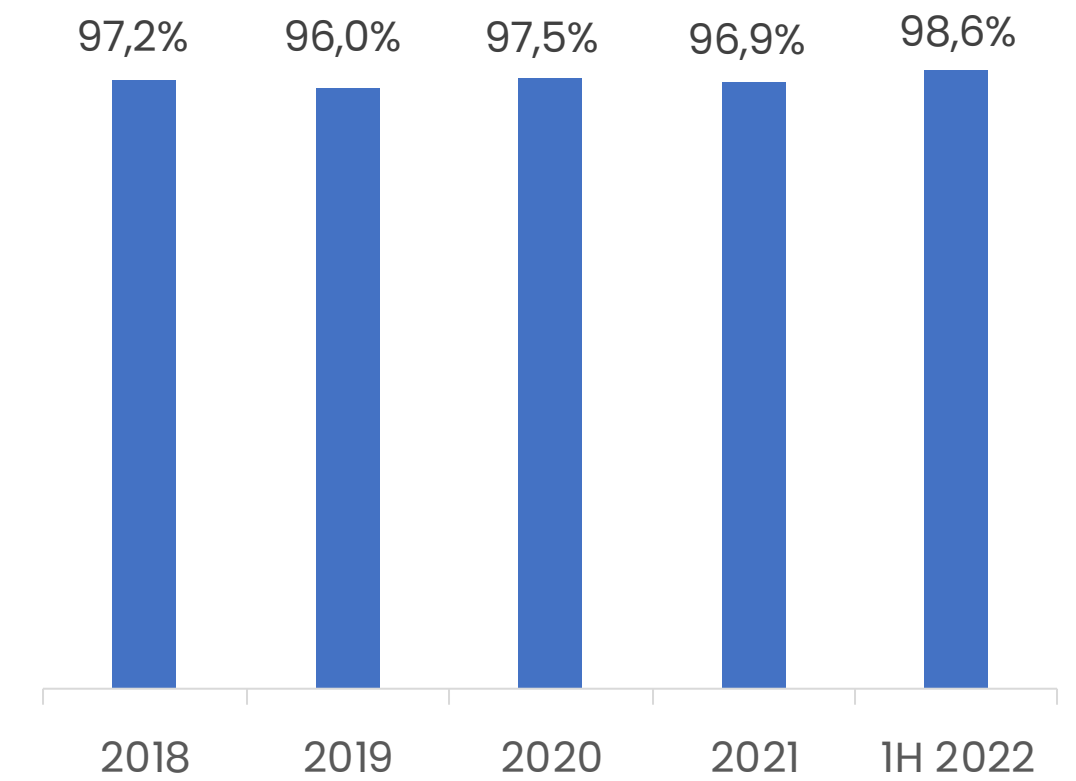
Number of shipments (packages + palets)

Thousands.



Timeliness of the suppliers

Yearly average %



3LP ensures mid-market customers with operational and cost efficiency

Types of companies operating in e-commerce using fulfilment services.

Largest e-commerce companies

- own resources allowing for the selection of automation and planning of logistics processes
- most often it outsources logistics operations in its own automated warehouse
- lower margin on this form of outsourcing

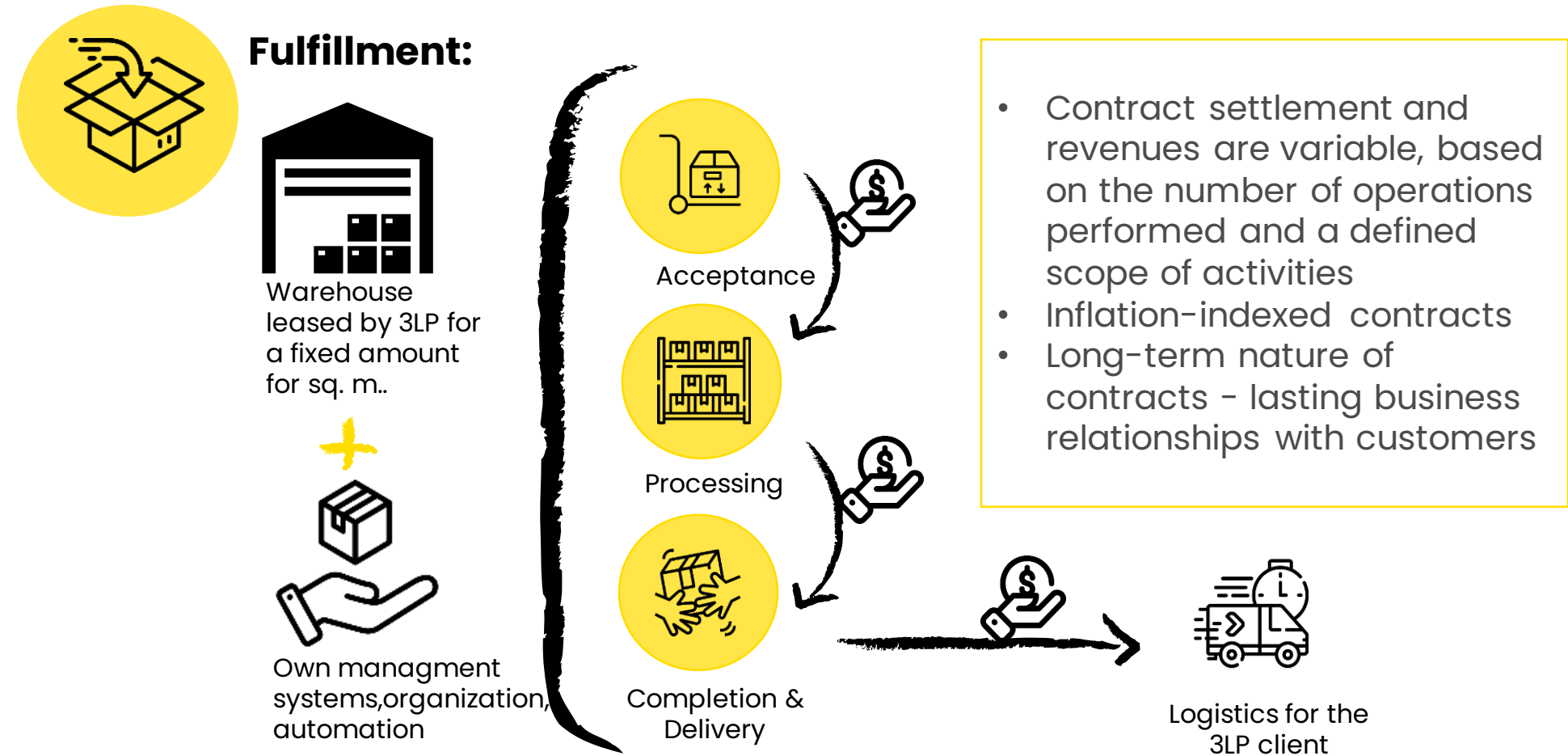
mid market – medium sized e-commerce companies & traditional offline retailers

- Lack of know-how & scale allowing for their own automation
- separation of logistics processes to an external operator being an optimal solution
- **Clients of fulfilment companies , that is 3LP**

Small e-commerce companies

- the scale or specificity of the product of operation does not justify the use of automation
- logistics carried out independently or outsourced to non-automated entities

Fulfilment 3LP tailored to the mid market – billing model based on variable remuneration adjusted to the specificity of the client’s business.



Remaining Services 3LP

Transportation Services
They are mainly provided to TIM and include the management of the forwarder's car fleet, arrival and departure times and car filling

Buffer warehouses
Irregular buffer storage services to help customers manage their inventory

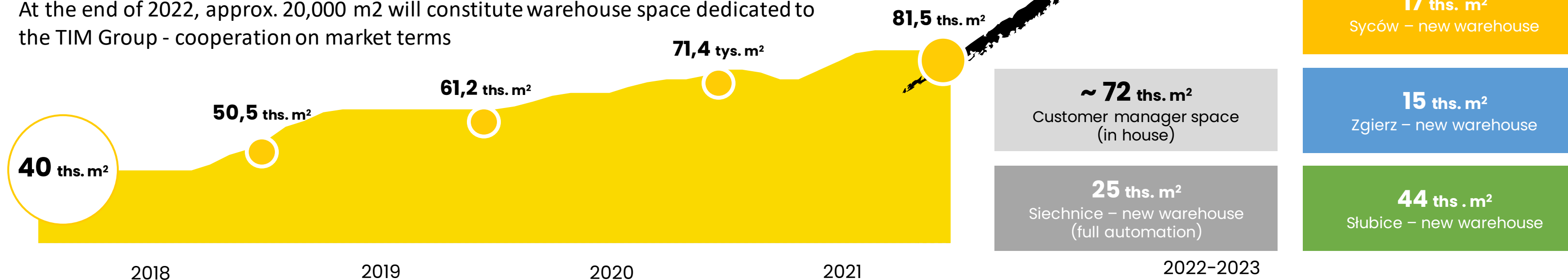
3-fold increase in total surface 3LP in 2023, with emphasis on automation

Evolution of the total surface * manager by 3LP

- 3LP is dynamically developing the total managed area to approx. 180 m² at the end of 2022 and approx. 240 m² at the end of 2023 – favorable lease prices for these warehouse areas have been contracted
- Currently, 3LP has 30,000 m² (~40%) of automated space - the Company has finalized the construction of 25,000 m² of warehouse in Siechnice, where the project of a full automation installation (Shuttle System) is underway.

➤ The Company is finalizing negotiations regarding the extension of existing agreements with clients, in addition, the Company is in talks about the potential **total value of approx. PLN 100 million of annual revenues from fulfillment (approx. 100% of current fulfillment revenues)**.

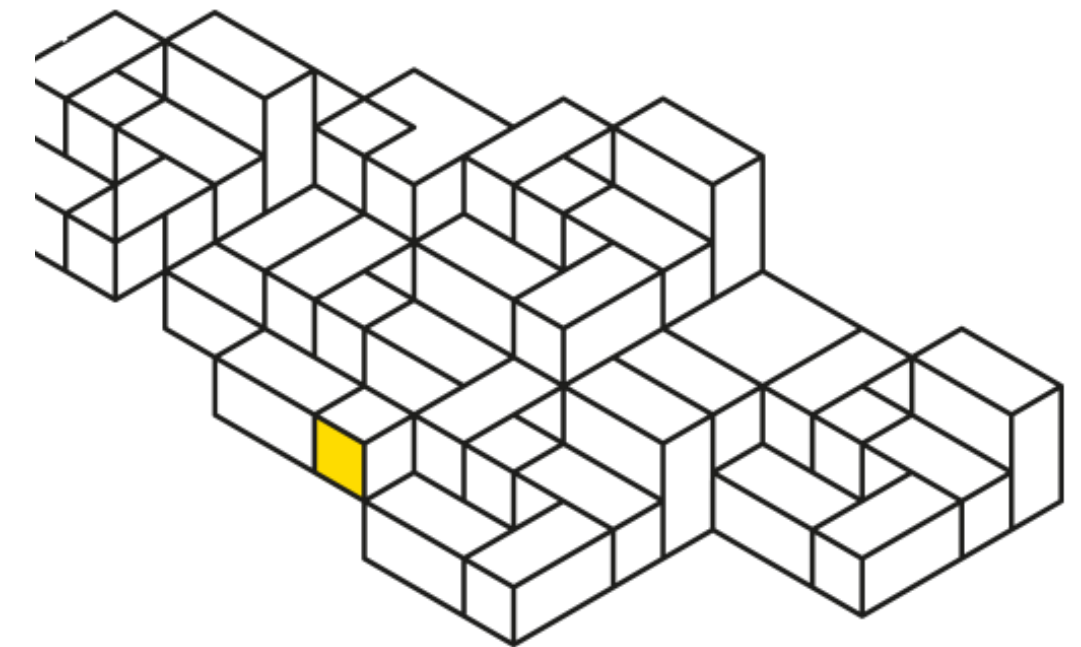
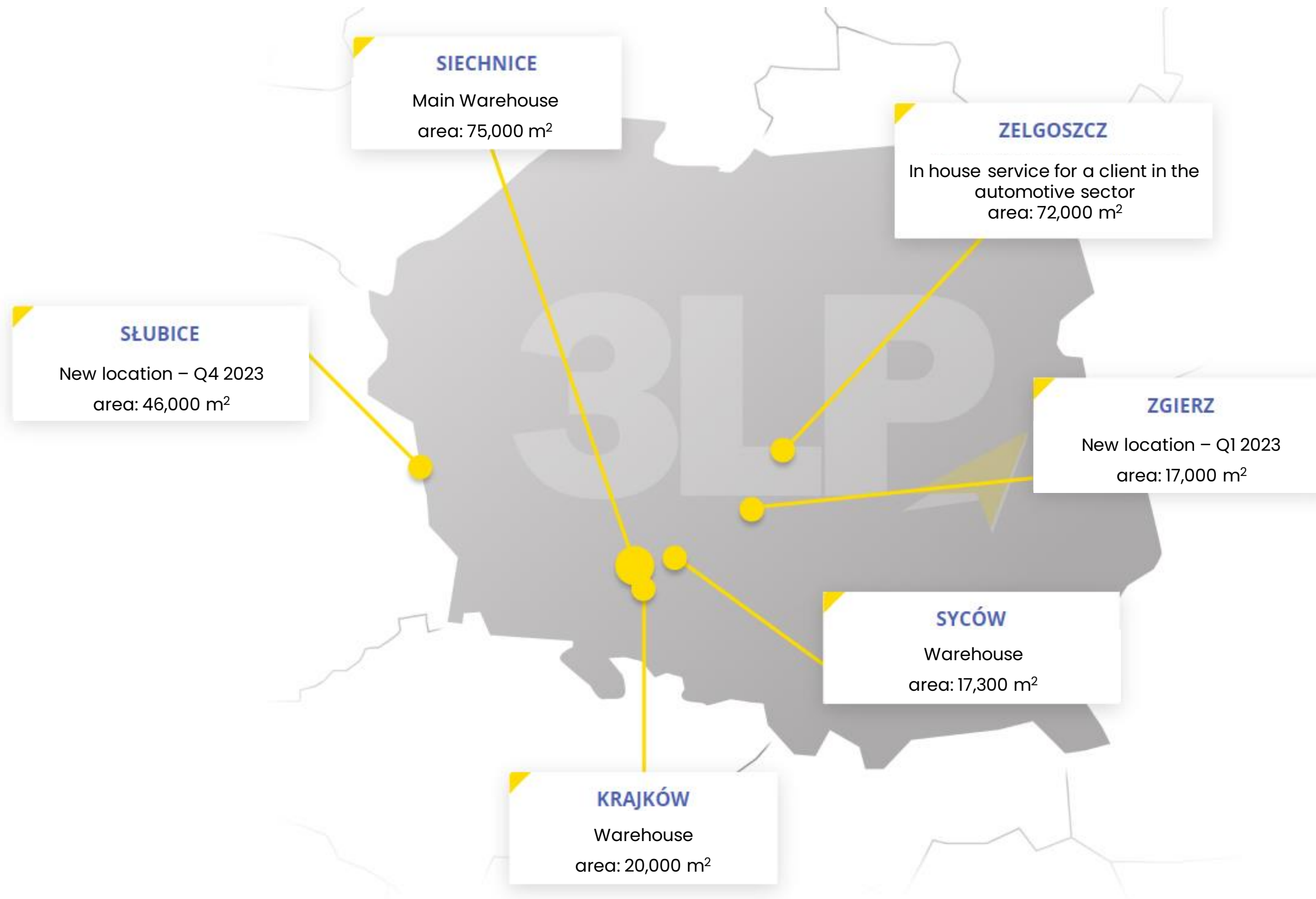
➤ At the end of 2022, approx. 20,000 m² will constitute warehouse space dedicated to the TIM Group - cooperation on market terms



*The total area at the beginning of the presented periods refers to the warehouse space managed by the Company, but it does not necessarily have to be fully commercialized and thus generate revenues.



Development Strategy

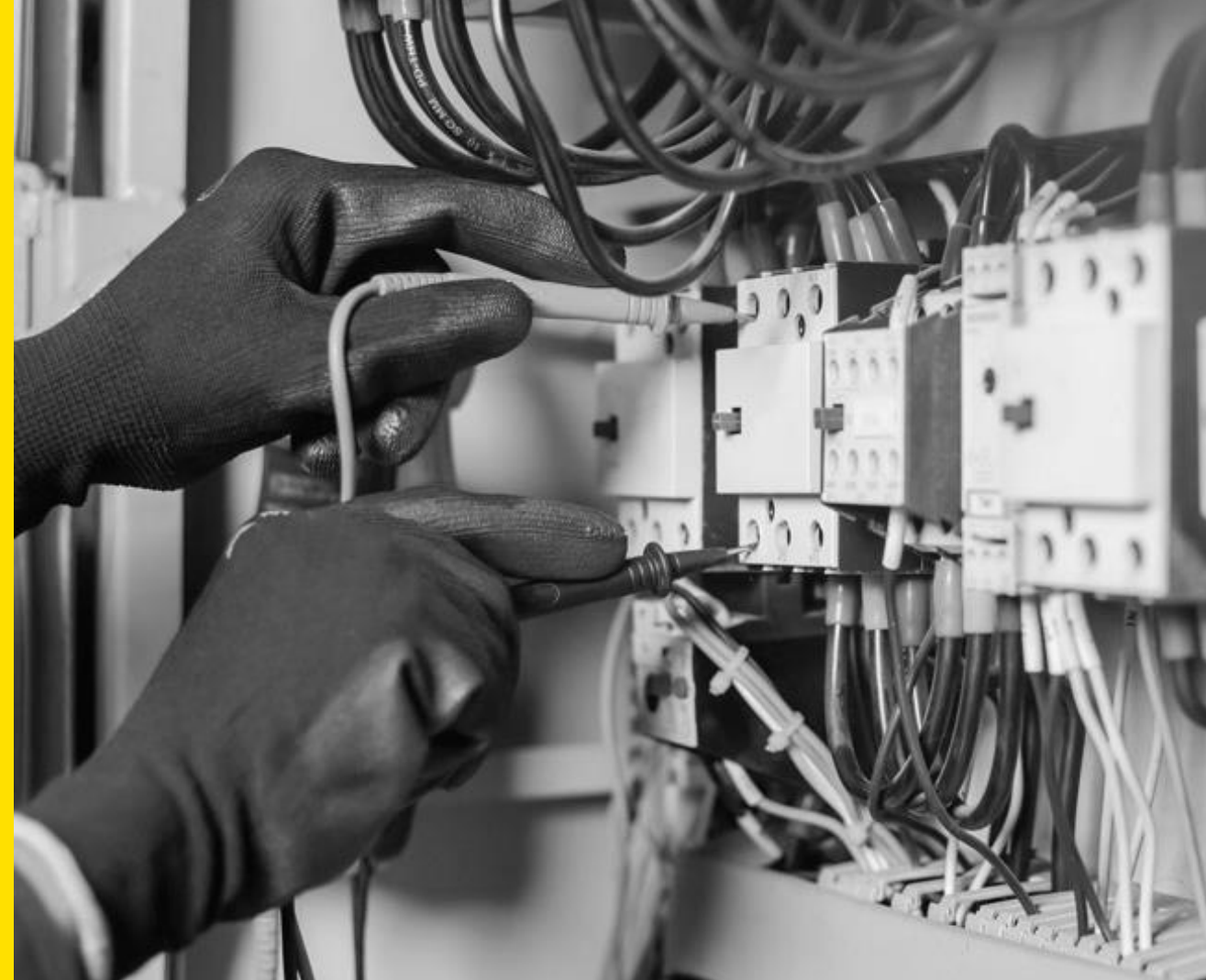




Strategic Decisions TIM Group

STRATEGIC DECISIONS FOR THE
TIM GROUP IN THE 2nd HALF OF 2022

1. Resigning from
3LP S.A. IPO
2. Review of Strategic
Options



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