

Capital Market Day Corporate Presentation



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CEO, TIM S.A.

Piotr Nosal
CCO, TIM S.A.

Piotr Tokarczuk
CFO, TIM S.A.

Maciej Posadzy
CEO, 3LP S.A.

AGENDA

About Us

Market Perspective

Long term strategy TIM SA

3LP SA

Financial & Operational Results

Investment summary

TIM Group in brief:



E-commerce Leader B2B in Poland

Ambitious growth plan based on new development strategy.

Growing financial performance and low debt level

Attractive dividend policy



A dynamically growing player in the e-commerce service market

Investments in 3LP space expansion leapfrogging business scale

Strong exposure to e-commerce sector (infrastructure specialized in logistics services for clients from this sector)

Continuation of the development strategy regardless of the suspension of the IPO

1 450 mln PLN

Sales revenue LTM

651 000

Online purchases

81 000 m²

Warehouse surface

167 mln PLN

EBITDA LTM

129 000

Unique indexes sold

5,45 mln

Parcels issued

110 mln PLN

Net profit LTM

57 000

Unique indexes in the regular offer

115 mln PLN

Paid out dividend in 2018-2021

52 000

clients

668 mln PLN

Total assets*

868

employees

About us



Corporate Order



Shareholding Structure TIM SA:

Krzysztof Folta – 23,45%
Krzysztof Wieczorkowski – 13,51%
Nationale Nederlanden – 7,05%
Remaining – 55,99%

TIM SA – Shareholders / AGM

Auditor – Grant Thornton

TIM SA Board
(5 members,
2 independent)

Audit Committee

Zarząd TIM SA:

Krzysztof Folta – CEO
Piotr Nosal – CSO
Piotr Tokarczuk – CFO

Compliance

100% akcji 3LP SA

Board 3LP SA
(5 członków)*

Audit Committee

Board of Directors

3LP SA:

Maciej Posadzy – CEO
Damian Krzympiec – COO
Grzegorz Hachoł – CSO

* the Supervisory Board is composed of, among others, members of the Management Board of TIM SA

Management Board TIM SA



TIM SA Board:



Krzysztof Folta

CEO



Piotr Nosal

CCO



Piotr Tokarczuk

CFO

Management Board

Beata Szynol-Karaś
Accounting Director
Chief Accountant

Anna Grabska
Director of Accounts
Receivable

Magdalena Pytlarz
HR Director

Barbara Matkowska-Włosek
Marketing Director

Tomasz Nowowiejski
IT Director

Piotr Durzyński
Sales director

Krzysztof Rogalny
Director of Development
and Technology

Agnieszka Kłós
Purchasing Director

Łukasz Napiórkowski
Deputy Sales Director

Robert Janik
Director of Finance and
Management Information
Department

Sławomir Ważydrąg
Director of Sales Support

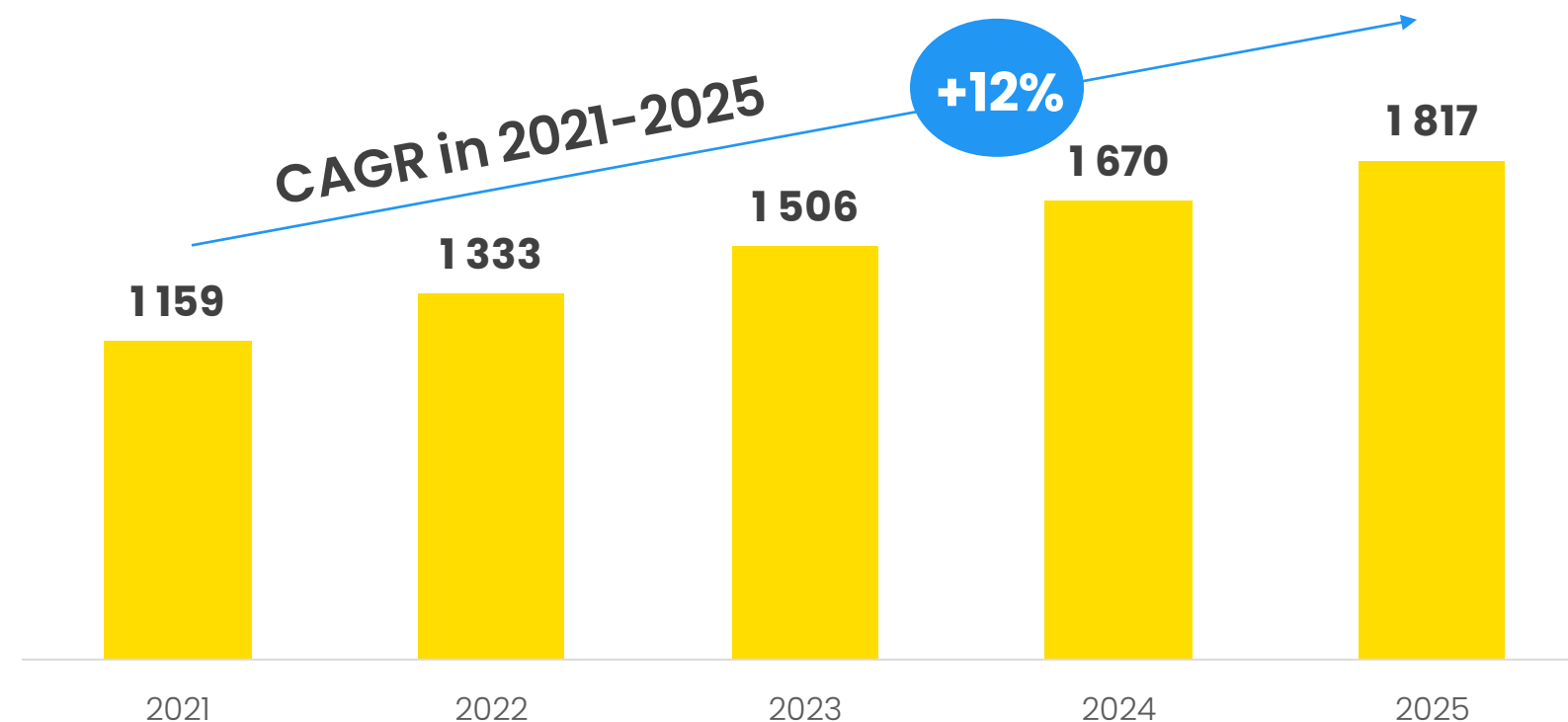
Market Perspective



(e)(m)commerce B2B long term growth factor

Consumerism B2B – in the perspective of 5 to 10 years web pages dedicated to B2C user and to B2B user will be difficult to differentiate.**

Turnover forecast for e-commerce B2B in Europe (in billions USD)



2 bln USD

market value of the e-commerce B2B in Europe
(2025)**

87% Poles use the internet *

59% Polish consumers declare,
that they buy on-line something
daily*

76% European companies operating in B2B
expects at least stable growth in
sales in 2022+**

80% Generation Z in USA use cell phones to
place orders in e-commerce B2B*

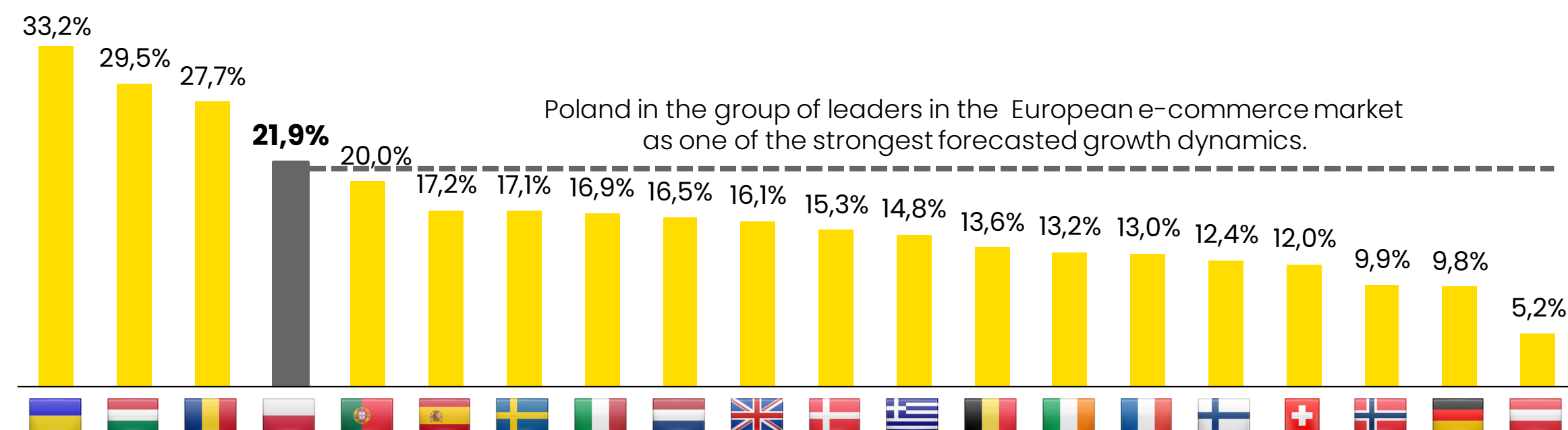
* "Digital 2022. Global overview report.", we are social, Hootsuite, 2022

** digitalcommerce360.com

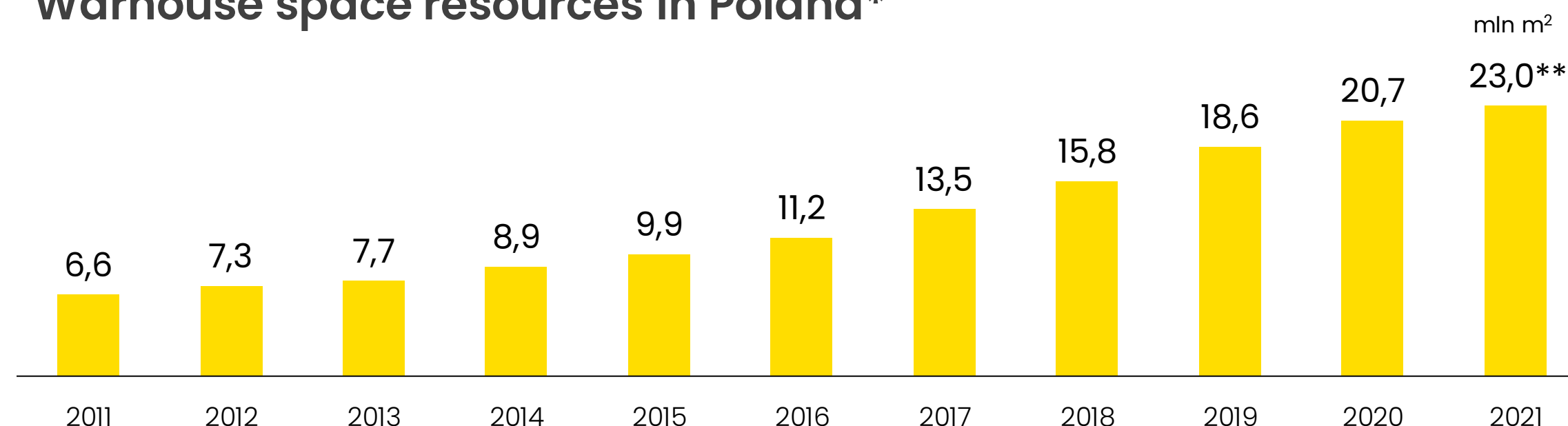
Growing demand for warehouse space in Poland

Forecasted market growth dynamics of e-commerce*

CAGR 2019-2022



Warehouse space resources in Poland*



* Euromonitor, Cushman & Wakefield

** Data as of the end of 3Q2021, forecast

Change 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

40% (up to approx. 637 billion PLN) – estimated dynamic of growth in e-commerce B2B in Poland in 2021

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 total demand for warehouse surface on the polish market.

The pandemic confirmed that efficient logistic processes are the foundation of effective e-commerce activities.

Long term strategy

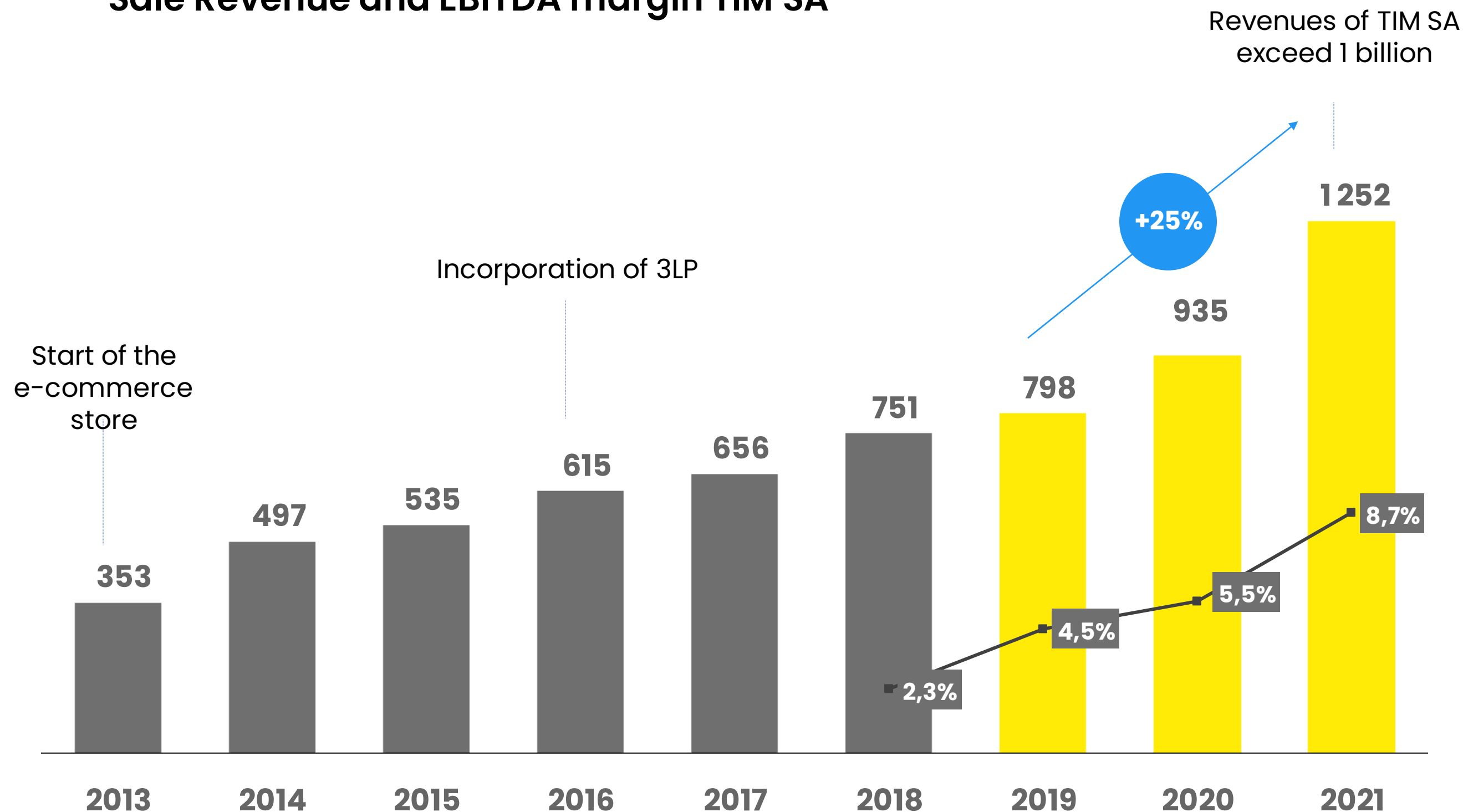
TIM SA



Strategy Summary 2019-2021



Sale Revenue and EBITDA margin TIM SA



Financial Goals of the development strategy in 2019-2021:

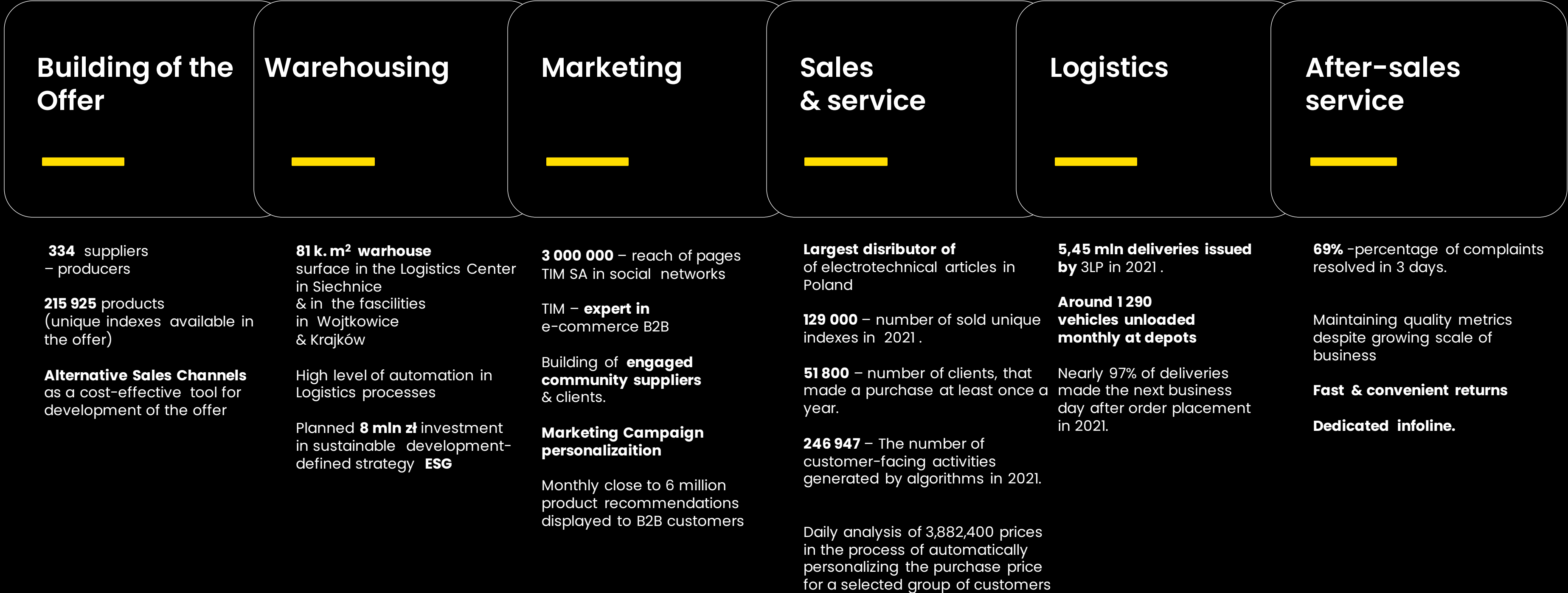
Sale Revenue > 1 billion

EBITDA Margin > 3,6%

The Value Chain of TIM



Long term strategy TIM SA



Pillars of TIM SA strategy



Electrical engineering center

TIM.PL has the widest offer available right away, at attractive prices.

75 thousand of products available in 24h – to headquarters, to the construction site, to the parcel machine, for the selected date.

TIM.PL is a platform of exchange of expertise, largest community of professionals: # Voltage connects us:

TIM is a place for discovering new trends & the main place for market premiers.

33

– projects in this pillar

Shopping at TIM is a pleasure

TIM.PL recognizes the needs of clients and suggests what they may need at the given moment.

By saving the professionals time we help them to focus on what is important.

At TIM.PL each client has individual prices.

56

– projects in this pillar

Always at hand

TIM is an intelligent Assistant: facilitates, reminds, prompts, handles it.

Organizes orders and settlements, makes it easier to control projects.

It encourages order placement in advance so that the materials arrive at the right time

30

– projects in this pillar

TIM is a team

We're a never ending start up, operating in the culture of innovation.

Each employee affects TIM's development.

We are always a team.

We are socially responsible, we engage in the life of local communities.

8

– projects in this pillar

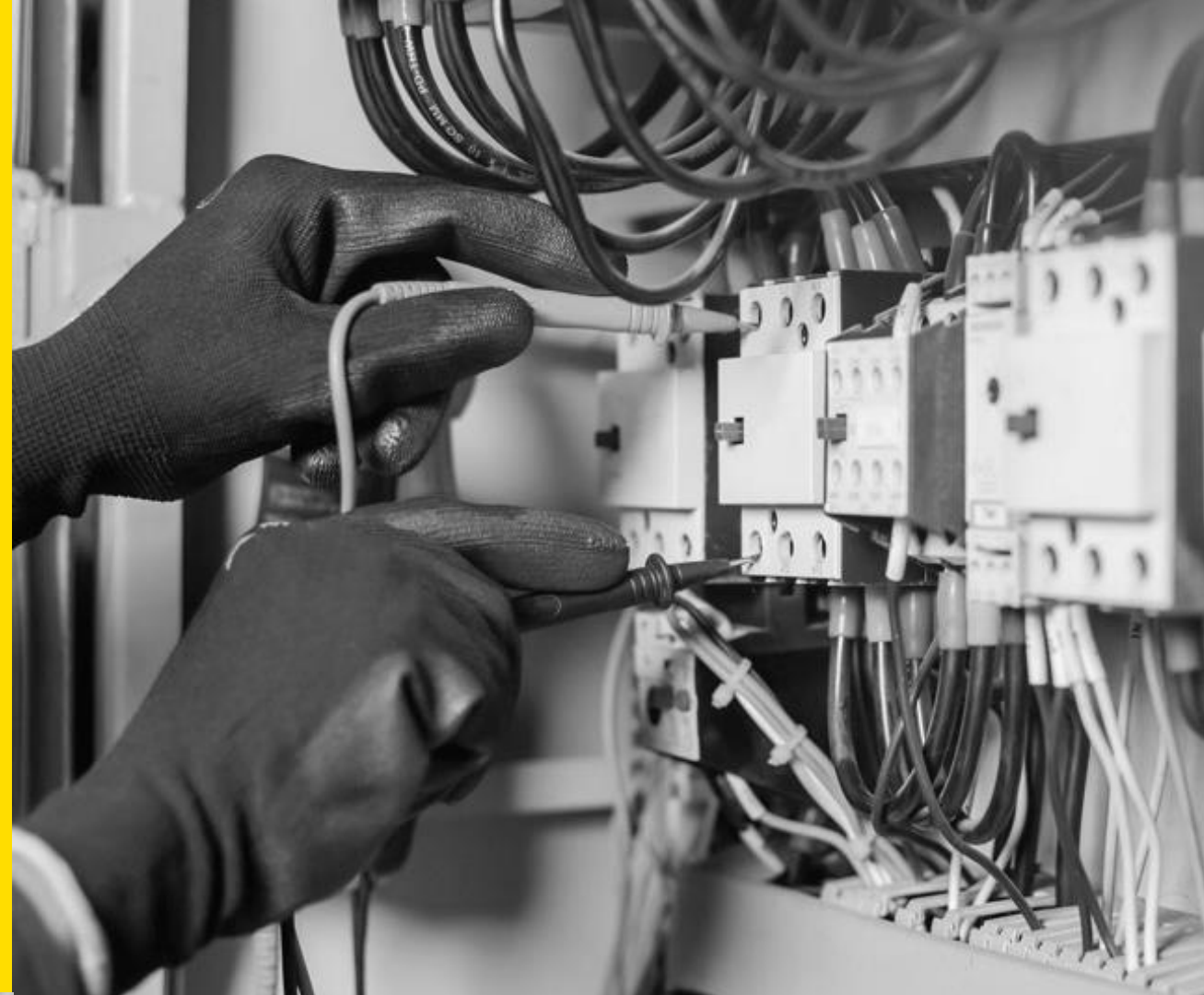
Value proposal:

„TIM provides easy order, short wait time & you always get all you need: product, help & knowledge.“

The strategy of TIM SA
Financial goals till 2026:

› 3 billion PLN sales
revenue TIM SA

› 250 mln PLN
EBITDA TIM SA



Key competitive advantages



website TIM.pl



Technological
advancement



Mobile application



Availability of
goods



Automation of
warehouse
processes



Deliveries
in 24H



Personalized
pricing policy

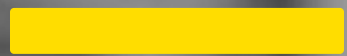


Strong
financial
situation



Easy business
scalability

3LP S.A.



3LP S.A. Management



3LP S.A. Management Board

Rich experience visible in the innovative transformation of TIM S.A. with strong development vision.



Maciej Posadzy,
CEO, 3LP S.A.

- As of 2000, in the TIM Group, in 3LP is responsible for the development **strategy & the entire business.**
- **Author of the successful transformation of the 3LP business from the internal TIM logistics department to one of the most dynamic entities offering fulfillment for the e-commerce sector in Poland.**



Grzegorz Hachoł,
CCO, 3LP S.A.

- As of 2004 in the TIM Group, in 3LP is responsible for **business development, sales & marketing.**
- **Expert in logistics management, sales and purchases.**



Damian Krzympiec,
COO 3LP S.A.

- As of 2000 in the TIM Group, in 3LP is responsible for operations.
- **Experienced manager specializes in management of logistics processes.**



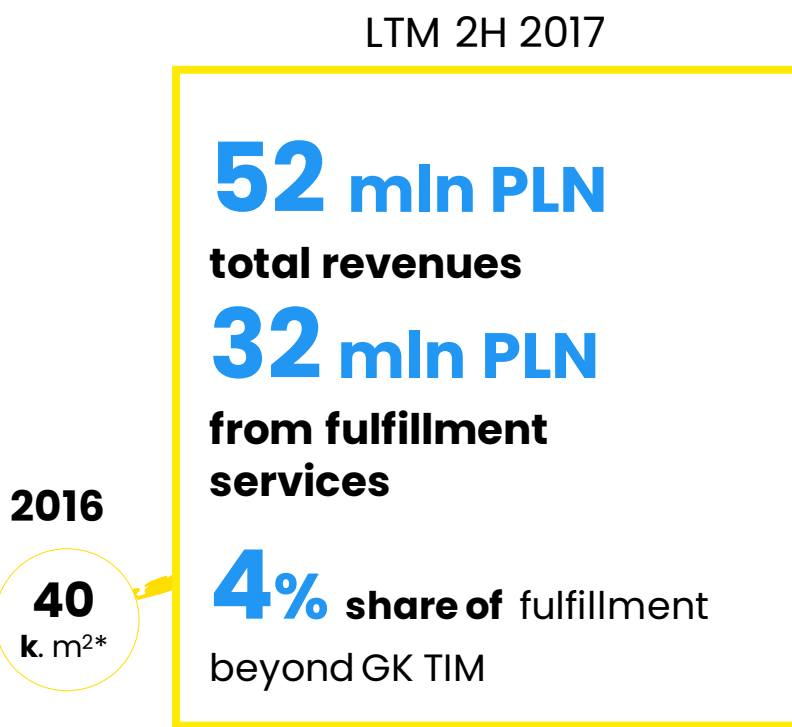
Magdalena Czyżkowska,
Finance Director 3LP S.A.

- As of 2006 in the TIM Group, is responsible for the finance area of the 3LP company.
- **She is an expert in financial and management accounting.**

Motivational Programme
for the 3LP S.A Management Board for years 2024-2026, constitutes 4,9%

Shareholding: 100% 3LP S.A. shares are owned by TIM S.A.

Dynamic business growth under 6 years

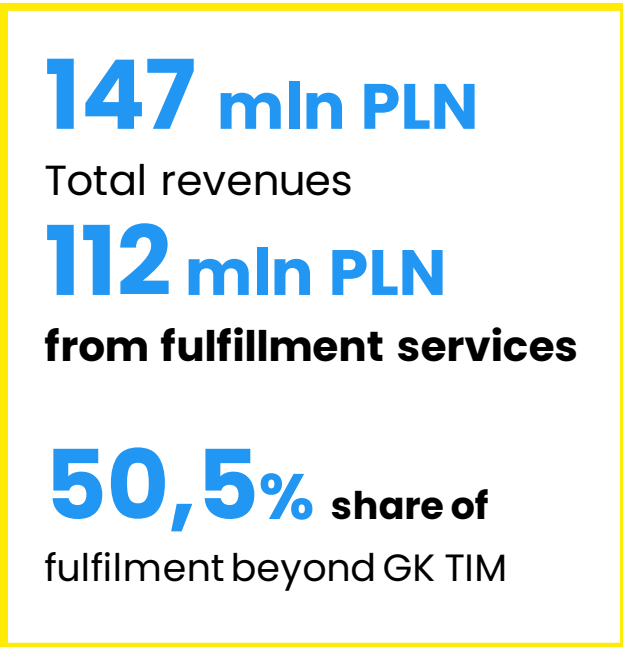


IV 2017
oponeo

X 2017
THG i CUBY Shuttle System

VIII 2018
IKEA

XI 2020
Modernization of plants with automation



2022
>80 k. m²*



* Complete management of the warehouse surface.

3LP ensures clients with mid market cost & operational efficiency



Types of companies operating in e-commerce using fulfillment 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

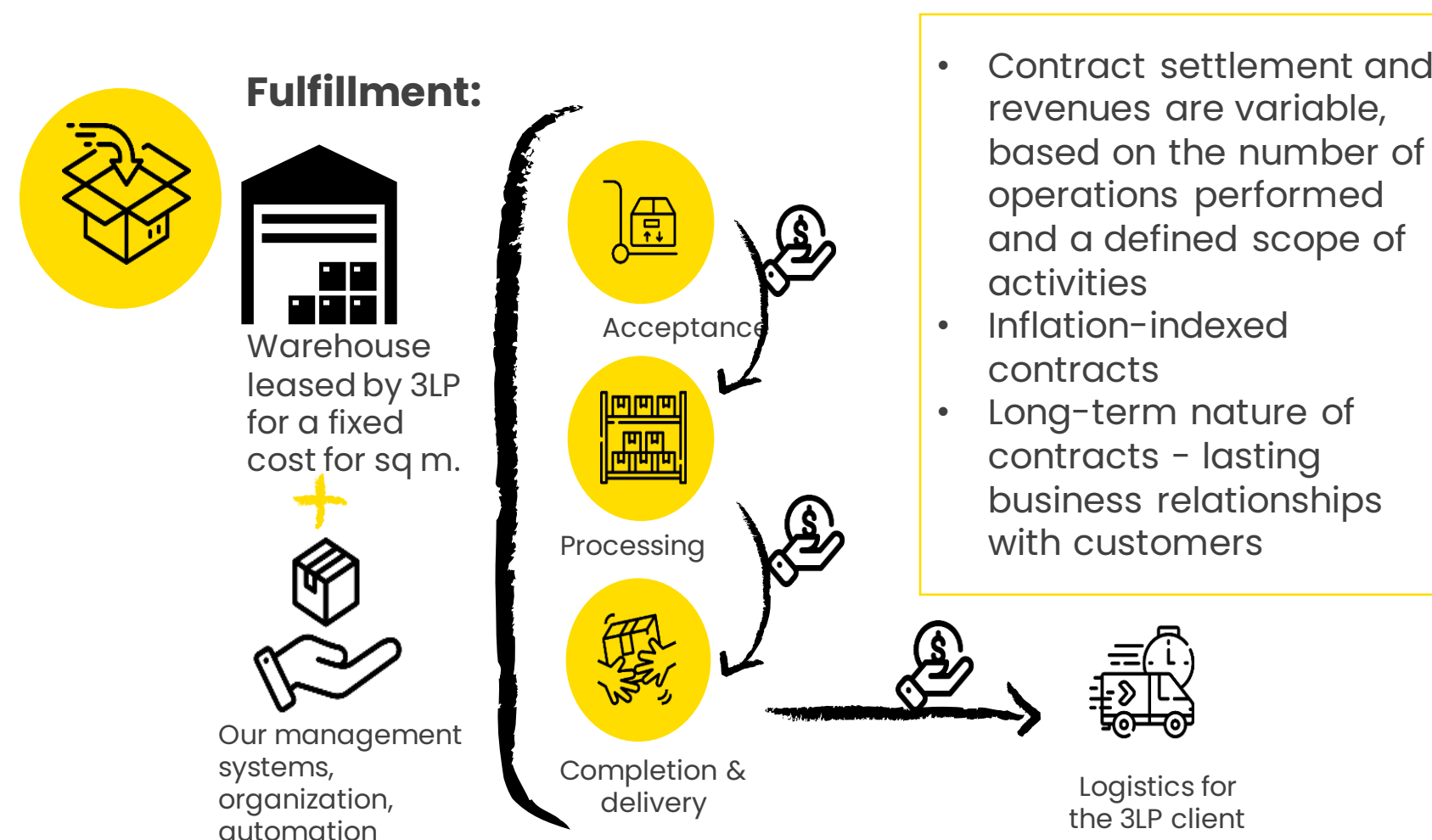
mid market – medium-sized companies e-commerce & traditional offline retailers

- Lack of know-how & scale allowing for their own automation
- separation of logistics processes to an external operator being an optimal solution
- **Clients of fulfillment 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

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



Remaining 3LP services



Transportation Services

They are provided mainly for TIM and include the management of the forwarder's car fleet, arrival and departure times as well as vehicle filling.



Buffer warehouses

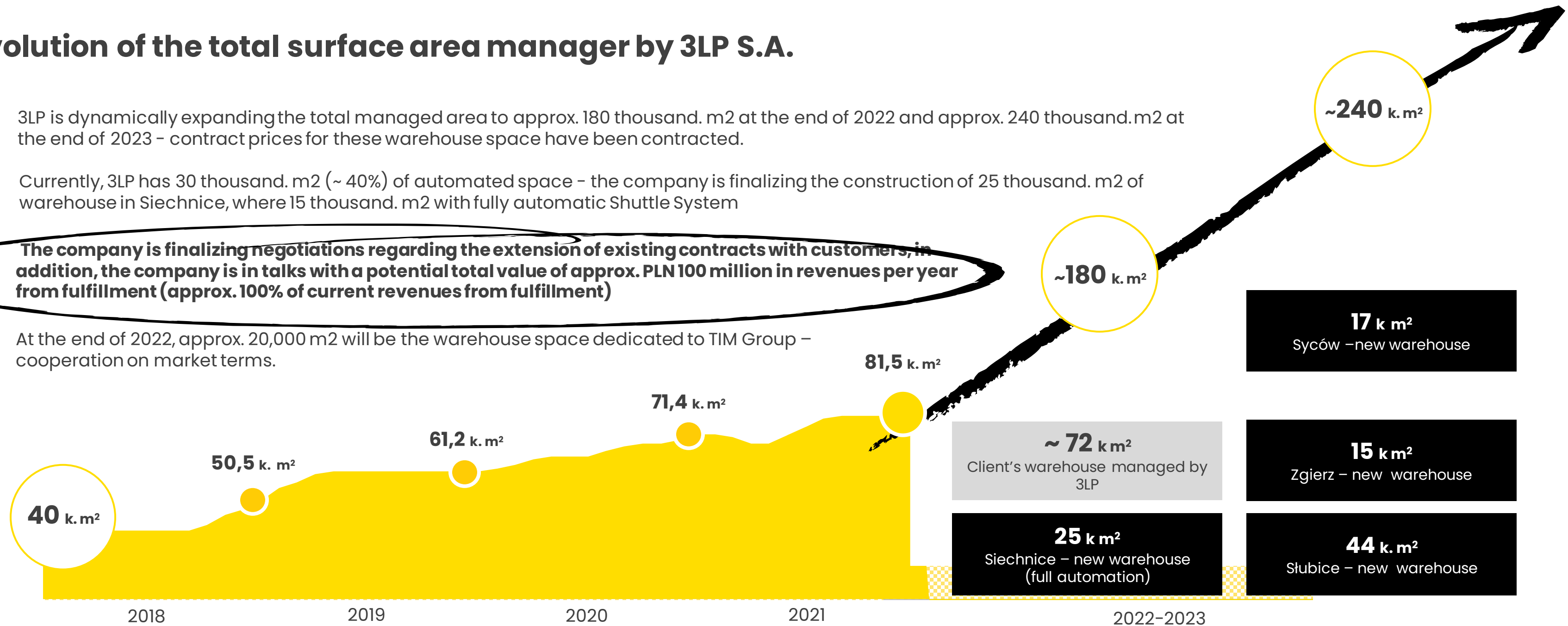
Irregular buffer storage services to help customers manage their inventory

3-fold increase in total surface in 2023



Evolution of the total surface area manager by 3LP S.A.

- 3LP is dynamically expanding the total managed area to approx. 180 thousand. m² at the end of 2022 and approx. 240 thousand. m² at the end of 2023 – contract prices for these warehouse space have been contracted.
- Currently, 3LP has 30 thousand. m² (~ 40%) of automated space – the company is finalizing the construction of 25 thousand. m² of warehouse in Siechnice, where 15 thousand. m² with fully automatic Shuttle System
- **The company is finalizing negotiations regarding the extension of existing contracts with customers, in addition, the company is in talks with a potential total value of approx. PLN 100 million in revenues per year from fulfillment (approx. 100% of current revenues from fulfillment)**
- At the end of 2022, approx. 20,000 m² will be the warehouse space dedicated to TIM Group – cooperation on market terms.



3LP development strategy aimed at further dynamic growth



2-fold increase in total managed warehouse surface in 2022 & 3-fold in 2023



Increase of automated surface 1,5-times at the turn of the years 2022 & 2023



Aquisitions & new sectors



Offer of services for the German market.



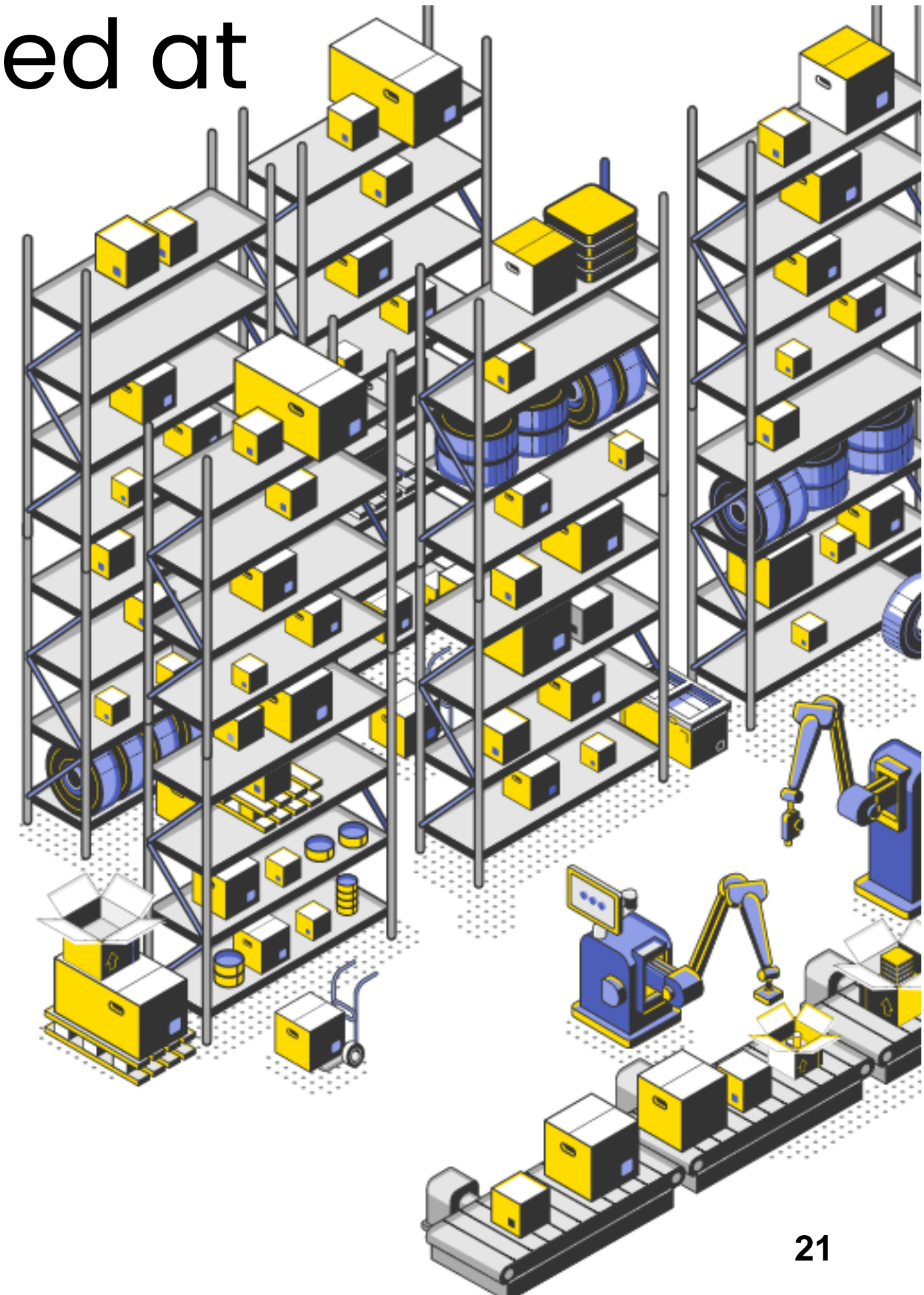
New services with high margins & investment in green energy.



Beginning of cooperation of in-house & JV as an additional source for space



Increase in the share of revenues from fulfillment beyond TIM Group to ~60% in 2023



Dynamic fulfillment growth in Poland driven by strong e-commerce demand & market trends.



Polish fulfillment market at early stage of development

Fragmented fulfillment services market in Poland :

Third Party Logistics – independent complete fulfillment (key service)

Logistics Companies

Marketplace
(Allegro, Amazon)

Additional service

➤ Largest e-commerce companies that have fulfillment use it for their own needs.

➤ Many mid-sized e-commerce players do not have the scale to handle their own goods.

3LP one of the largest companies providing independent complete fulfillment services in Poland

Complete fulfillment (Third Party Logistics) offered by approx. 10-15 entities in Poland (approx. 60 entities jointly)

Companies offering fulfillment in Poland as a key service:



Perspective of further fulfillment growth in Poland

30% of Polish companies use warehouse services, completion, packaging of goods (mainly relates to the largest companies)* – growth potential

12% CAGR sale of online goods in Poland in 2020-2026

Currently market trends as to fulfillment & warehouses:

- ongoing increase in storage resources
- nearshoring – location of production & warehouse in the EU
- safety – moving of warehouses to the NATO countries
- logistics operators that have contracted warehouse surface area the beneficiaries of the supply deficit in storage markets
- Growing demand for flexibility of handling of goods, model performance, buffer storage

• Source: Raport GSI, Fulfillment in e-commerce; trial of 300 companies using fulfillment

Strategic goals to 2026



Long term strategic goals 3LP



Attaining 400 k m² total managed surface area (over 5-fold increase)



Over 5-fold increase of automated surface area in relation to the current one (not counting current surface area dedicated to TIM)



Increase of revenues over 3-fold

Financial & Operational Results



Dynamic increase in number of clients

51 800

Number of business & individual clients TIM SA, (increase of 53% y/y)

651 400

Number of online orders made on the TIM.pl in 2021 (increase 19% y/y)

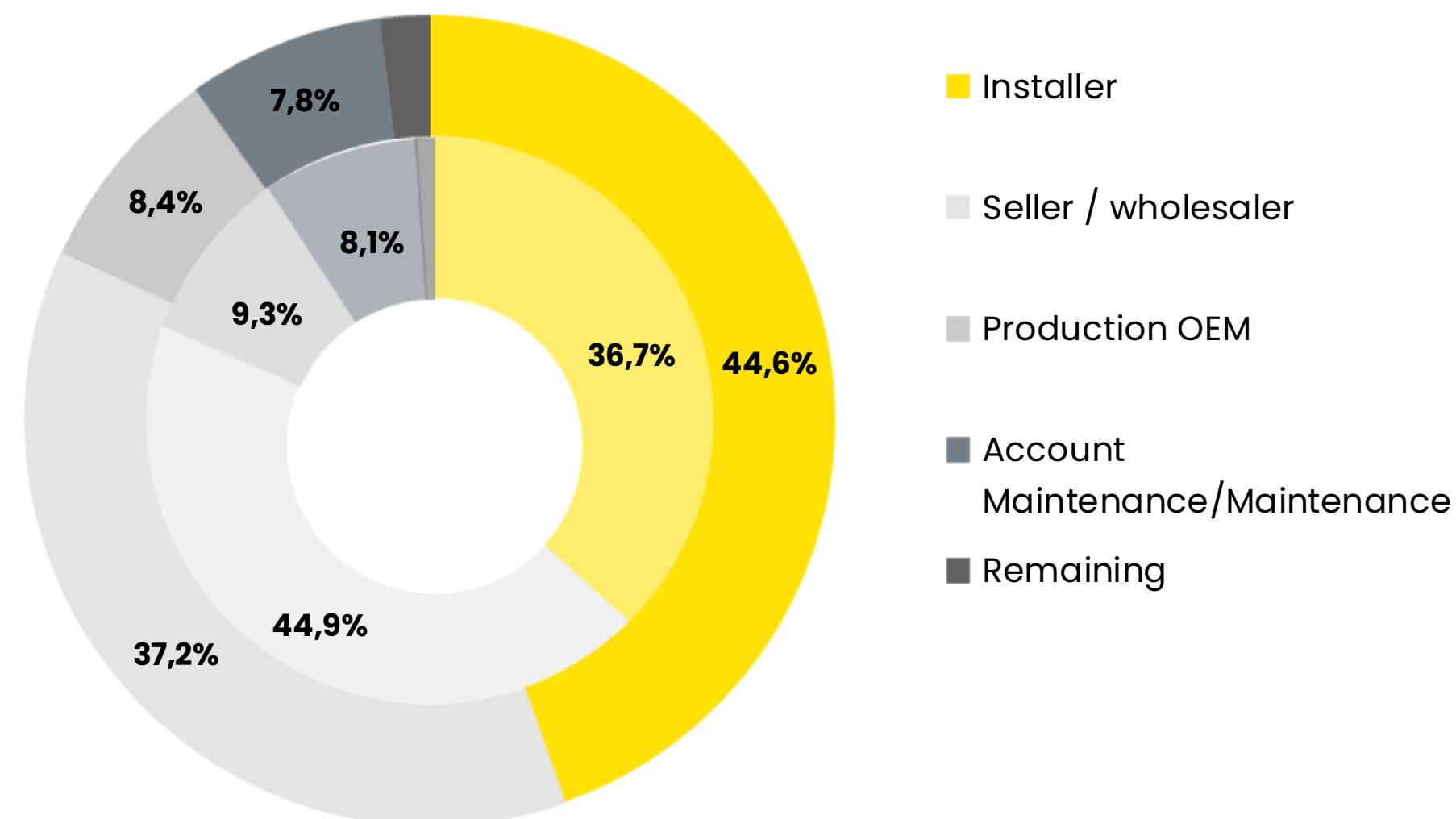
129 000

Number of unique indexes sold in 2021 (increase 8% y/y)

18 102

Number of key clients* in 2021 (increase 25% y/y)

Income divided into client segments 1Q 2022 vs 1Q 2021 (%)

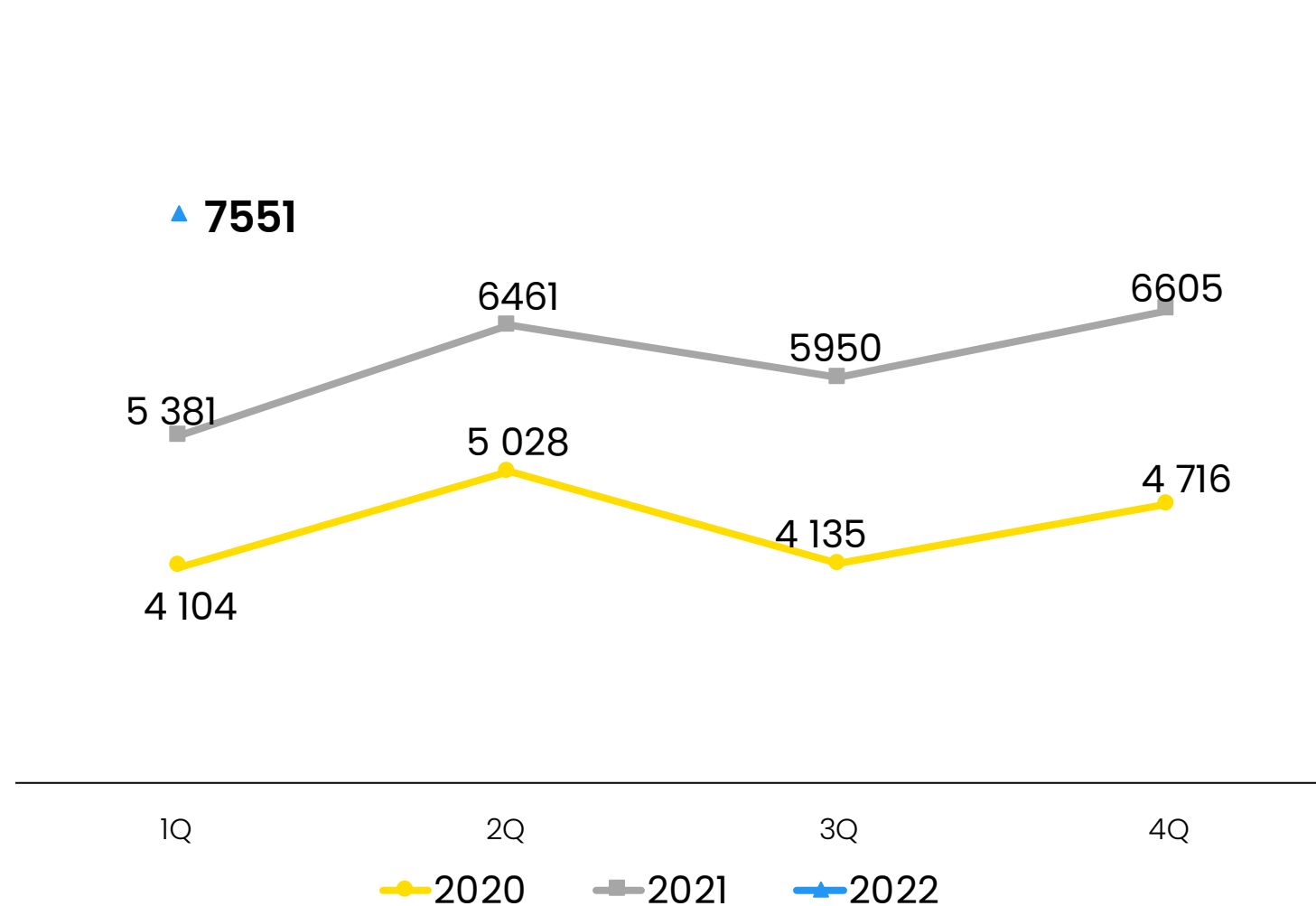


* Client fulfilling sales over 1,5 k. PLN monthly in the last 12 months.

TIM S.A. – systematic improvement of sales indicators

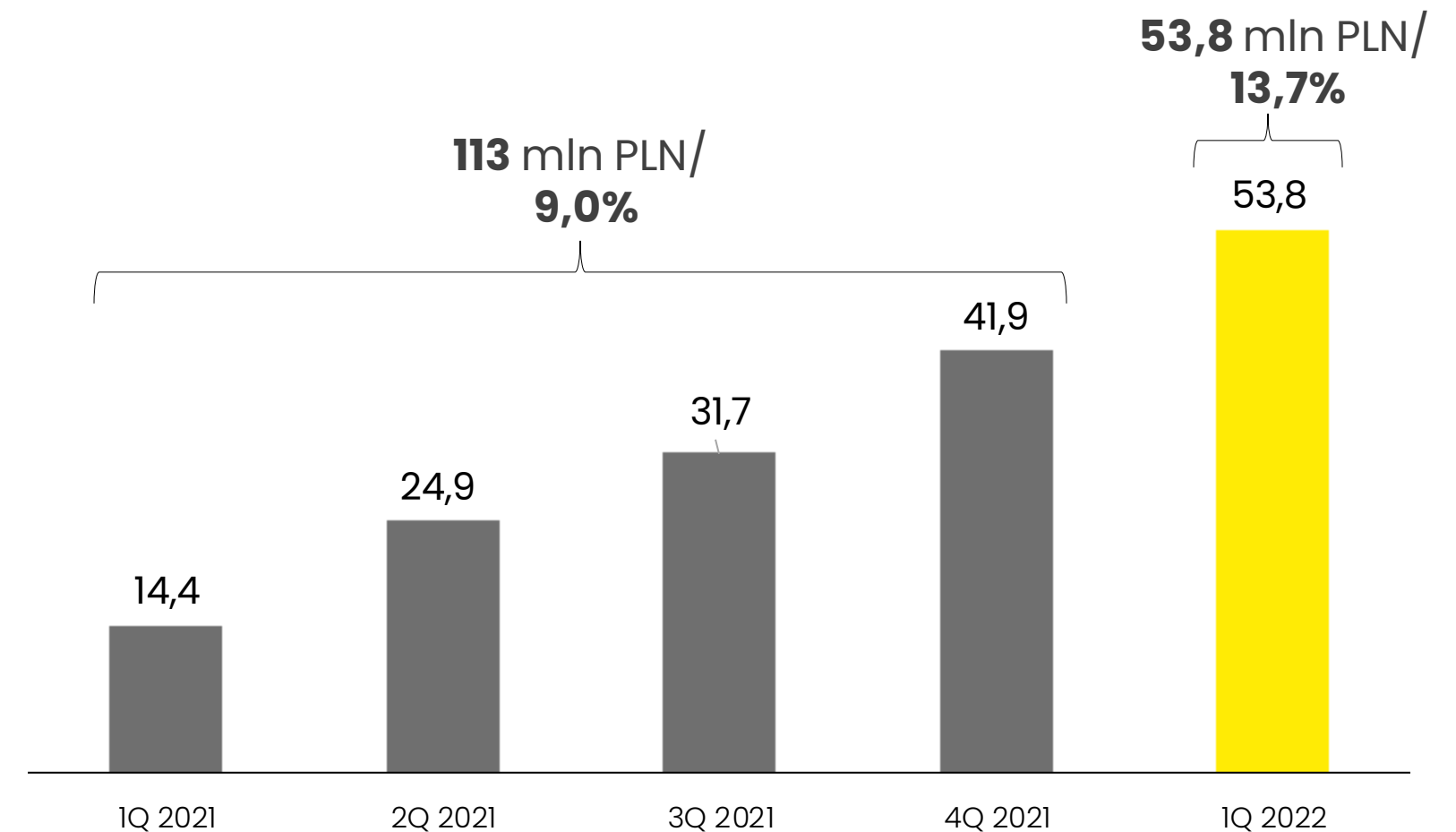


Number of new clients



- Significant increase in e-commerce interest.
- Maintained growth trend & large dynamic in getting new users of the TIM.pl. Platform.

Sales to new clients

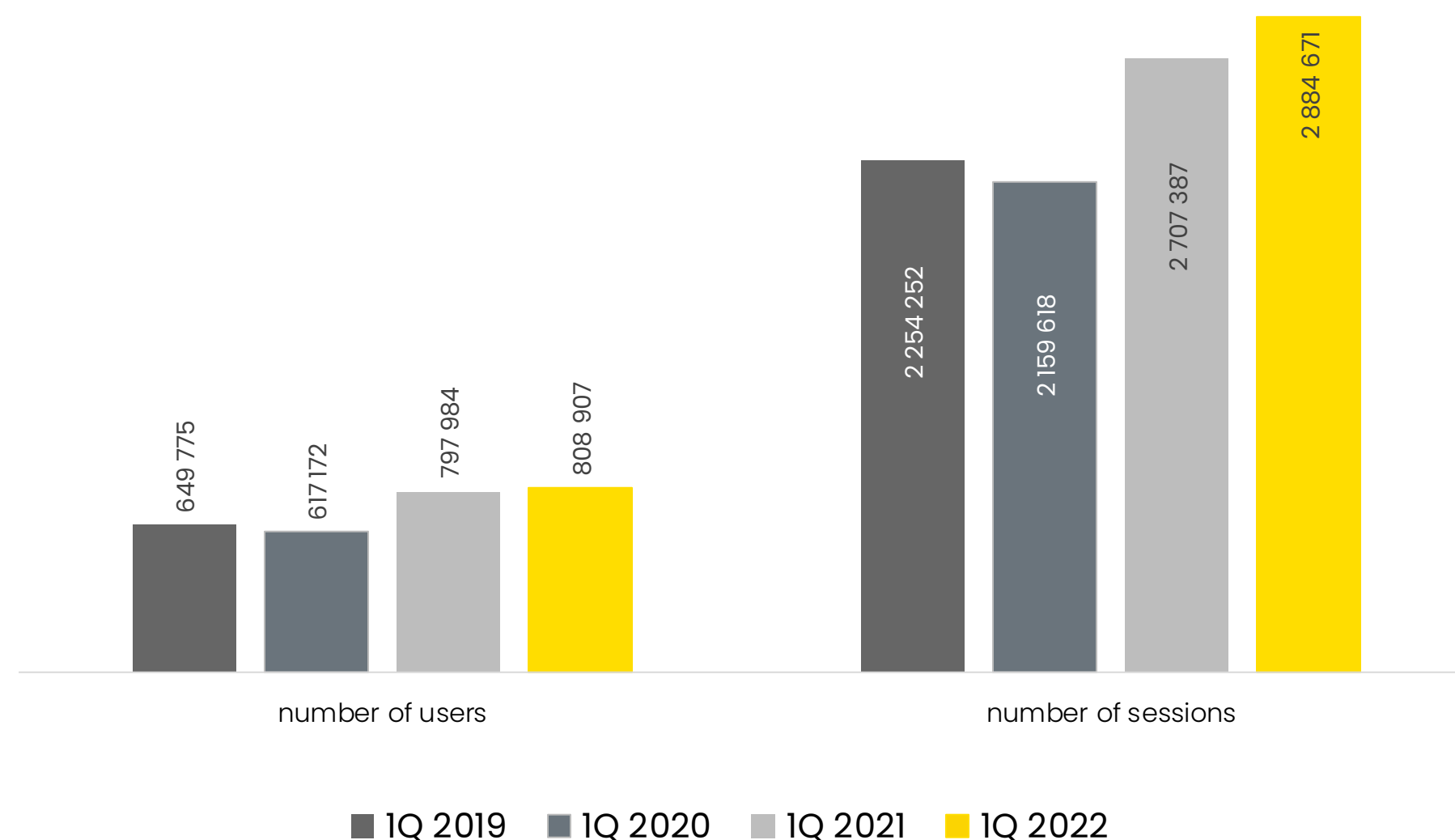


- The value of sales to new clients is growing with each quarter.
- Sales to new clients comes to nearly 14% of all of the sales realized in 1Q 2022 roku.

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



Number of users and sessions



54,7%

users come from
organic movement (SEO)

33,5%

is the share of users from
the Ads channel

30,3%

revenue share from SEO channel
in all online revenues

Selected financial results for TIM Group



Consolidated data LTM:

Sales Revenue: **1 450 mln PLN**

EBITDA: **167 mln PLN**

Net profit: **110 mln PLN**

Total Assets: **668 mln PLN**



Unit Data LTM:

Sales Revenue: **1 387 mln PLN**

EBITDA: **132 mln PLN**

Net profit: **101 mln PLN**

Total Assets*: **586 mln PLN**



Unit Data LTM:

Sales Revenue: **147 mln PLN**

EBITDA: **35 mln PLN**

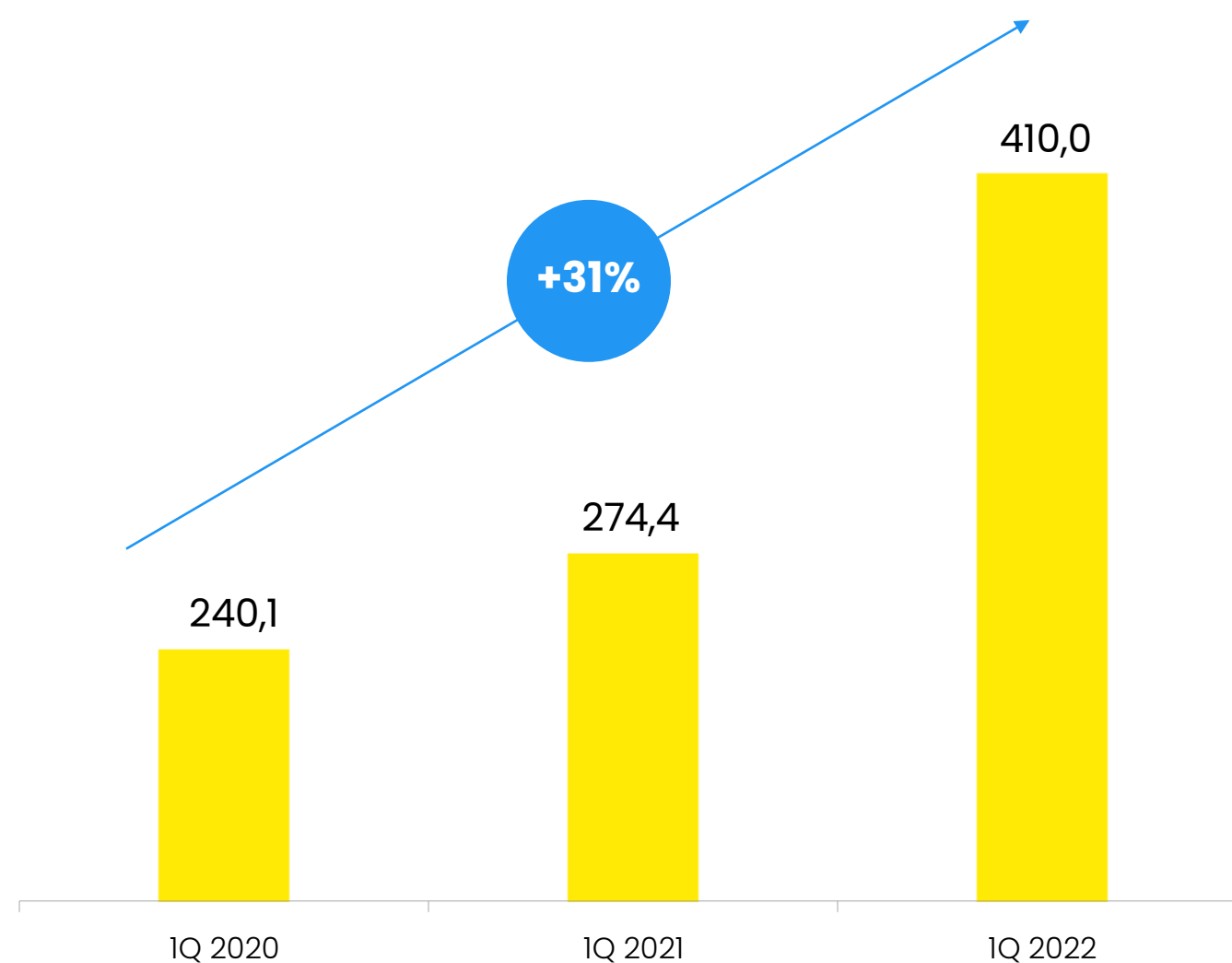
Net profit: **8 mln PLN**

Total Assets*: **166 mln PLN**

* Balance day data for 31.03.2022 .

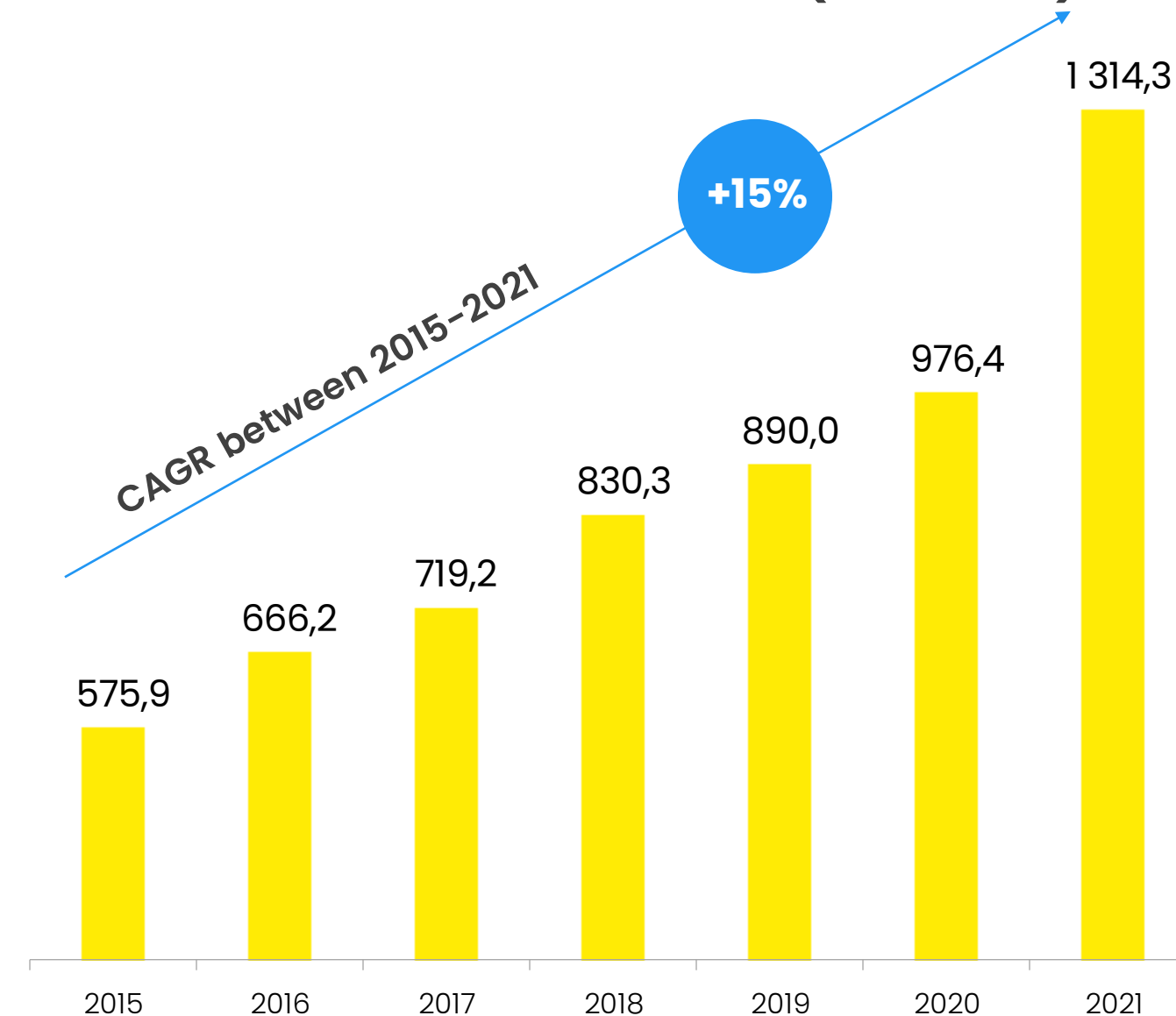
TIM Group – dynamic growth from sales

Sales revenue (mln PLN)



- After 5 months 2022. (last reported data) TIM SA reached over
- 623 bln PLN revenue (+34,1% rdr.).

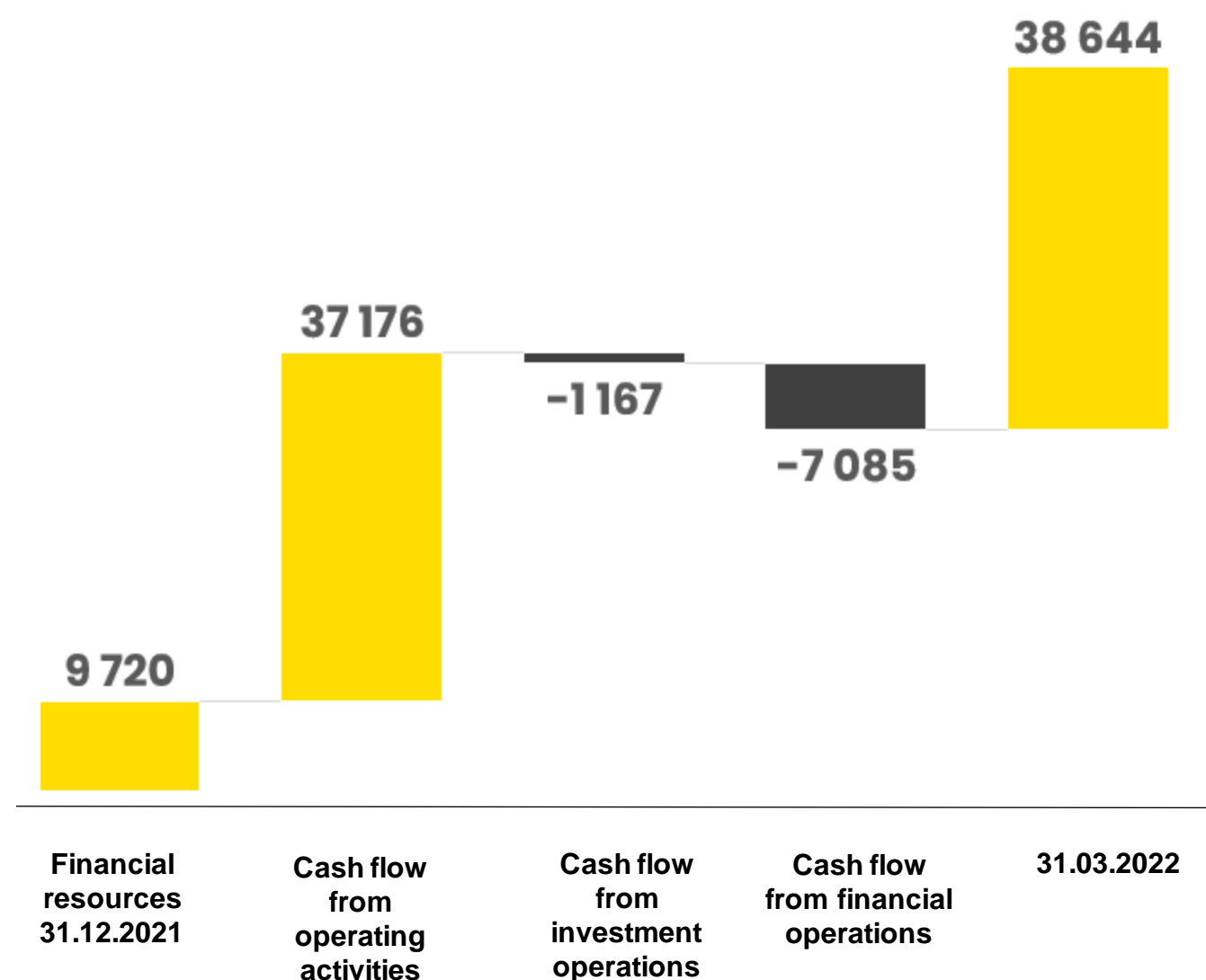
Revenue in 2015–2021 (mln PLN)



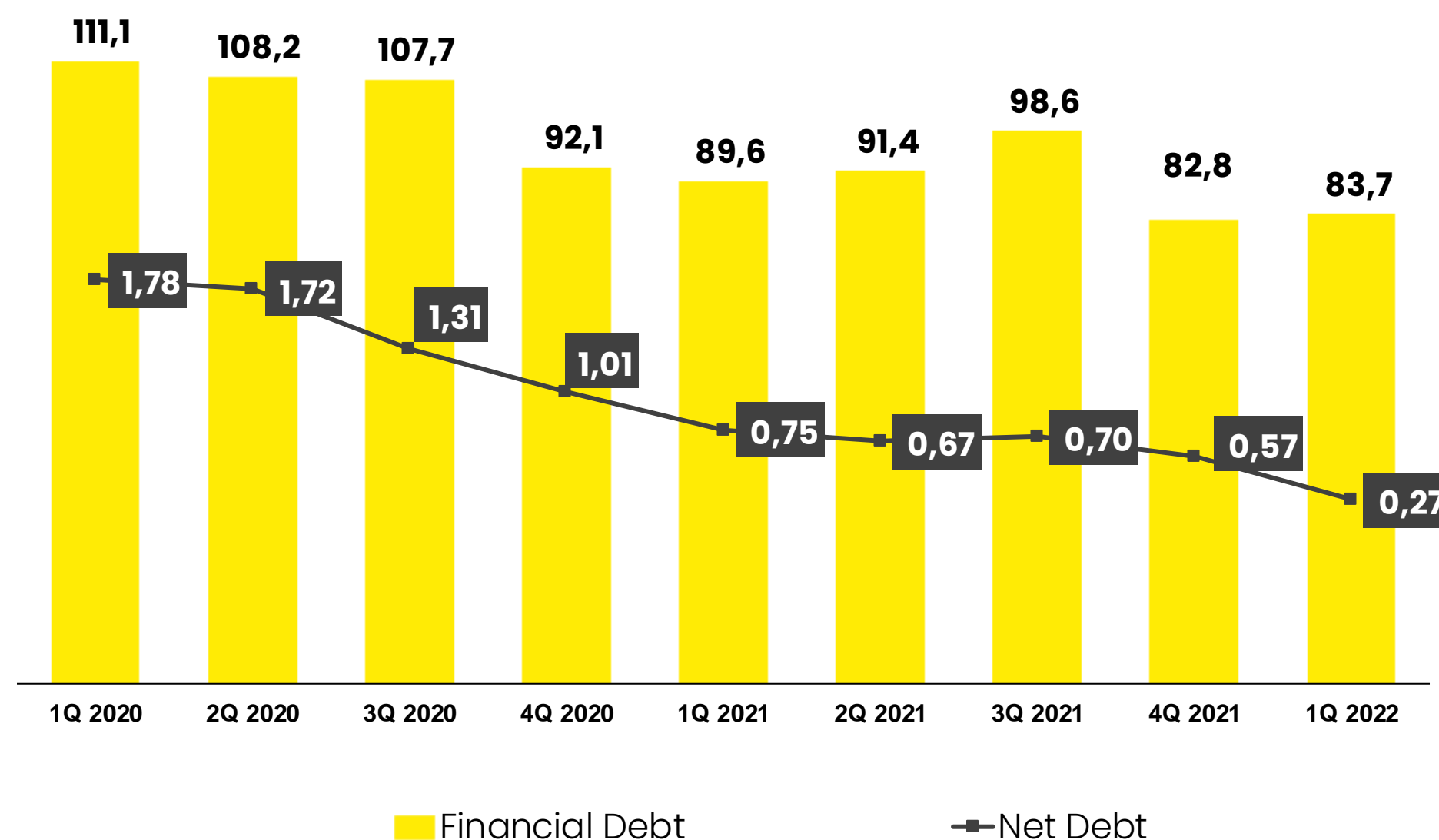
- Over two-fold increase in turnover in 2015–2021 confirms the development ambitions of the Group.

Financial situation favourable as to investments in development

Cash flow

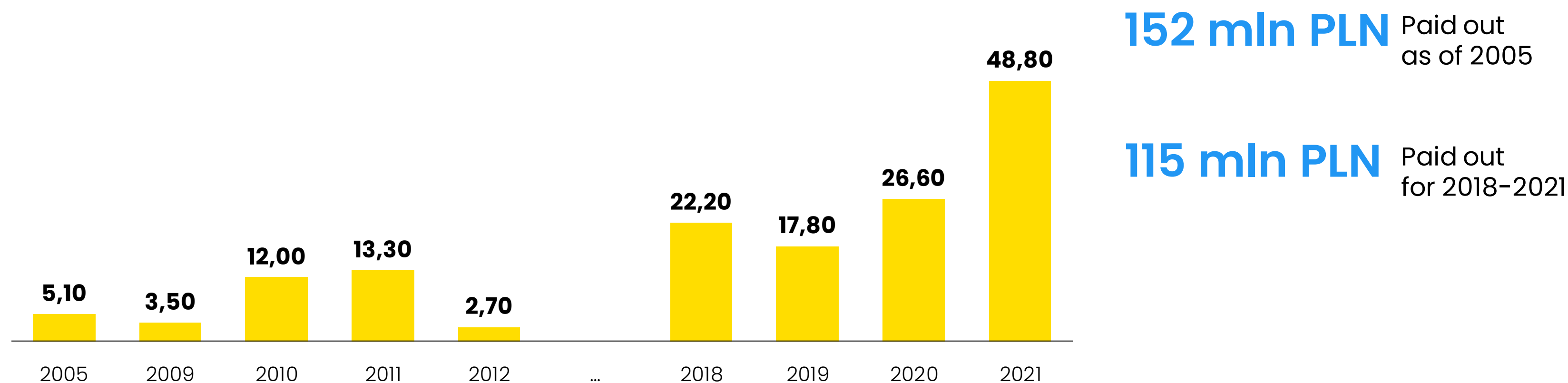


Financial debt (in mln PLN)
& net debt / EBITDA LTM (pkt)



- In 1Q 2022, TIM Capital Group generated significant amounts of cash, which, together with a decrease in the net debt / EBITDA ratio, allows it to achieve its business objectives.

Payment of dividends in 2005–2021 (mIn PLN)



- As per the recommendation of the Company's management board, following the decision of the AGM TIM will pay additional PLN 1.20 dividend per share (PLN 26.6m).
- **The total dividend paid by TIM for 2021 will reach PLN 2.40 per share (PLN 53.3 mIn PLN in total)*.**
- The dividend date was recommended as July 27, 2022 and the payment date as August 11, 2022.

taking into account an advance paid in December 2021 towards a future expected dividend of PLN 1.20 per share



Investment Summary

Investment Summary



Dynamic growth TIM SA & 3LP SA

Increasing market share in the electrotechnical industry.

Double digit growth rate on the scale of operations

Attractive development strategy TIM & 3LP

Positive perspective of the e-commerce & contracted Logistics

Stable financial situation

Excellent financial results

Strong cash flow

Low debt

Dividend policy

Dividends paid out regularly since 2017

Over 115 mln PLN dividends as of 2018

2,4 PLN per share for 2021

Unique business model

Industry Leader in e-commerce B2B

Widest product offer

Automated consumer relationship management

Significant share & lead position with most of the suppliers.

Leader in logistic services for e-commerce

Operationally & cost effective fulfillment services

Modern Automation

High indicators of the quality of rendered services.

Over 80 k. m² managed modern warehouse surface area.

Increase to 240 k. m² to 2023

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