



SUMMARY OF RESULTS FOR 3RD QUARTER 2021

Krzysztof Folta

Chief Executive Officer - TIM S.A.
President of the Management Board

Piotr Nosal

Chief Sales Officer - TIM S.A.
Member of the Management Board

Piotr Tokarczuk

Chief Financial Officer - TIM S.A.
Member of the Management Board,

Maciej Posadzy

Chief Executive Officer – 3LP S.A.
President of the Management Board





TIM Group in brief



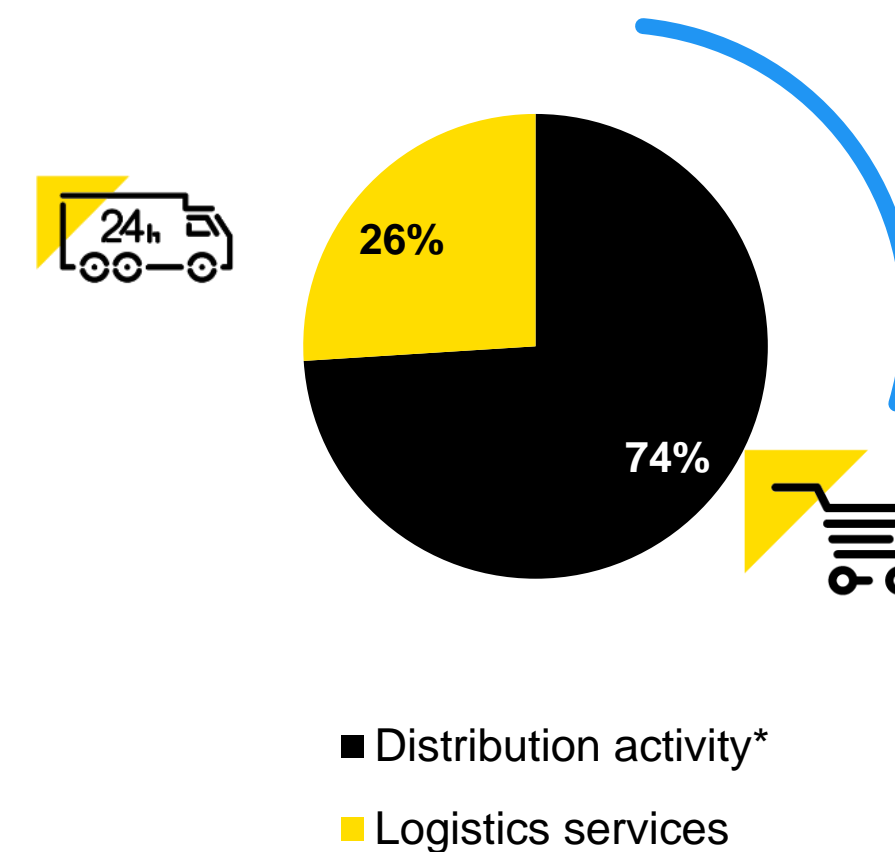
- **Leading distributor of electrical components in Poland**
- The Group's ambitious development plan based on two synergistic pillars
- Growing financial results and low debt level
- Attractive dividend policy



- **A dynamically growing player offering fulfillment service for ecommerce**
- Investments in the expansion of the 3LP area rapidly increasing the scale of the business
- New Business Opportunities
- Strong exposure in the e-commerce sector (infrastructure specializes in providing services for **ecommerce**)

TIM GROUP's LTM

EBITDA by business line*:



*Share of EBITDA of TIM Group in the period of Q4 2020 – Q3 2021 excluding EBITDA of Rotopino.pl and profit on sale of Rotopino.pl shares

AGENDA

Markets of operations



Financial results



3LP S.A.



Plans and prospects



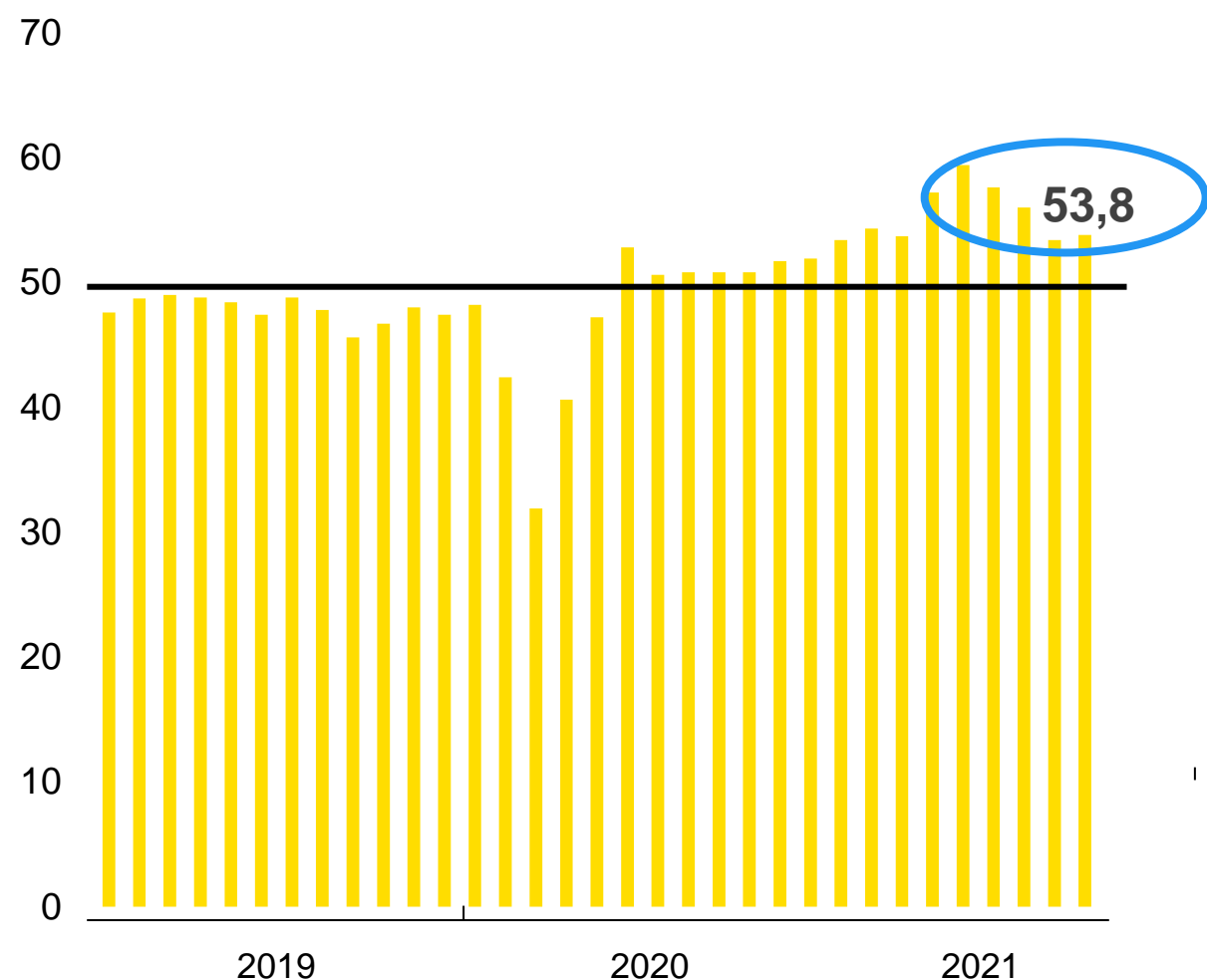


MARKETS OF OPERATIONS

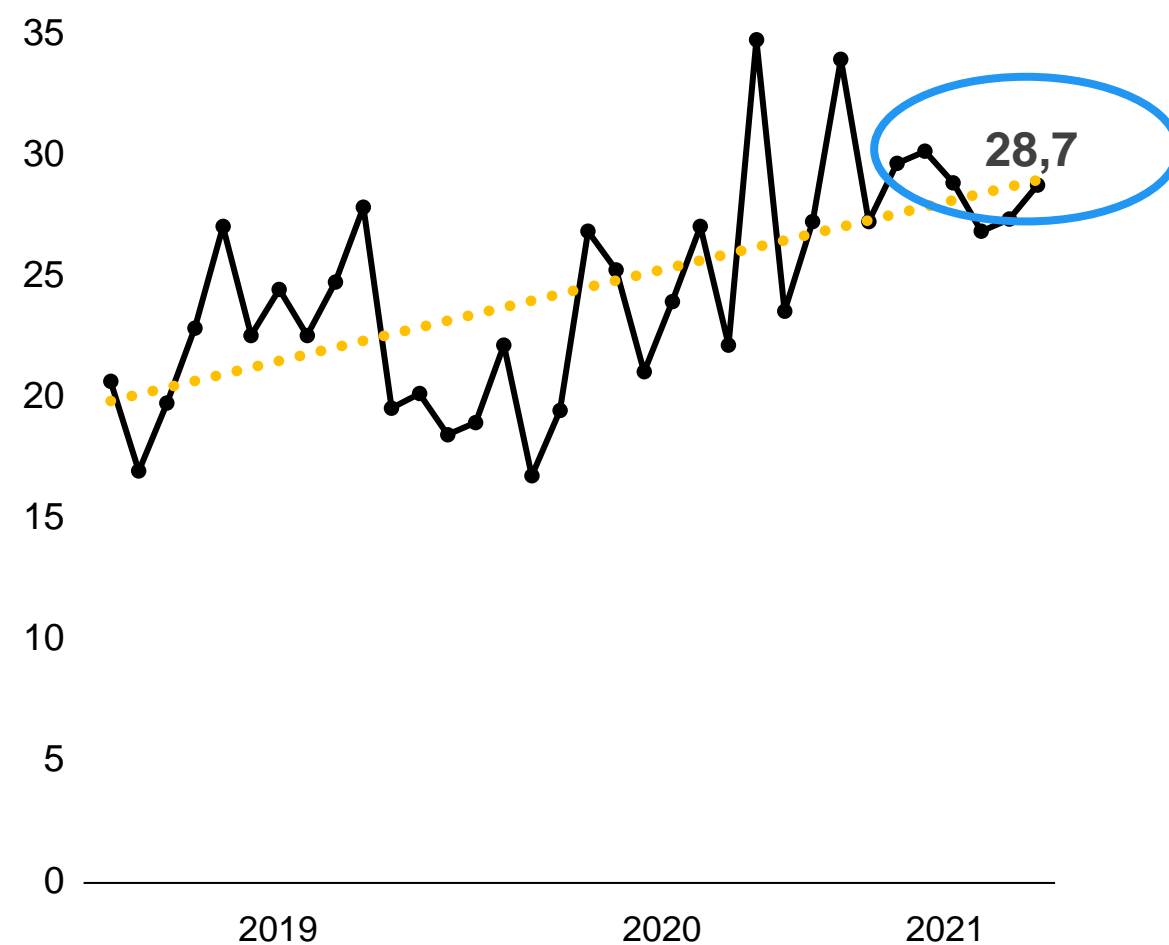


Favourable outlook of the economy

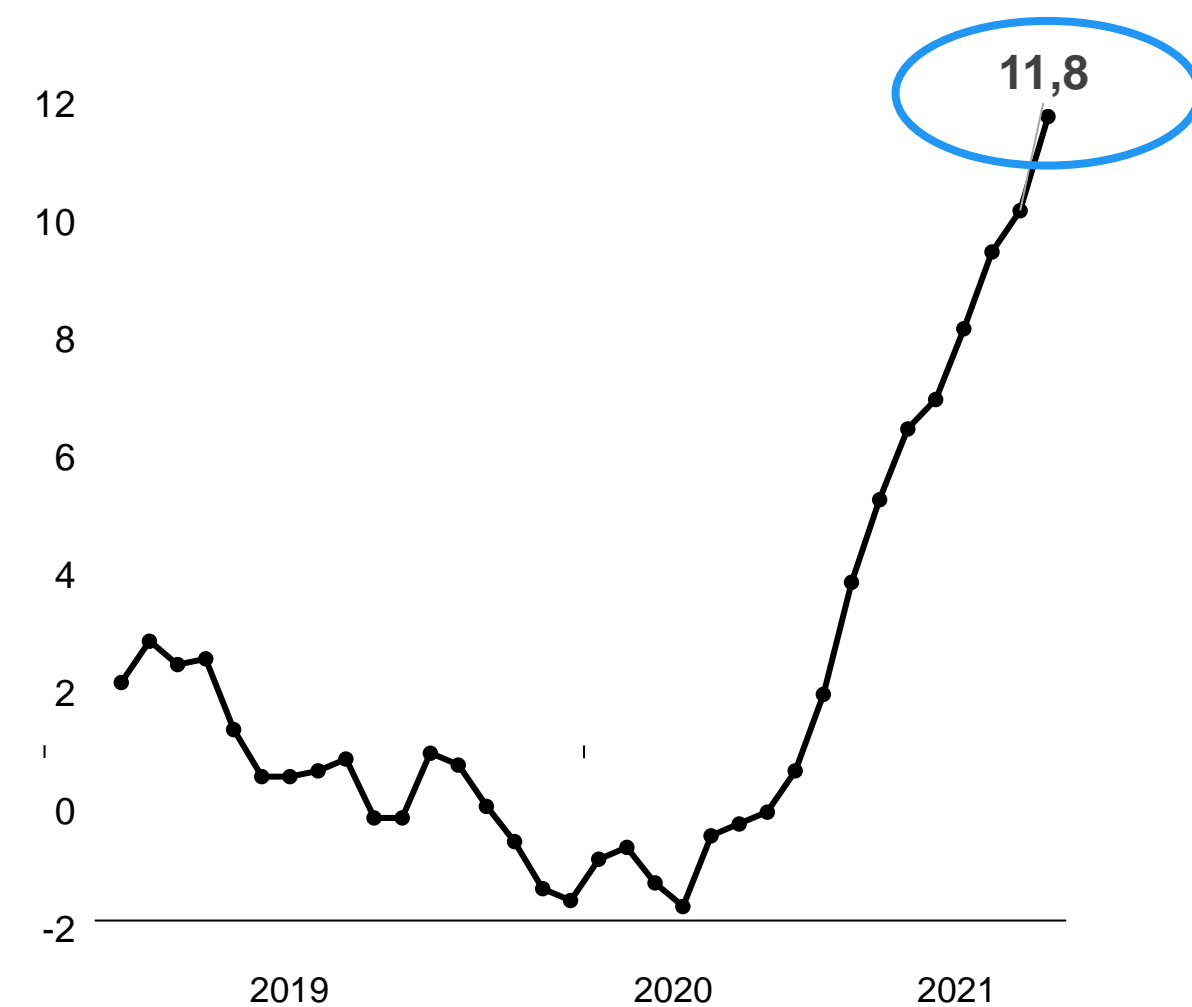
PMI indicator for the Polish economy*



Number of housing permits issued (thousands)



Producer Price Index (%)



- Macro data indicates that the economy has recovered from the collapse resulting from the COVID-19 pandemic, creating good conditions for further dynamic development of TIM S.A. and 3LP S.A.

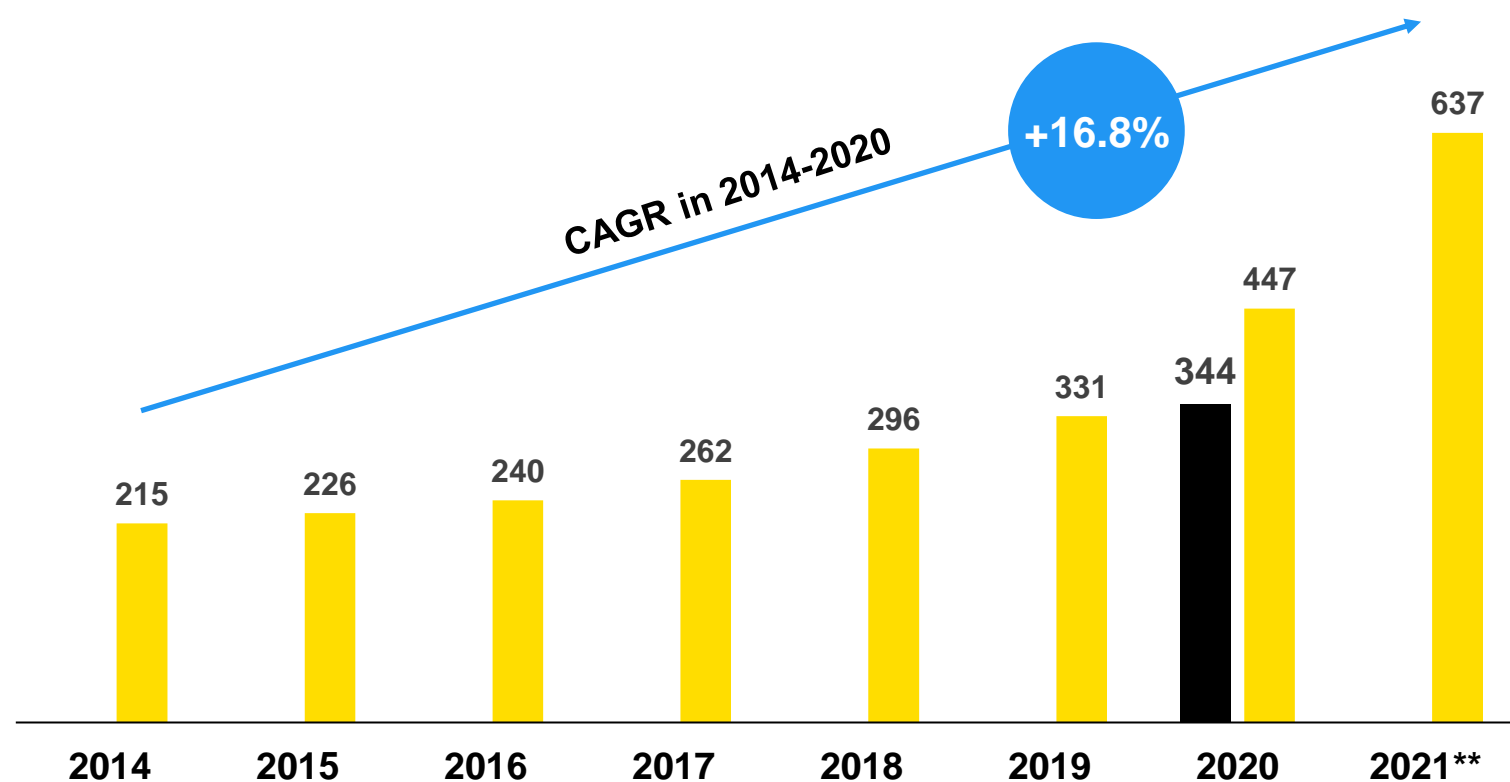
* source: Markit Economics, ** source: GUS



B2B e-commerce a long-term growth driver*

Dynamic growth in consumer purchases is also influencing the *rapid digitalisation of business purchases*

Value of B2B e-commerce turnover in Poland (PLN billion)



■ Estimates of the Chamber of the Electricity Industry (2017)
 ■ Data from Santander Bank Polska report*

Global B2B e-commerce market value (2019)

USD 21.8 bn

0.4%

Polish market share in global B2B e-commerce - **great potential for growth**

40%

 (to approx. PLN 637 bn)

Estimated B2B e-commerce growth in Poland in 2021

69%

 (+4 percentage points vs 2018)

Share of total companies buying online in 2020

63%

 (+20 percentage points vs 2018)

Share of industrial sector companies buying online in 2020

The effects of implementing B2B online sales:

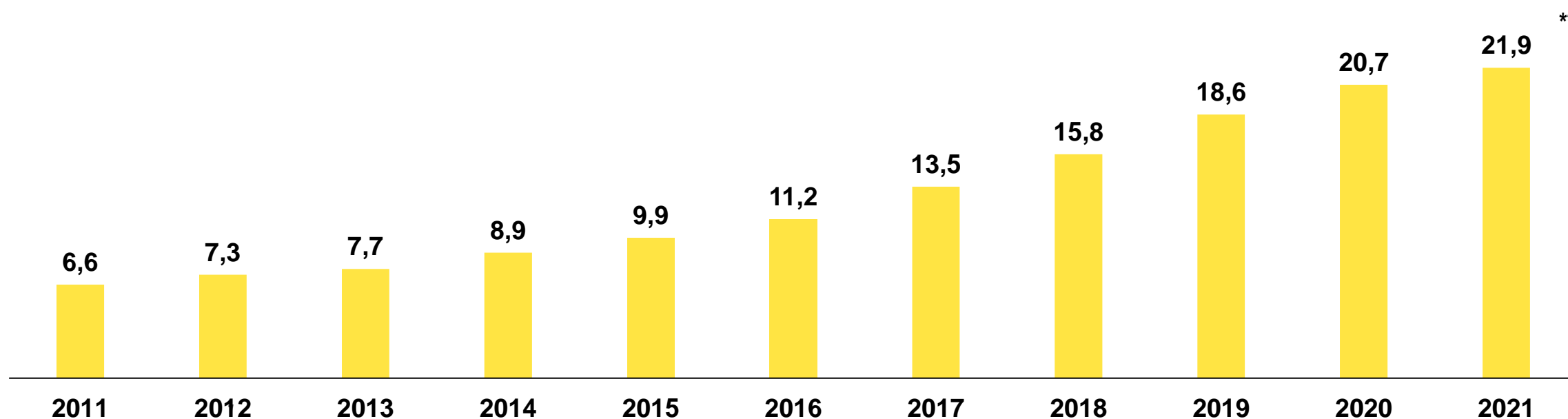
- Increase in the number of customers (54% of companies surveyed)
- Increase in sales performance (43% of companies surveyed)
- Increase in sales margin (21% of companies surveyed)

*source: Santander Bank Polska report: „E-commerce B2B – biznes w sieci”, 2021.

** forecast.

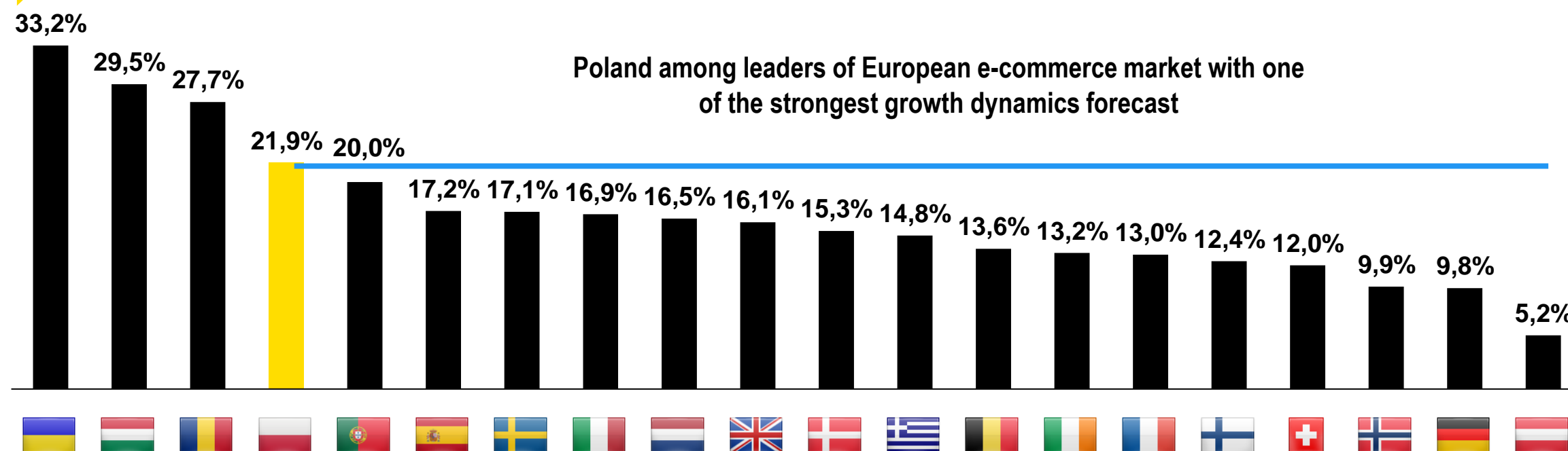


Warehouse space stock in Poland*

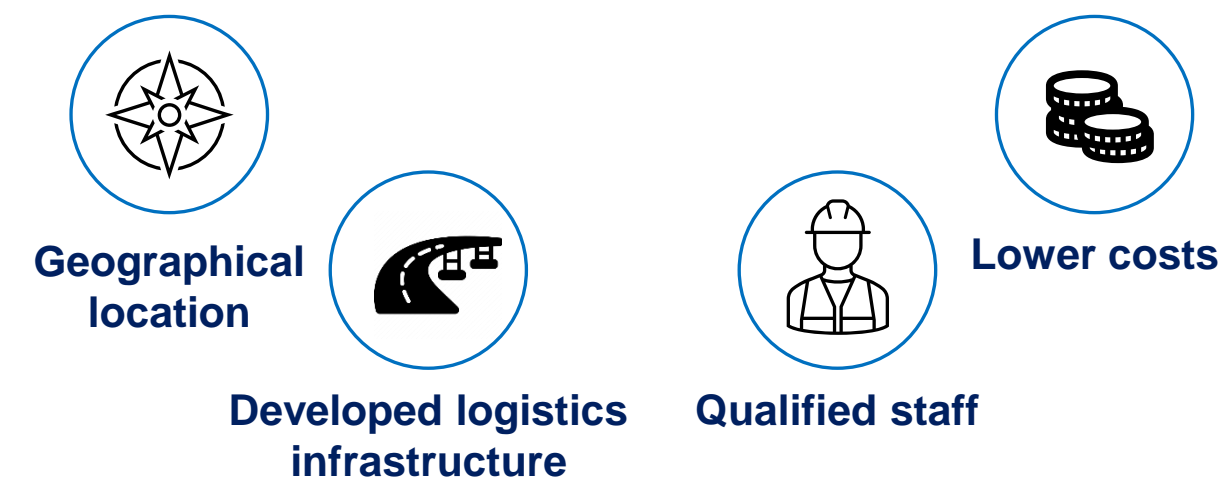


- 1 The dynamically growing eCommerce segment is a key driver of the increasing demand for warehouse space and professional logistics services.
- 2 Estimated share of eCommerce (in various forms) already exceeds 1/3 of total demand for warehouse space on the Polish market.
- 3 The situation with the COVID-19 pandemic has confirmed that having efficient logistics processes is a fundamental element of running an effective business in the eCommerce channel.

Forecast growth dynamics of the e-commerce market*



Foreign entities active in eCommerce sector eagerly transfer logistics processes to Poland



*source: Euromonitor, Cushman & Wakefield

** Data as at the end of H1 2021, forecast.



FINANCIAL RESULTS

Operational Summary of the last months

1

Continuation of attaining very good financial results of the TIM Group

- 951 million zł income (+36% r/r*),
- 110 million zł EBITDA (+118% r/r),
- 70 million zł profit netto (+250% r/r).

2

Management Board's decision to make advance payment towards the expected dividend

- Advance payment for dividends in the amount of 26,6 million zł (1.20 per share)
- The right to make an advance payment for shareholders who own share as of 16.12.2021, payment of dividends 23.12.2021

3

Implementation of the analytical part of the project TIM 2.0

- Completion of the review of the main sales processes carried out in the company,
- Adjustment of the IT infrastructure supporting implementation of the sales processes,
- Preparation of RfP dot. selection of sales support systems

4

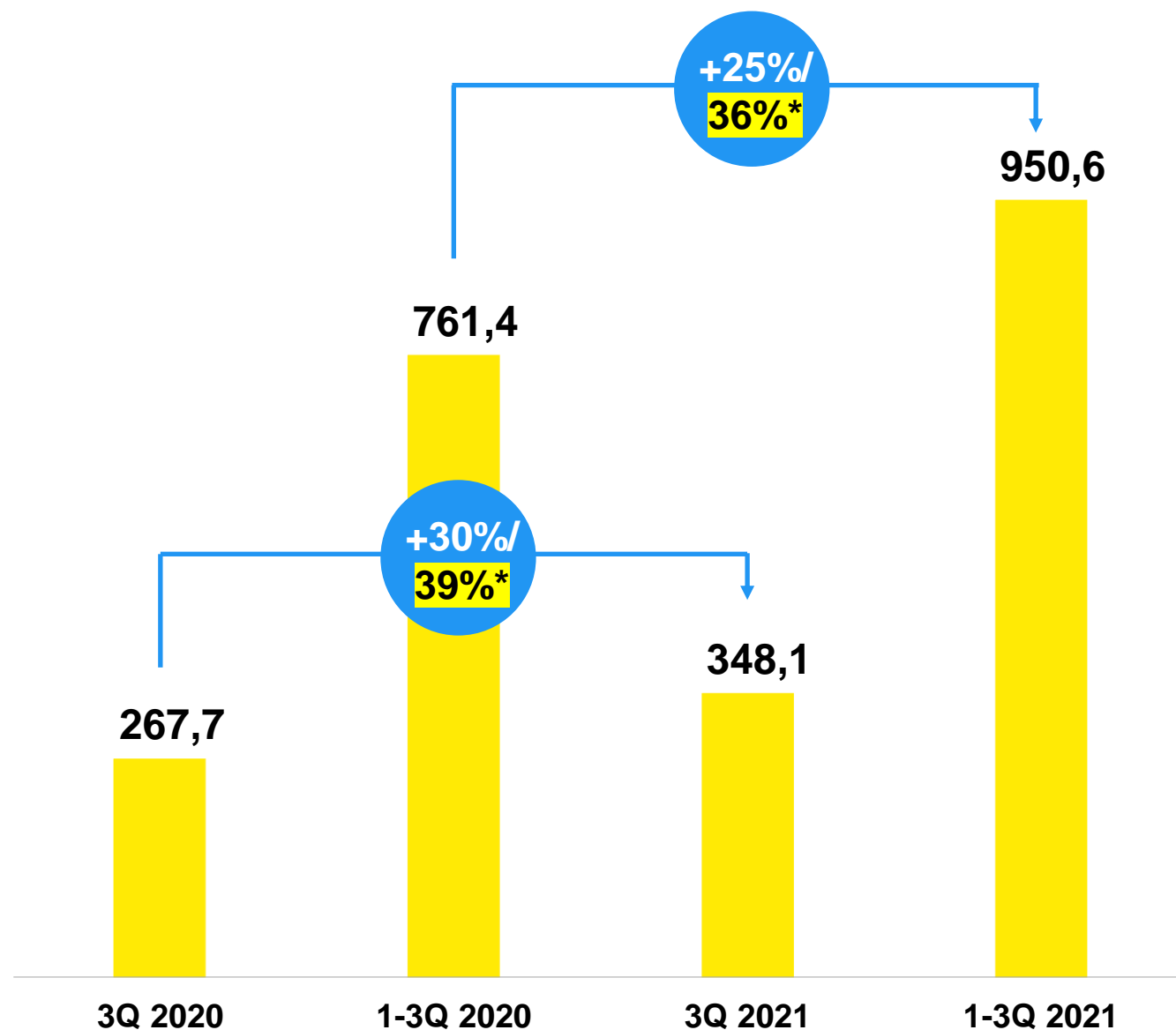
IPO 3LP SA

- Commencement of preparations for the first IPO of the subsidiary 3LP S.A.,
- Current status – processing of the issue prospectus at the Polish Financial Supervision Authority,
- The assumption is to raise funds for the development of the company, excluding the sale of current shares TIM S.A.,
- Planned date for the transaction: 1H 2022 r.

* After bringing the data to comparability, i.e. without taking into account the revenue of Rotopino.pl S.A. in H1 2020. (the company left the TIM Group at the end of 2020)

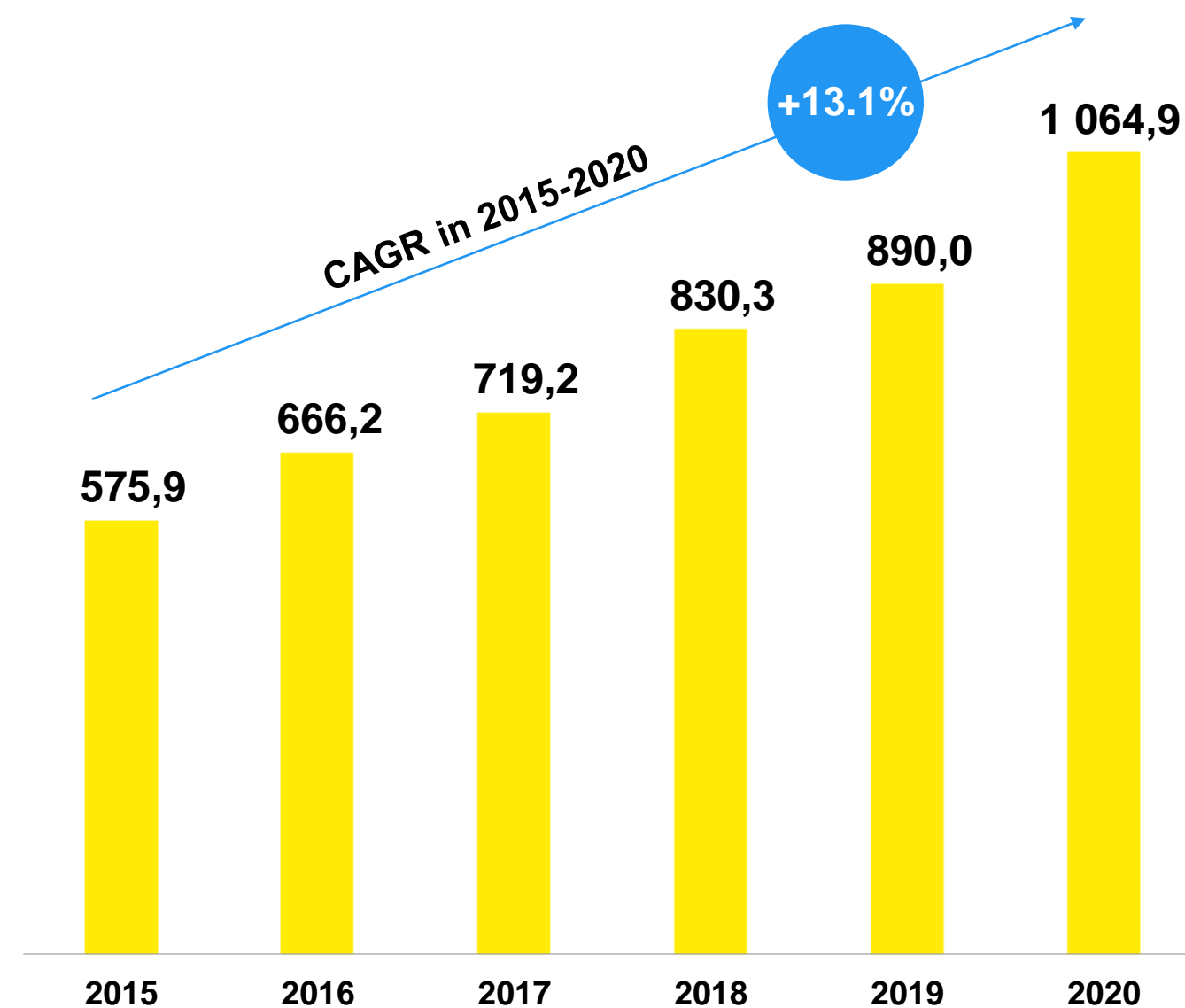
TIM Group - dynamic growth of sales revenue

Sales revenue (PLN mn)



- In the third quarter of 2021, further acceleration of the sales growth rate compared to the first half of 2021,
- After 11 months 2021 (last reported data), TIM with PLN 1150 mn revenue (+35.1% y/y).

Revenue in 2015-2020 (PLN mn) and its average annual growth



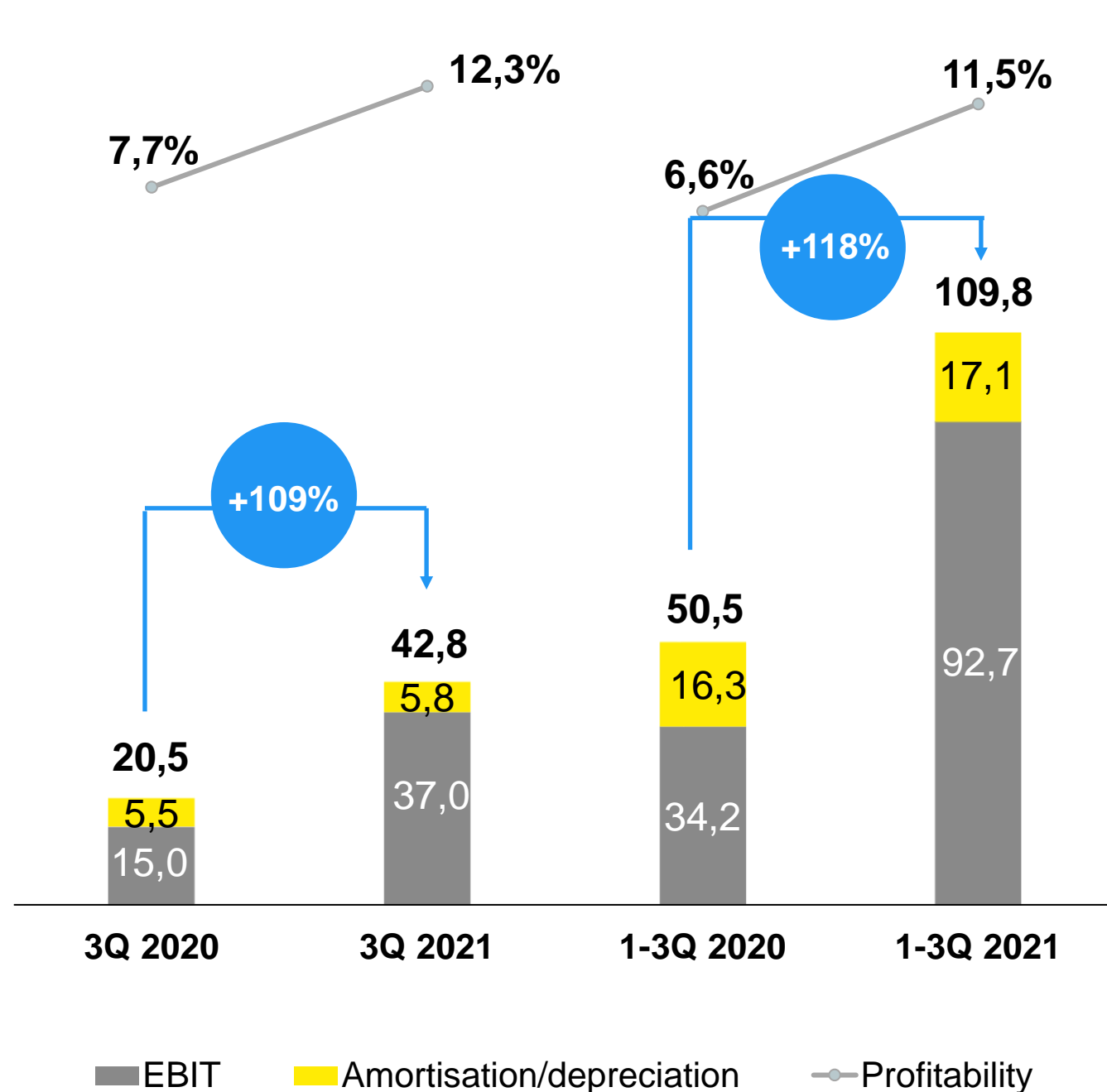
- Nearly doubling turnover between 2015 and 2020 confirms the Group's growth ambitions

*excluding sale revenue of Rotopino.pl



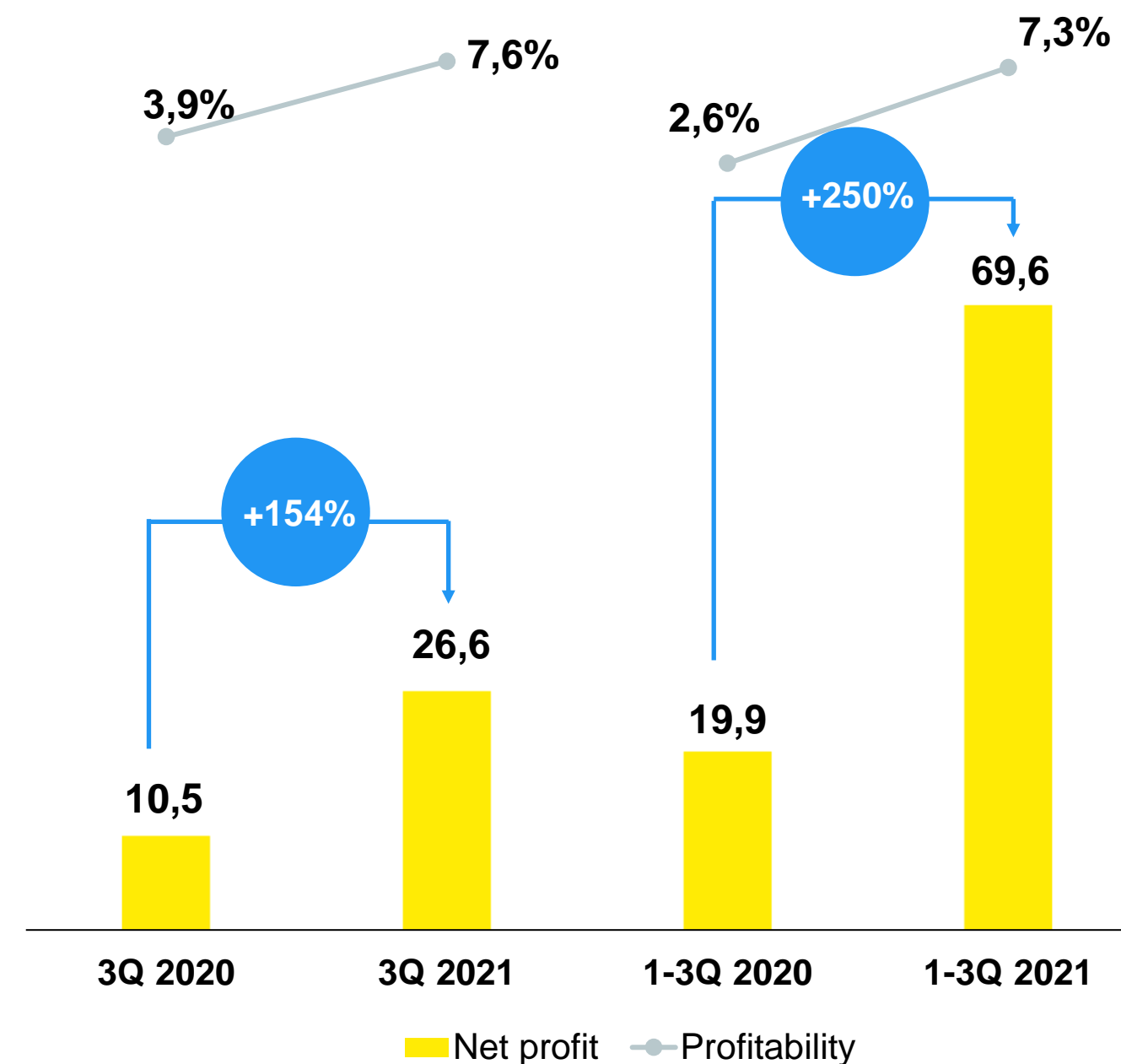
TIM Group - Growth of profits and margins

EBITDA [PLN mn]



- Sharply higher EBITDA profits in the reported periods,
- Doubling margins against 2020 periods.

Net profit [PLN mn]

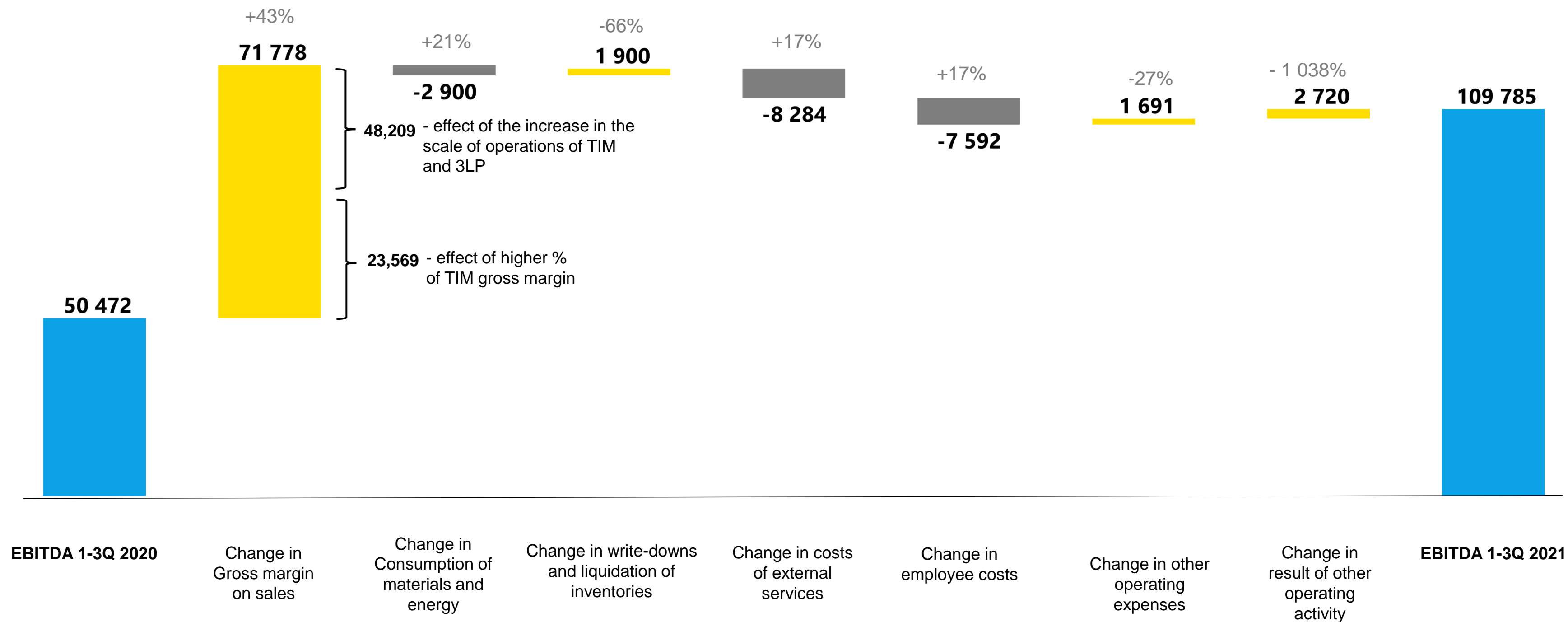


- Q3 2021 with the continuation of the high net profit recorded in April-June this year.



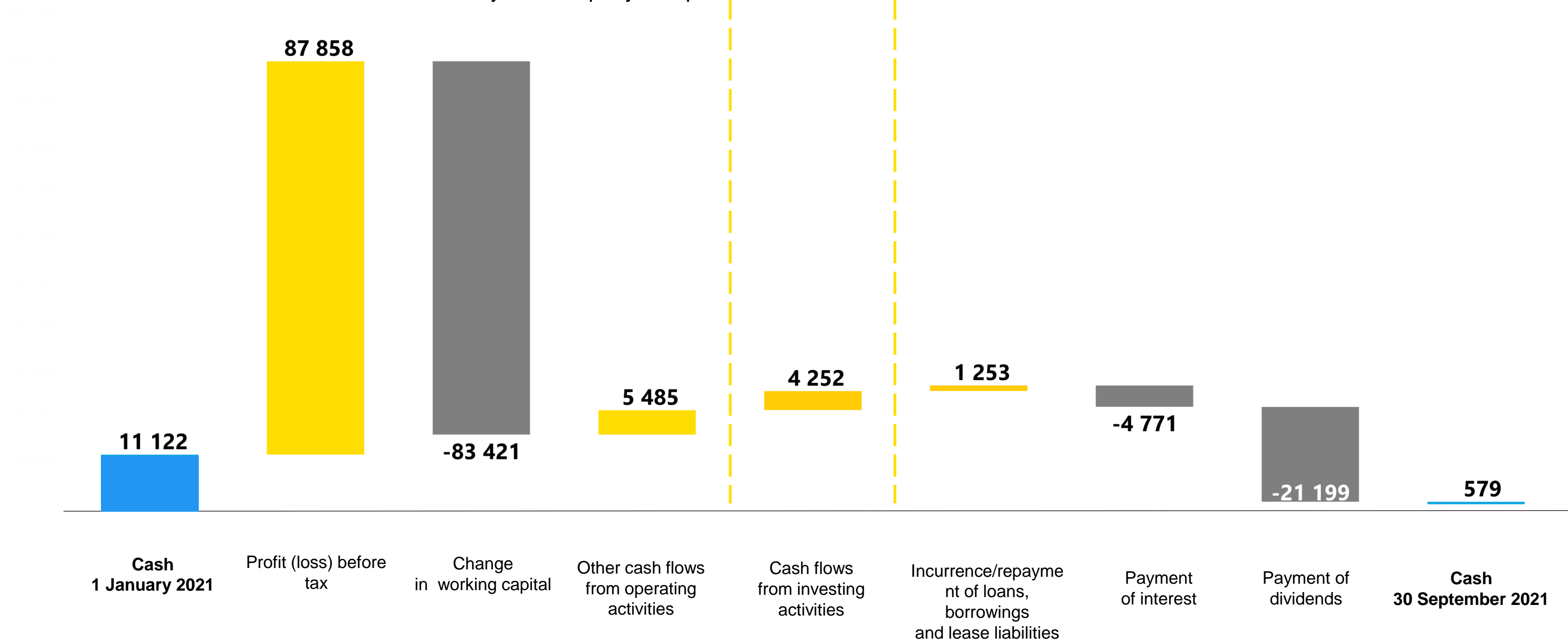
TIM Group - EBITDA decomposition

The increase in the scale of operations and the higher gross margin on sales are the main determinants of the higher EBITDA reading.



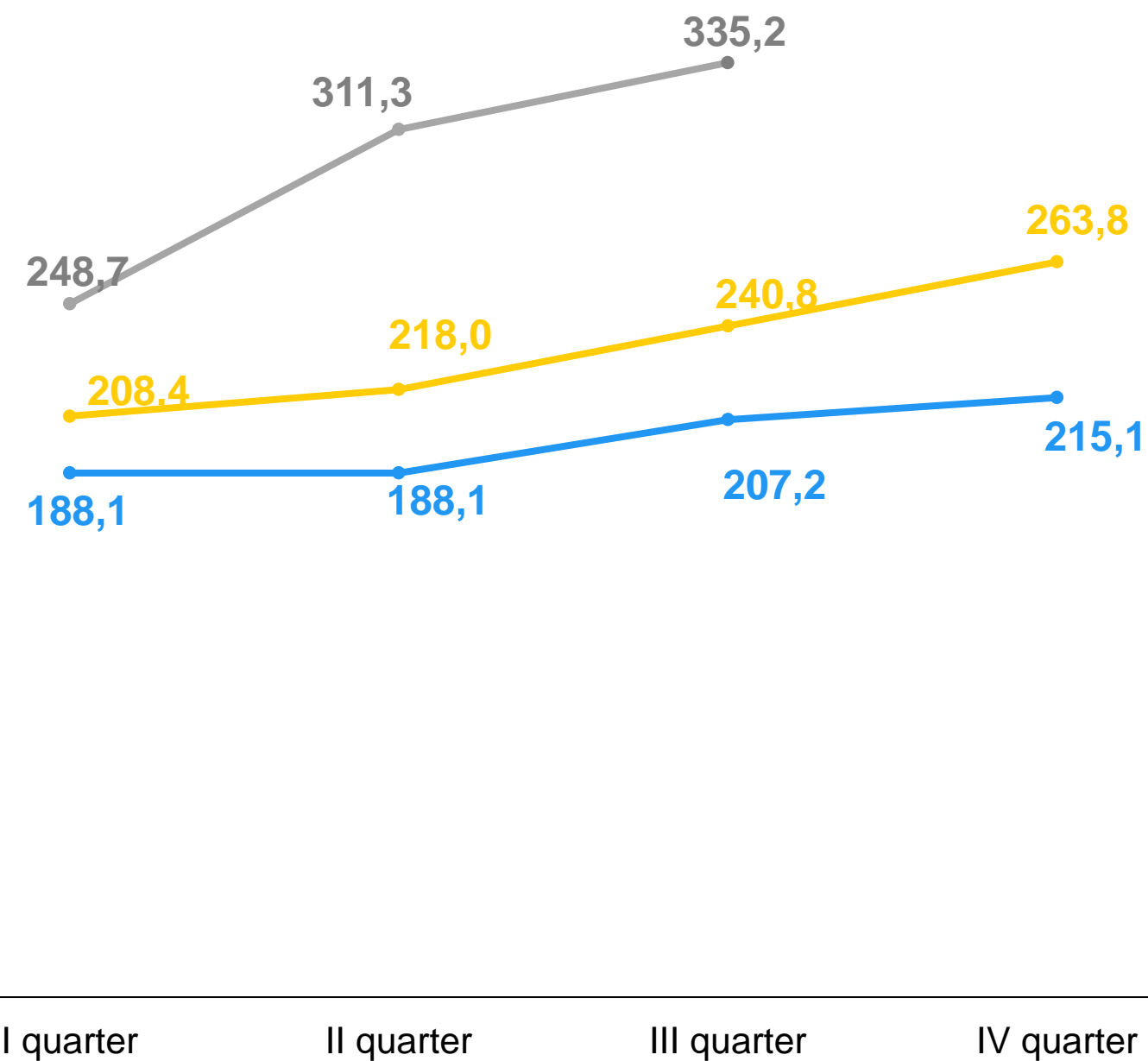
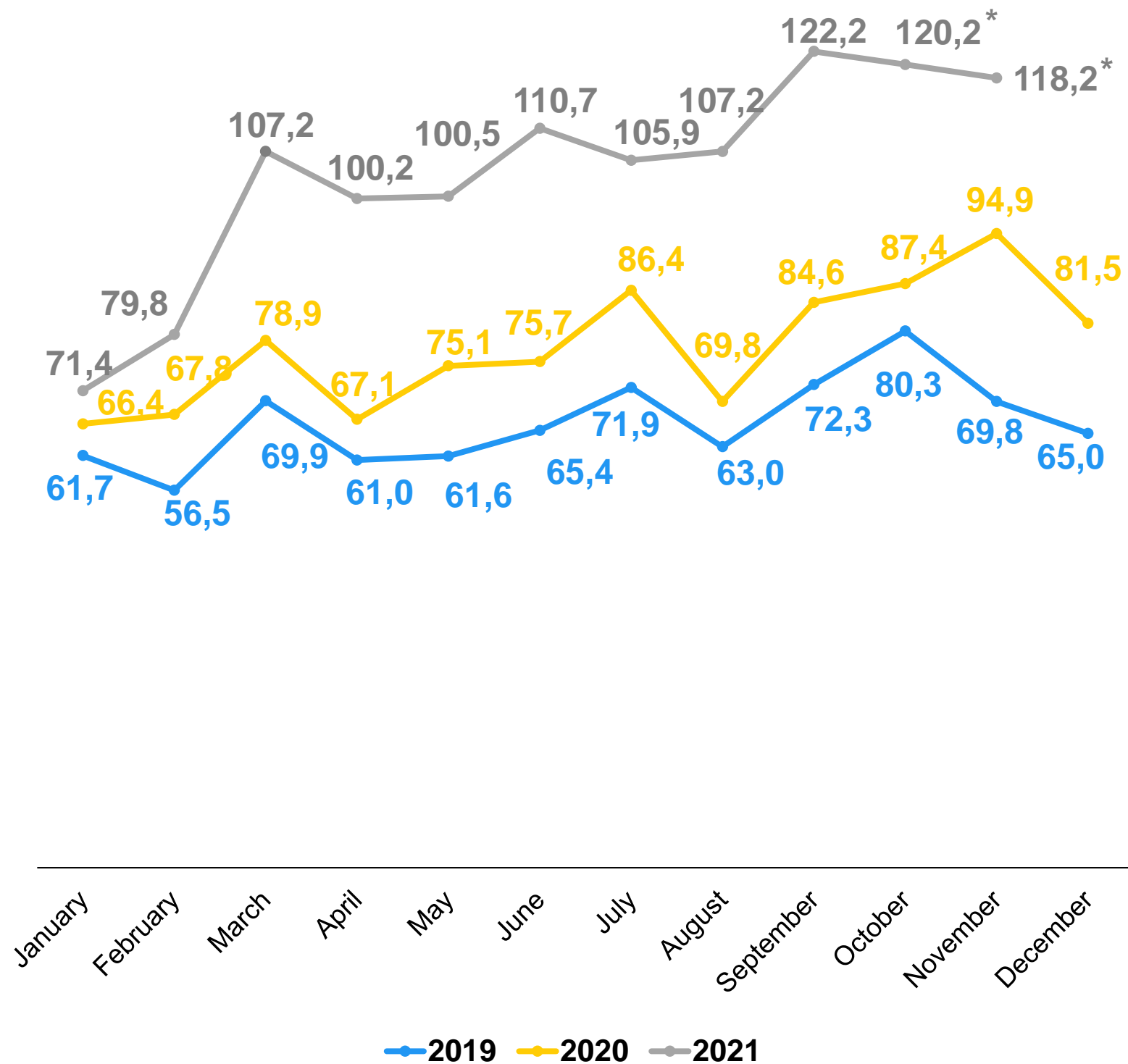
TIM Group - stable cash flows

- The amount of operational flow after III quarter came to 9.9 million zł which was mainly impacted by the high gross profit and the negative balance of inventories and receivables.
- Positive investment inflows result from the sale by 3LP company of a plot of land for the construction of a new warehouse.





TIM – dynamic increase in sales in 2021 compared to the same periods (mln zł)

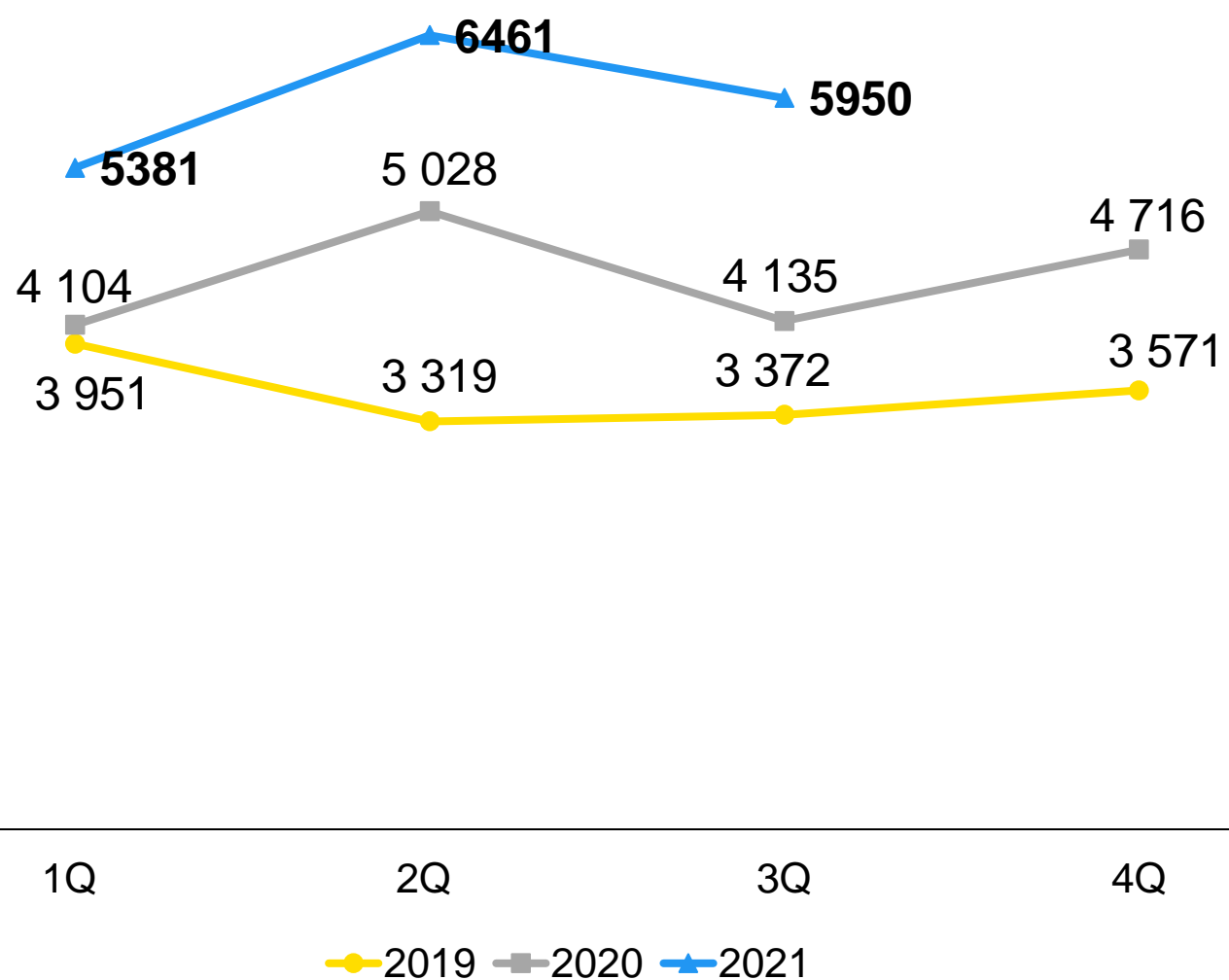


*estimated results

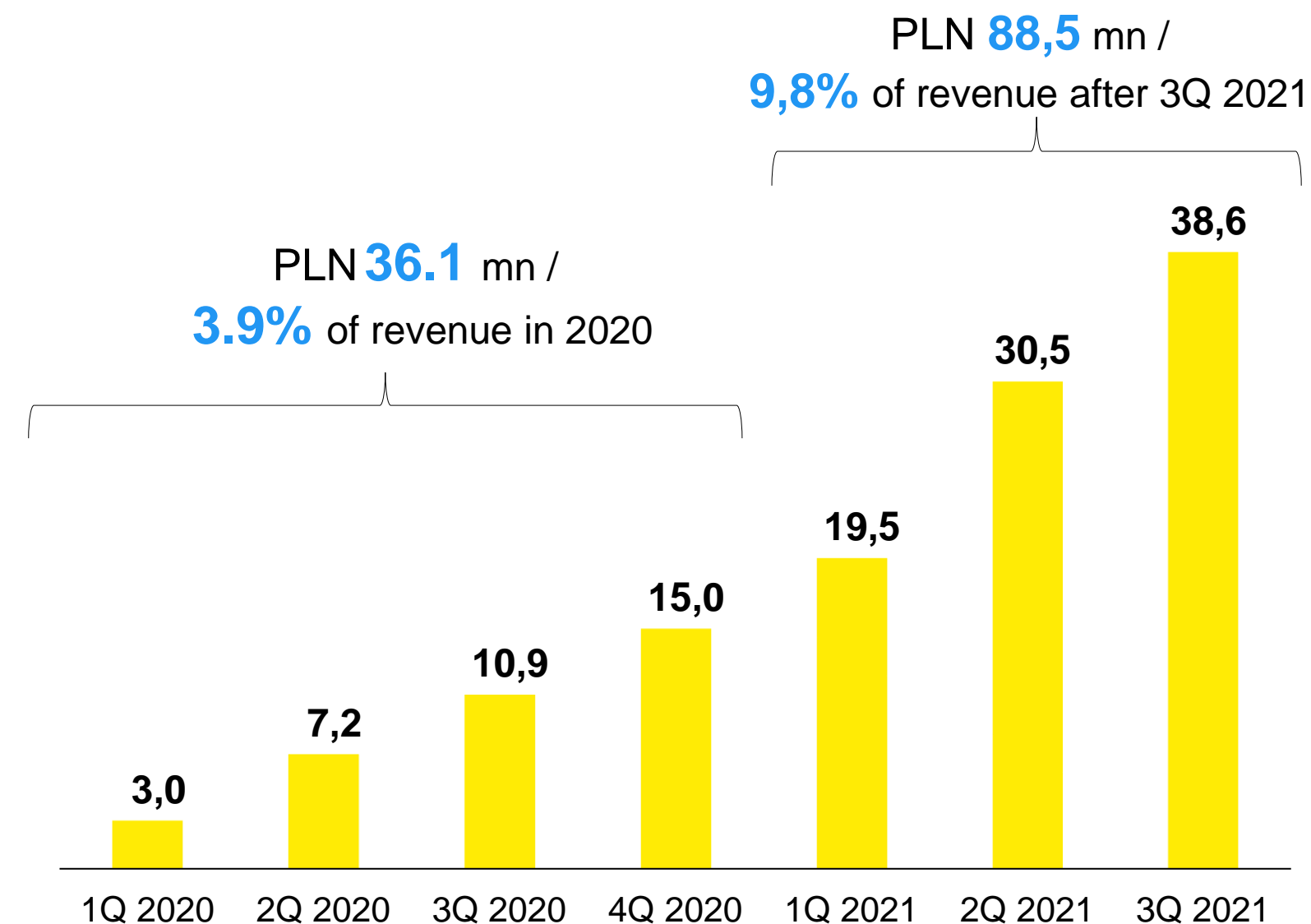


TIM S.A. - systematic improvement of sales indicators to new clients

Number of new clients registered on TIM.pl



Sales to clients registered on TIM.pl

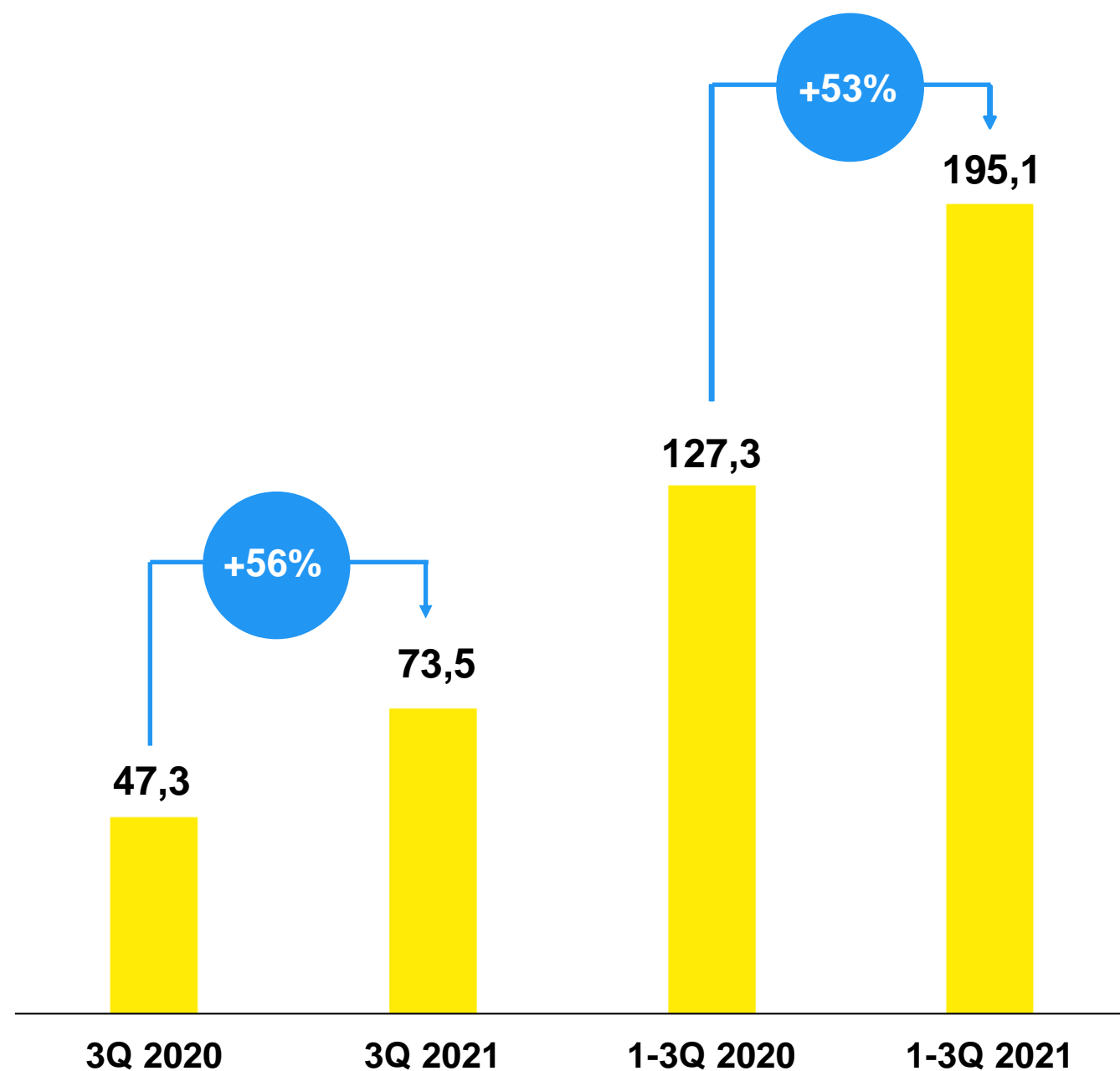


- A significant increase in interest in the e-commerce sales model,
- Maintained growth trend and high dynamics in terms of acquiring new users of the TIM.pl platform.

- The value of sales to new clients grows with each quarter,
- Sales to new clients amounts to 10% of the total generated sales after 3Q 2021.

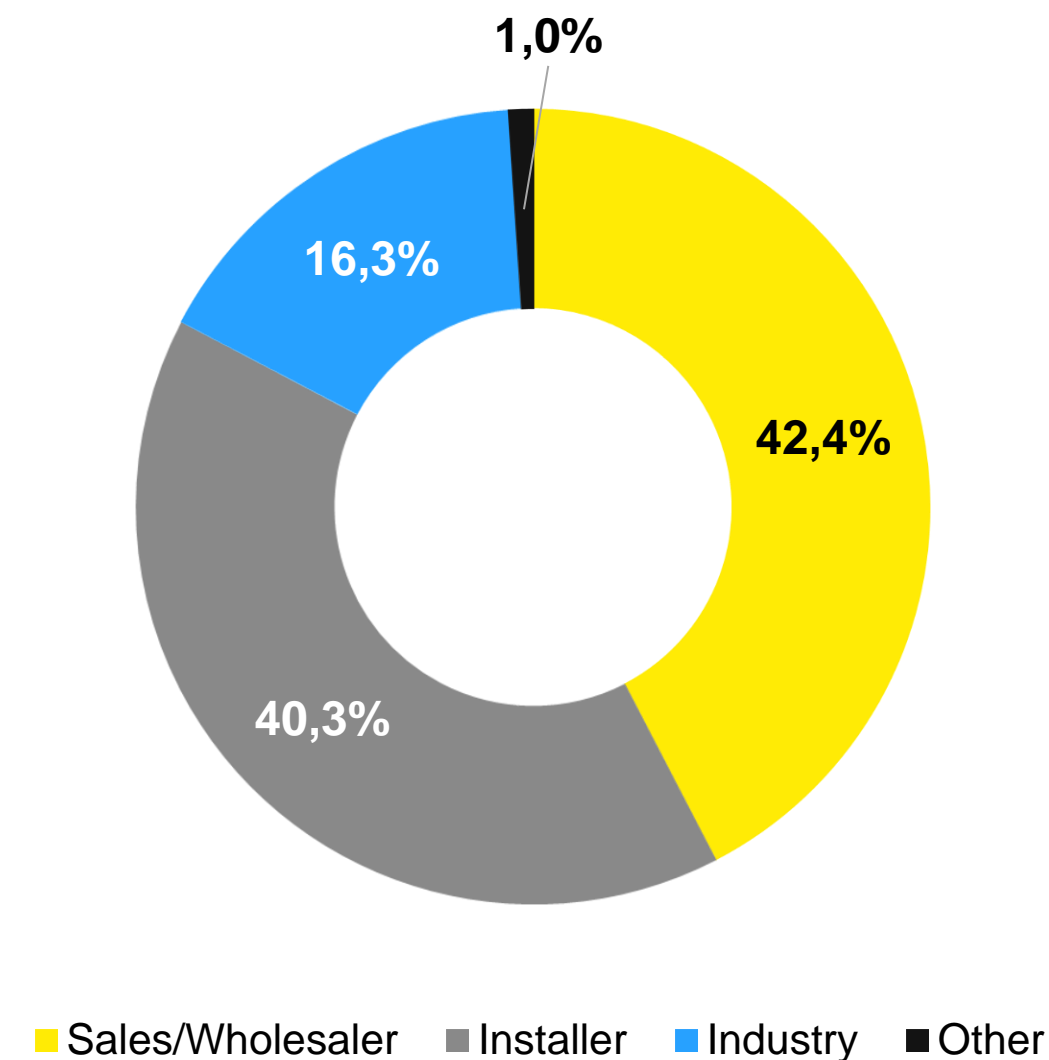
TIM S.A. - sales profitability and segmentation

Gross margin on sales (PLN mn)



- Each quarter of 2021 strong increase of nominal profit brutto from sales and its margin.

Revenues by customer segment in the period of 1-3Q 2021 (%)

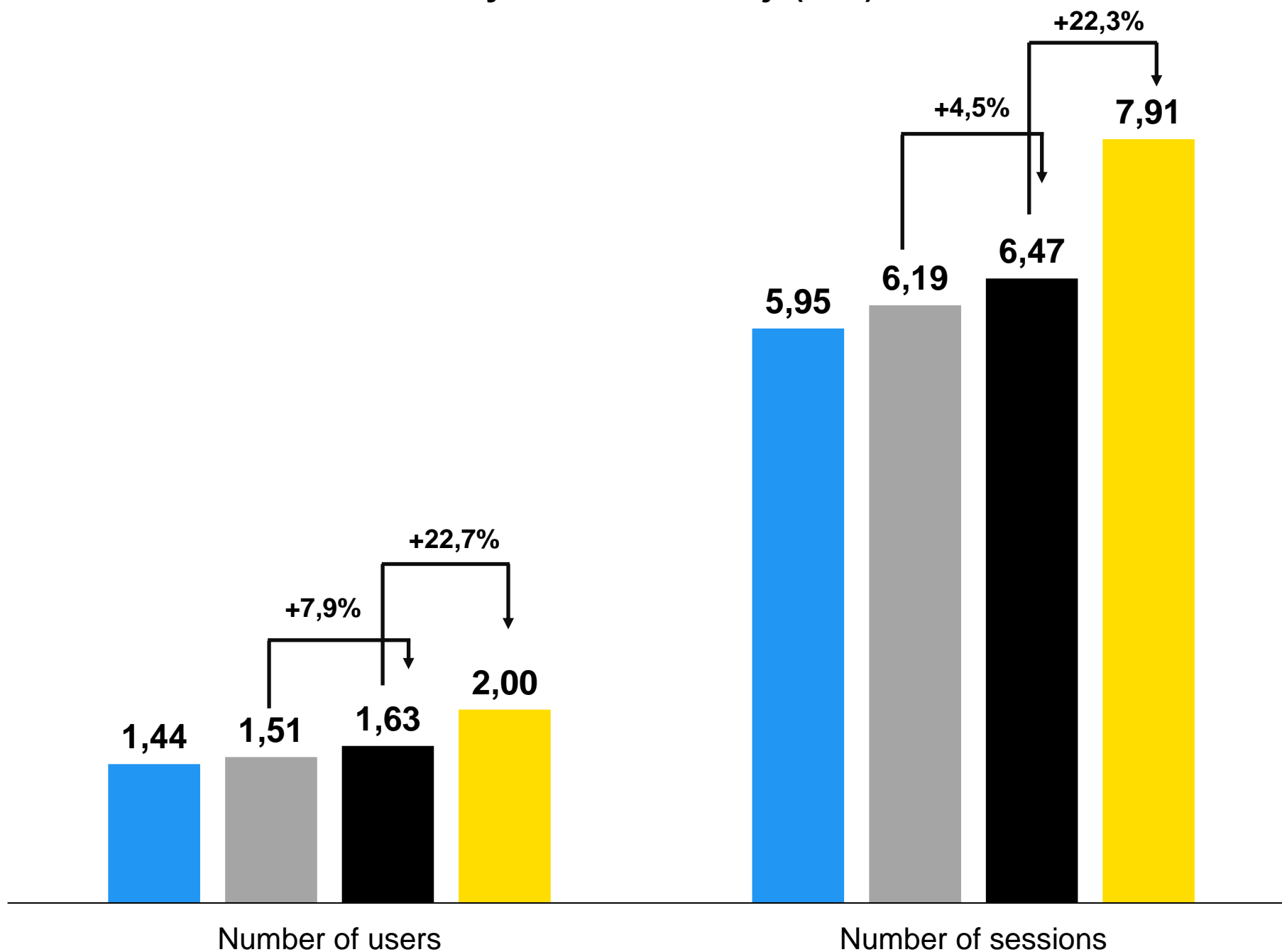


- 30.09.2021 number of key clients * amounted to **16 962**, increase of **21,2%** r/r.

*Customer realizing sales higher than PLN 1,500 in the last 12 months.

TIM S.A. - increase in the effectiveness of the e-commerce segment

Liczba użytkowników i sesji (mln)



55,7%

users come from organic traffic (SEO)

26,1%

represents the share of traffic from the Ads channel

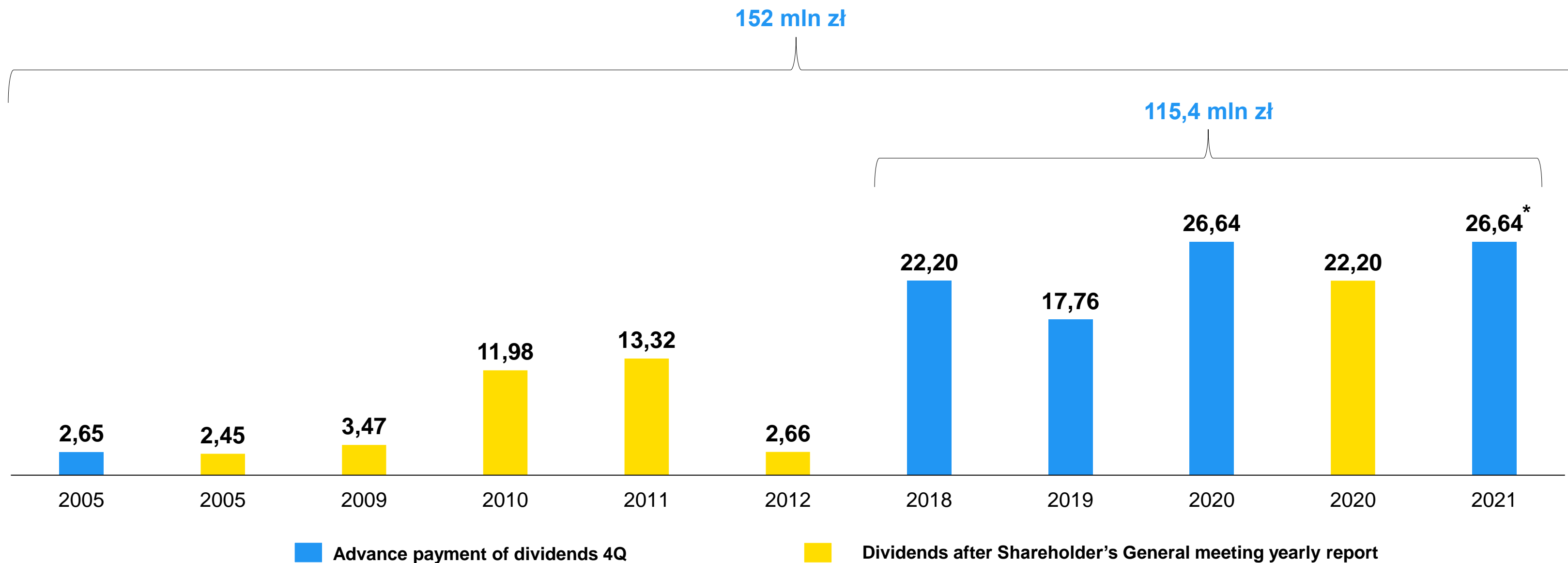
13,7%

users access TIM.pl directly (*direct* traffic)

Advance payment for dividend in December of this year

- Decision of the board from November 16, on December 23 the company will pay 26,6 million zł advances on account of expected dividends in the amount of 1,20 zł per share.
- 17,8 million zł will derive from profit for the 1st half of 2021, the remaining part from the funds accumulated on the dividend fund.

Dividend payouts from 2005-2021 (mln zł)



• The amount of dividend advance to be paid. The date of the publication of the current report was assumed as the dividend day.

MOSCA
EXCELLENCE IN STRAPPING SOLUTIONS

3LP S.A.



3LP – Management Summary



IPO

- Issue of new shares - no shares will be sold by TIM S.A. as part of an IPO,
- Obtaining funds for further development and obtaining a market valuation of 3LP,
- Prospectus completed and submitted to the Polish Financial Supervision Authority on October 29, 2021,
- Planned IPO in H1 2022



OPERATIONAL ACTIVITY

- Focus on the efficient handling of seasonal sales growth (tire sales peak, Black Friday, Santa Claus / Christmas),
- Advanced talks with clients in terms of increasing the scope and extension of the period of cooperation
- Participation in tender processes in order to attract new customers.



EXPANSION OF INFRASTRUCTURE

Construction of a new warehouse hall sized at 25 thousand square metres.

- Investment implemented in the model „asset light”,
- Start of construction works on 1st of September 2021.,
- Currently construction works completed, the assembly of the roof structure and walls in progress,
- Planned completion date of the hall: 2Q 2022 r.

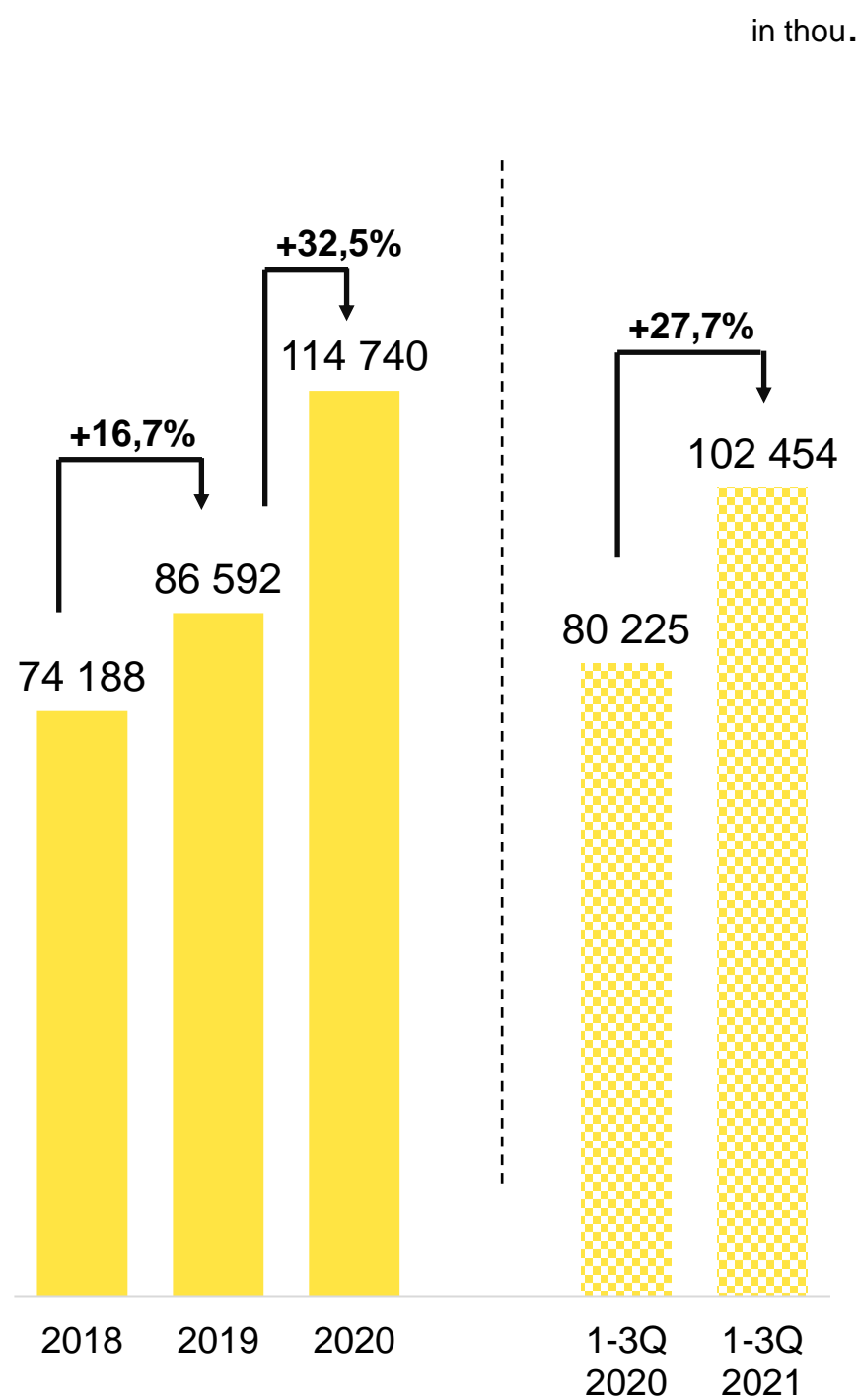
Equipping the newly built hall:

- Financing by 3LP (by means fo the IPO),
- Advanced negotiations with suppliers regarding the automation system,
- Planned commissioning date: 1Q 2023

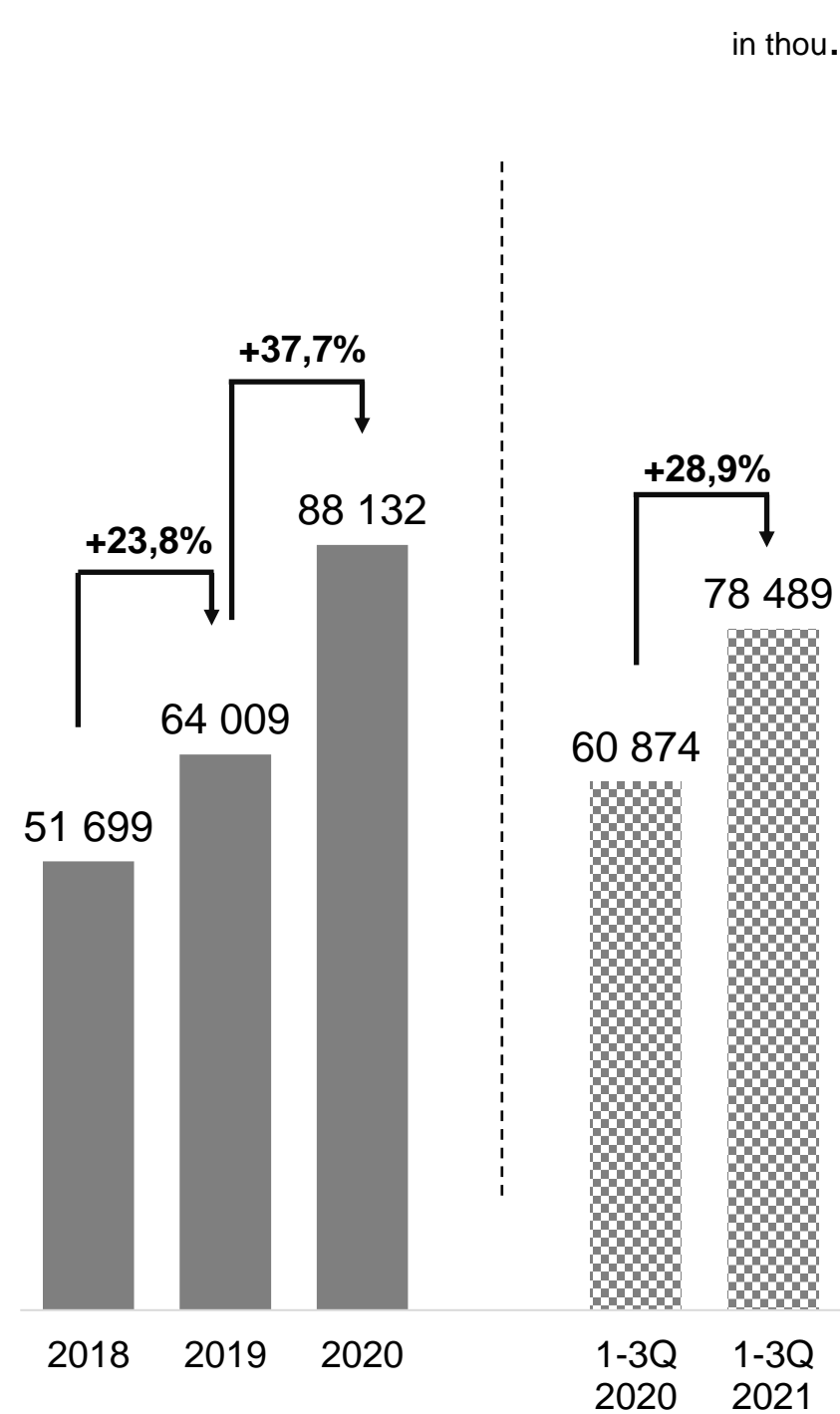


Growing revenues and their diversification– positive cash flow

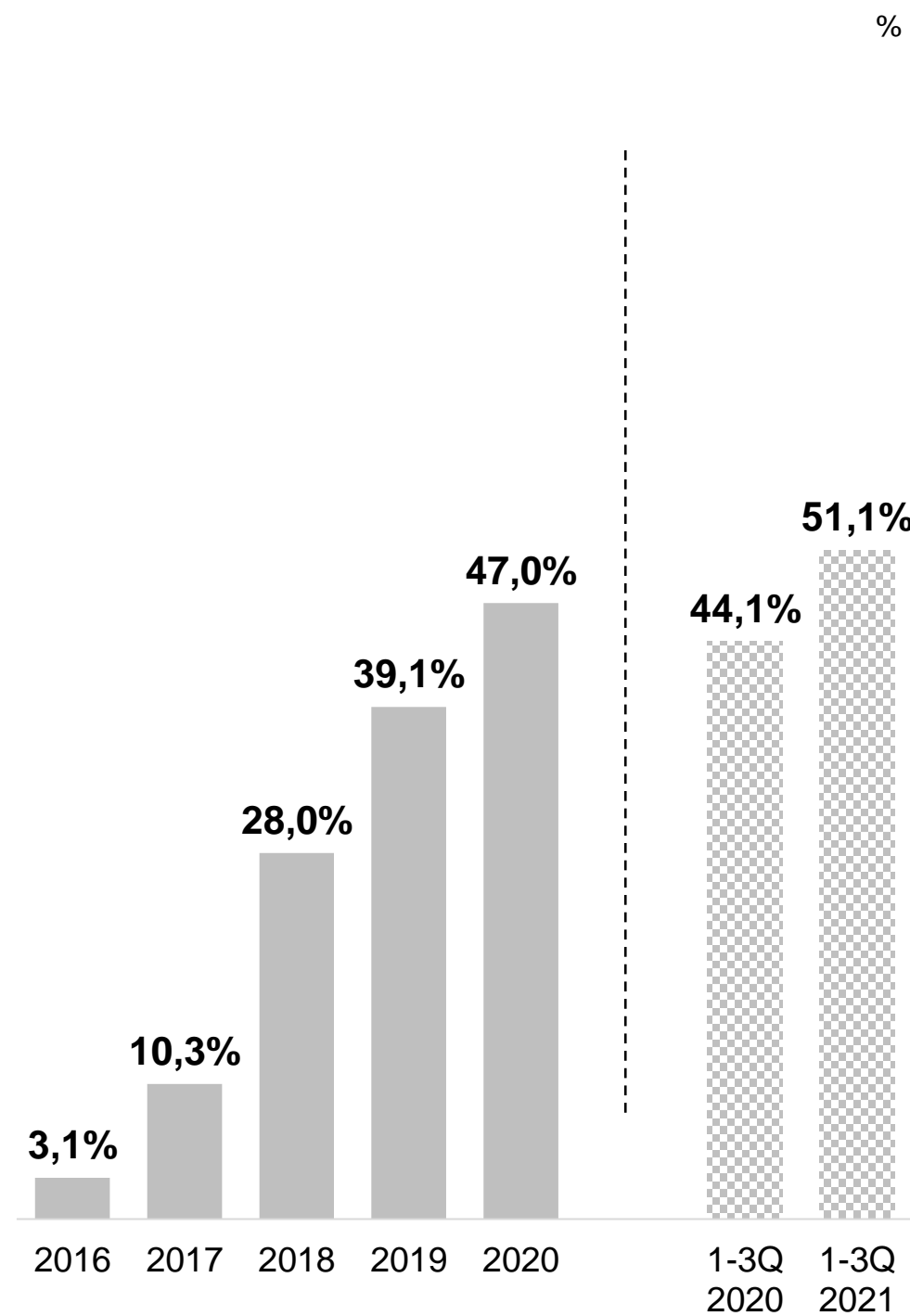
Total revenue



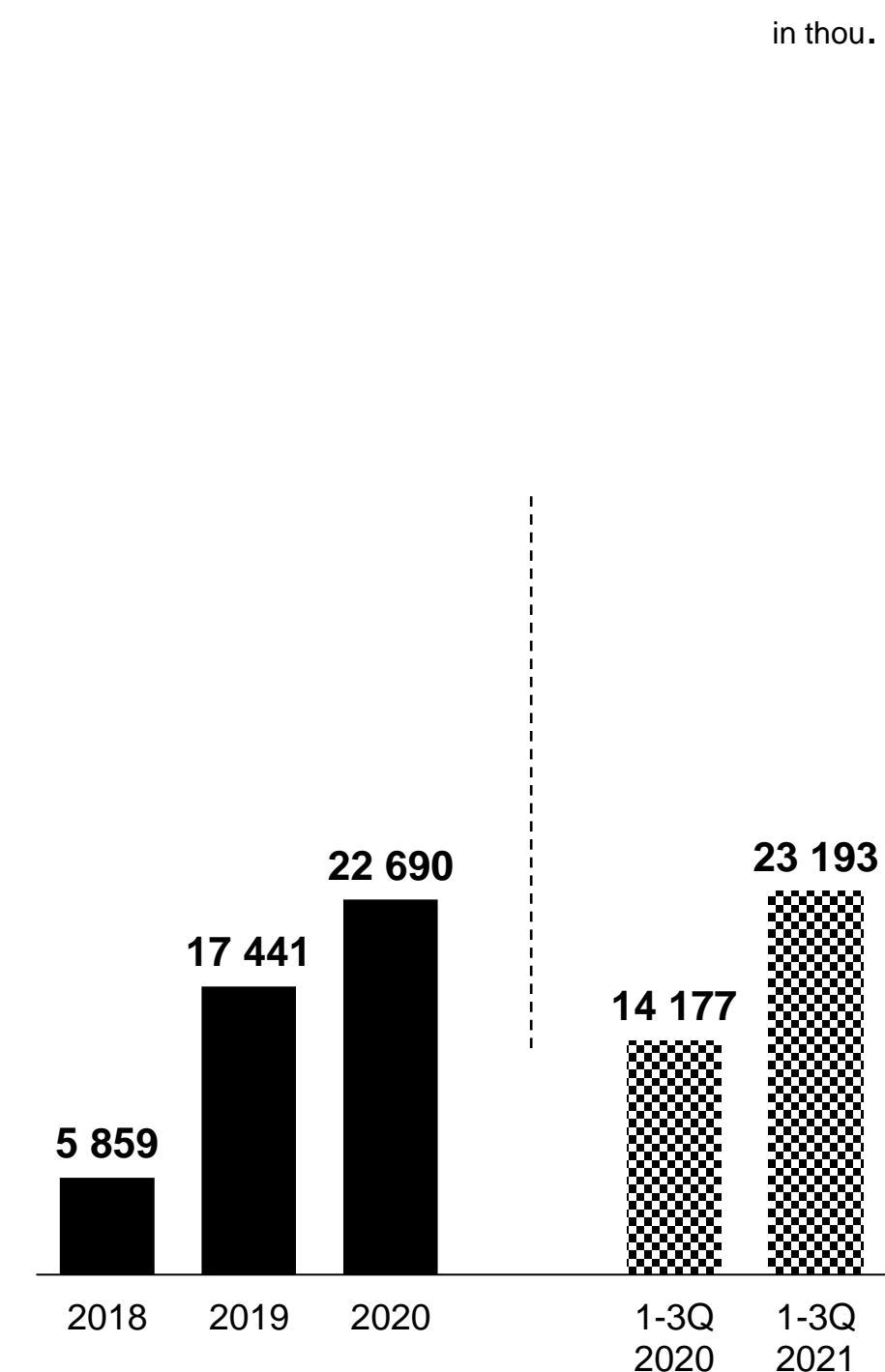
Revenues from the fulfillment services



Revenues generated outside of GK TIM



Cash flows from operational activities.

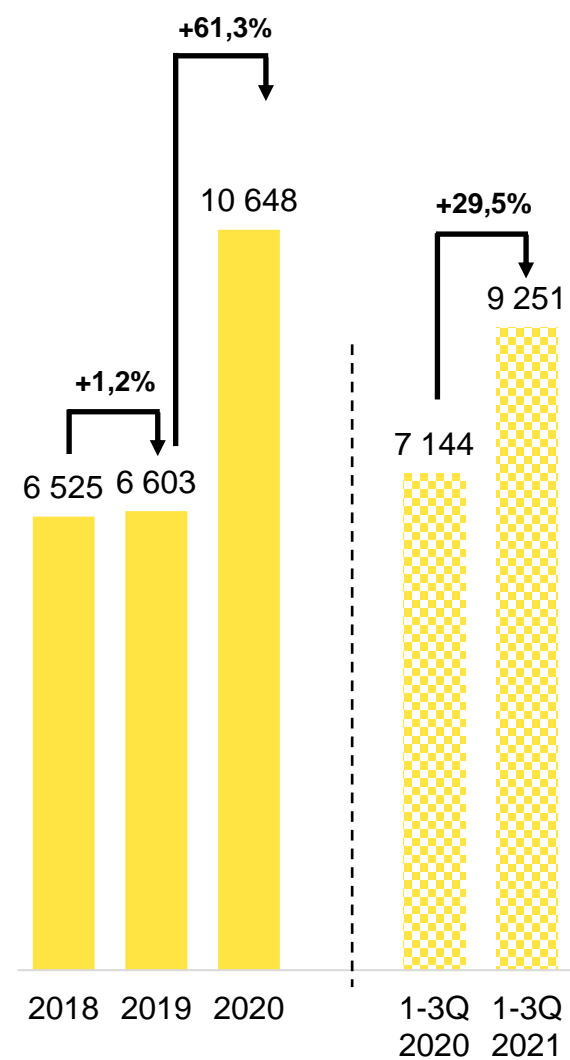




Success of the business model 3LP in numbers

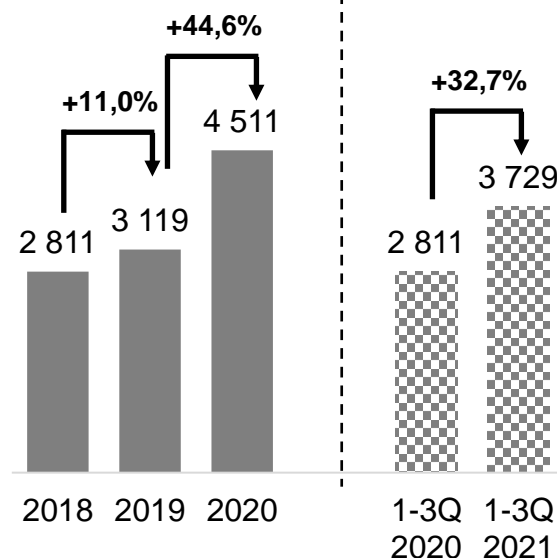
Number of order lines

in thou.



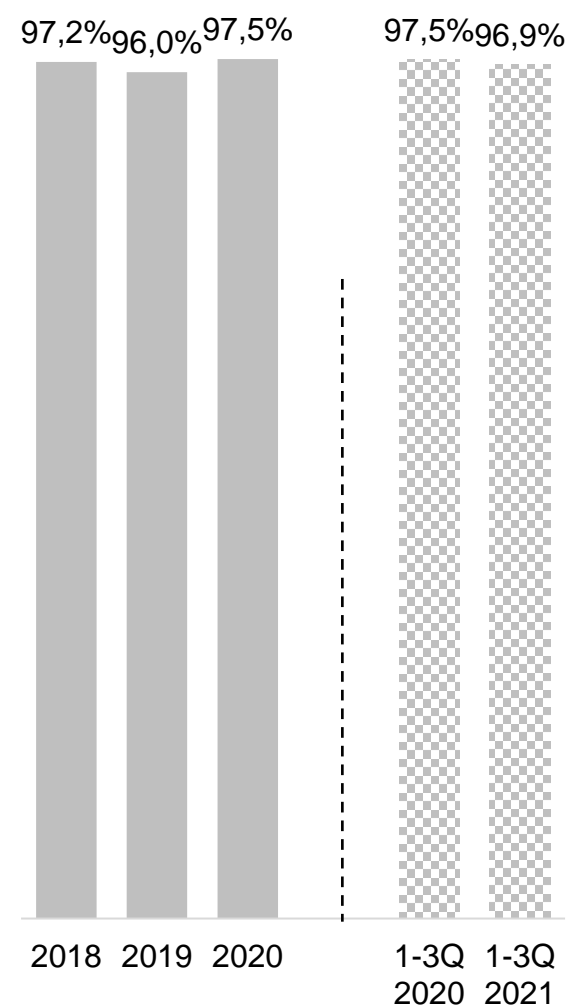
Number of deliveries (packages and pallets)

in thou.

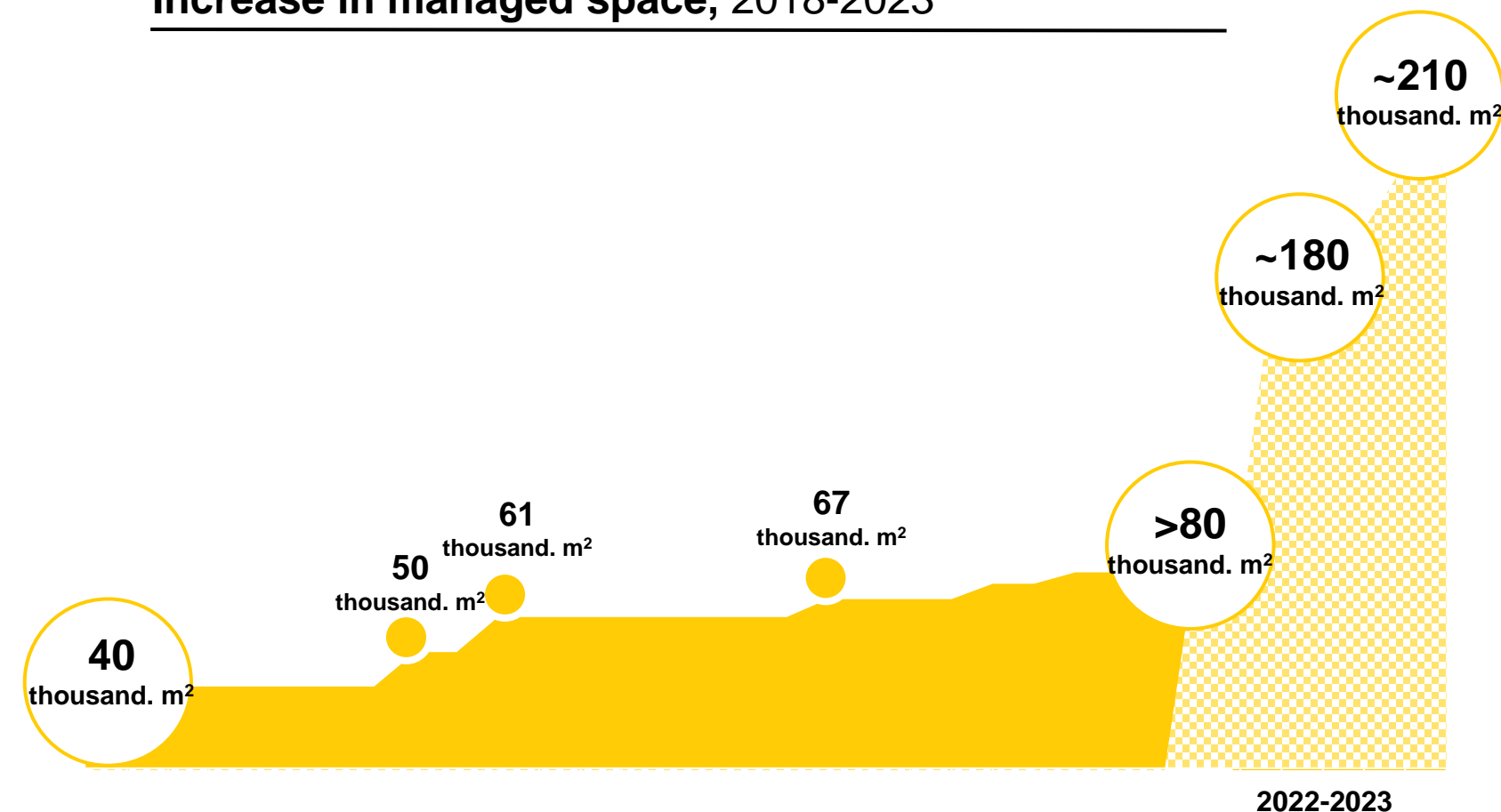


Timely Delivery

Yearly average'



Increase in managed space, 2018-2023



Plans for further development – chosen strategy elements

- **Nowa warehouse hall in Siechnice** – area sized at 25 thousand square metres.
- **Investment in the Shuttle System** area sized at 15 thousand square meters in the new warehouse hall in Siechnice.
- **Opening of warehouses in new location and customer** development of existing clients.

A modern office interior featuring a reception desk with the 'TIM' logo, a large vertical living wall, and a wall-mounted sculpture. The ceiling has geometric light fixtures, and the floor is a patterned tile. A yellow diagonal graphic is in the bottom left corner.

PLANS AND PROSPECTS



Agenda for 4Q 2021 / 2022

- Revision of the TIM brand strategy,
- Defining the vision, mission and positioning of the brand,
- Development of a new TIM branding and identity system
- Formulating the engaging brand story of TIM

STRATEGY TIM 2022+

- Acquiring funds for the further dynamic development of the company
- Obtaining a market valuation of 3LP and making the valuation of the entire TIM Capital Group more realistic
- Increasing credibility and transparency
- Sale of newly issued shares only.

IPO 3LP

- Optimization of business processes,
- The use of the latest technological tools,
- Reconstruction of the IT architecture of the sales systems environment,
- Building the TIM.pl platform on Magento 2

TIM 2.0

- New warehouse hall area of 25 thousand square meters,
- The most modern, universal automation for e-commerce,
- A substantial increase in the operational capabilities of 3LP.

EXPANSION OF THE INFRASTRUCTURE 3LP

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Michał Kostrowicki

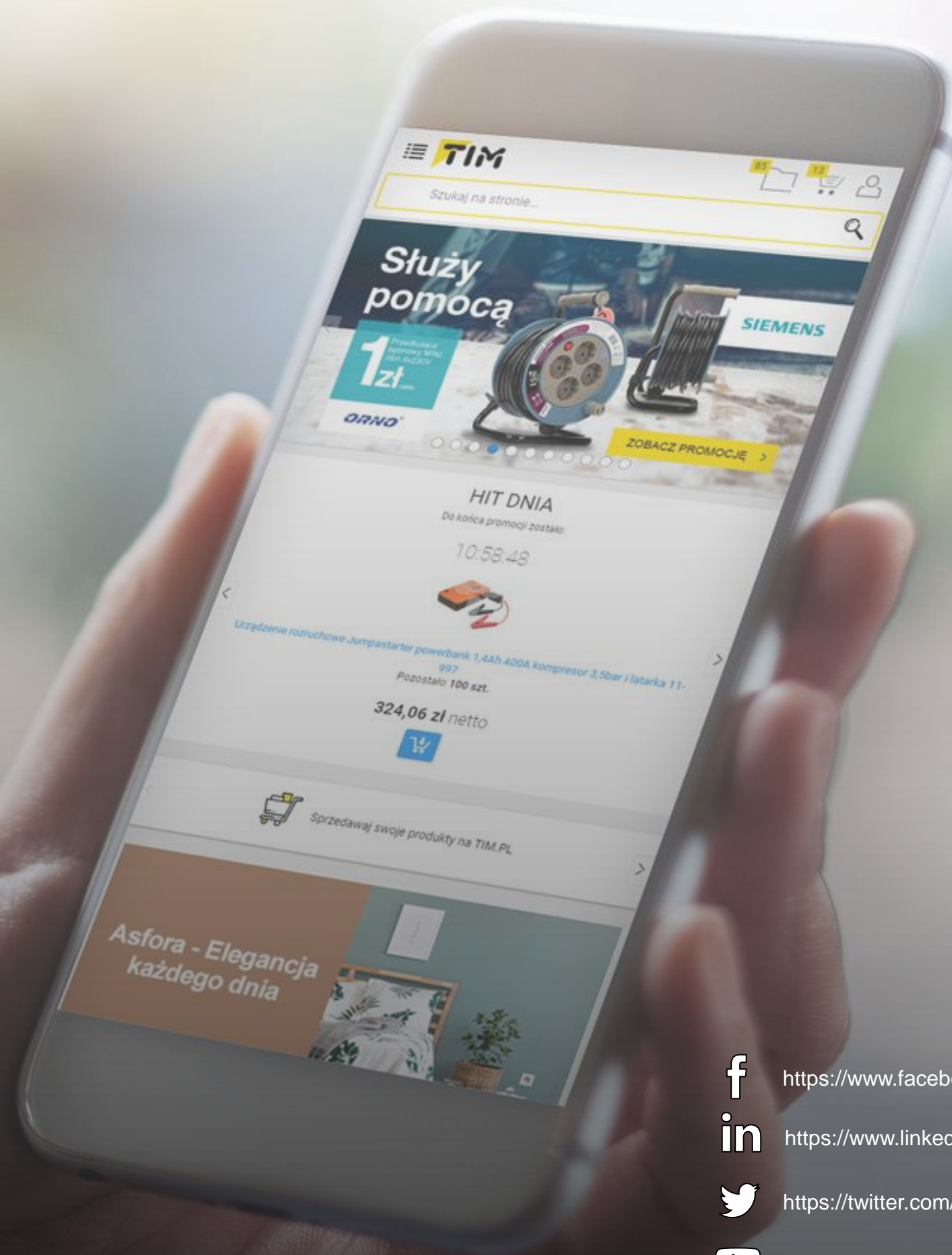
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