

# **Interim Financial Information**

## **Brisanet Participações S.A.**

September 30, 2022  
with Independent Auditor's Review Report

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September 30, 2022

## Contents

Comments on business projection trends.....	1
Declaration of the officers on the interim financial information.....	16
Independent auditors' review report on interim financial information .....	17
Reviewed individual and consolidated interim financial information	
Statements of financial position.....	19
Statements of profit or loss .....	21
Statements of comprehensive income .....	22
Statements of changes in equity .....	23
Statements of cash flows .....	24
Statements of value added .....	26
Notes to individual and consolidated interim financial information .....	27

**3Q22**

**EARNINGS**

**RELEASE**

GRUPO  
**brisanet**

## BRISANET RECORDS EBITDA MARGIN OF 46.6% IN 3Q22

**Pereiro, CE, November 14, 2022. Brisanet Participações S.A.** (B3: BRIT3), the largest company among independent internet service providers in Brazil, according to ANATEL's ranking, and leader in fixed broadband in the Northeast, today announces its results for the third quarter of 2022 (3Q22) compared to the third quarter of 2021 (3Q21), unless otherwise indicated.

Founded 23 years ago, **BRISANET** is, according to the ANATEL ranking, the largest Brazilian company among independent internet service providers in Brazil, leader in fixed broadband in the Northeast region and with a 28% market share in fiber in the 7 of the 9 states in the region. With a portfolio of products 100% in fiber optics and operations focused on the Northeast region of the country, the Company has been **one of the regional 5G mobile operators** since December 2021, having won 3 frequencies in the 5G auction promoted by Anatel. The Company will be able to operate in the Northeast and Midwest of the country.

In addition, the Company also operates through its brand **AGILITY TELECOM**, which provides broadband under the franchise model in smaller cities and rural areas.

The Company operates in all the nine states of the region providing fixed broadband services through optical fiber in 152 cities.

Brisanet	3Q22	2Q22	3Q21	9M22	9M21
<b><u>Operating Highlights</u></b>					
Cities served	152	149	110	152	110
Access Ports - '000	4,080	3,866	2,788	4,080	2,788
HP added- '000	348	413	579	1,402	1,197
Total HP - '000	5,865	5,517	3,760	5,865	3,760
HC added- '000	63	68	54	196	166
Total HC - '000	1,040	977	791	1,040	791
<b><u>Financial Highlights (R\$ million)</u></b>					
Net Revenue	254.2	236.6	190.0	707.8	524.3
Gross Margin (%)	44%	39%	46%	40%	45%
Operating Income	49.2	31.7	26.6	98.6	59.5
EBITDA	118.6	96.6	68.5	292.8	170.9
Adjusted EBITDA	118.6	96.6	74.0	292.8	200.9
Adjusted EBITDA Margin (%)	47%	41%	39%	41%	38%
Net Income (loss)	22.0	(1.3)	(6.6)	30.2	0.7
Net Debt	710.5	717.9	(181.9)	710.5	(181.9)
Net Debt/EBITDA ltm (x)	2.0	2.3	n.m	2.0	n.m

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## 3Q22 HIGHLIGHTS

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- ✓ **Net operating revenue grew 34% in 3Q22** when compared to 3Q21 and 7% when compared to 2Q22. This is the result of the Company's organic geographic expansion that **added 63,000 clients in the 3Q22, reaching 6.4% growth over the base of June 2022.**
- ✓ **EBITDA was R\$118.6 million in 3Q22, with margin of 46.6%,** a 7.7 p.p. increase when compared to Adjusted EBITDA in 3Q21, highlighting margin improvement as a result of cost reduction initiatives put in place as of April 2022 and the reduction in the pace of expansion, which reduces the initial costs of entering in new cities.
- ✓ The Company's indebtedness level, measured by the **net debt to EBITDA ratio, was 2.0x at the end of September 2022.** The reduction in indebtedness throughout the year is a reflection of lower cash consumption and the significant increase in **EBITDA LTM Set 22 which reached R\$359.2 million.**
- ✓ **In October 2022,** the Company added 19,819 subscriptions to its customer base and 99,613 HPs in 1 new city, reaching 1,059,579 customers. In the same period, Agility Telecom had 214,470 customers in 90 franchisees.

## CONFERENCE CALL

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November 17, 2022 – Thursday – 11 am (NY Time) – In Portuguese with simultaneous translation to English

Brisanet – 3Q22 Earnings Release

Please join us for the zoom meeting at:

[https://tenmeetings.com.br/ten-events/#/webinar?evento=Brisanet3T22\\_106](https://tenmeetings.com.br/ten-events/#/webinar?evento=Brisanet3T22_106)

The link is also available at our website – [ri.brisanet.com.br/en](http://ri.brisanet.com.br/en)

## BRIEF HISTORY

Brisanet was founded in 1998, in the city of Pereiro, in the semiarid region of the State of Ceará, in Brazil. The Company was created with the aim of providing internet via radio, with quality and affordable prices in the interior of the Northeast, seeking to promote the local development of and the underlying regions.

In 2000, as a result of the expansion of its business, the Company's operations already covered several cities in the state of Ceará and in the state of Rio Grande do Norte. In the same year, the Company had 10 employees and served 350 customers.

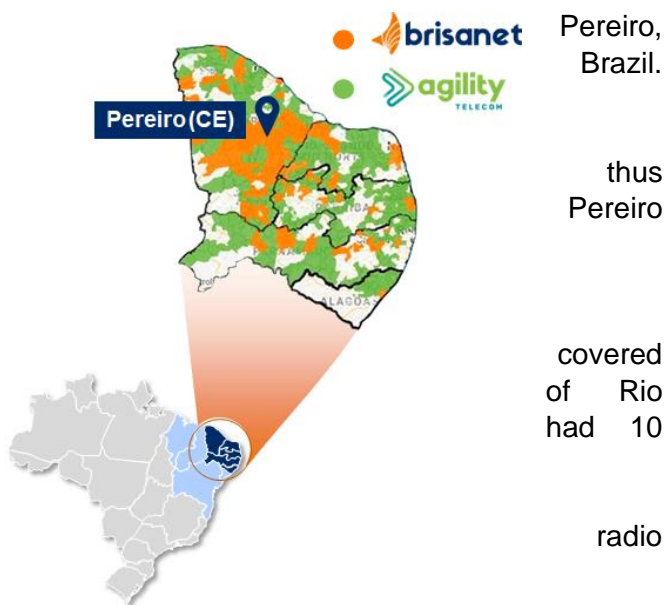
In 2010, the Company became the largest internet operator in Brazil, serving more than 30,000 customers in 150 cities in the countryside of the Northeast region. To supply the Company's expansion, managers saw in optical fiber a way to provide more connectivity and began to study different ways to make the new technology viable.

In 2011, the Company began deploying optical fiber in the city of Pau dos Ferros, in the State of Rio Grande do Norte, the first city in Brazil to be 100% served with the technology.

In 2014, the Company sought to expand its services through optical fiber, starting to invest in the transmission of the fixed phone signal in the city of Juazeiro do Norte, in Ceará. In the following year, 2015, the Company also started to provide cable TV services and, in 2018, mobile telephony services, through MVNO ("mobile virtual network operator") with a national operator.

In 2019, the Company took an important step in its expansion plan by activating its services in the city of João Pessoa, in the State of Paraíba, thus becoming the first state capital to be served by Brisanet. In that same year, as a reflection of its strategic planning, the Company has already grown to over 4,000 employees, out of which half were contracted that same year, and served around 350,000 subscribers in 90 Northeastern cities.

Today, the Company operates as an internet provider via optical fiber, cable TV, music streaming, fixed and mobile telephony. Brisanet serves around 153 cities in the nine states of the Northeast totaling more than 1 million subscribers and over 7,000 employees, with an optical fiber network structure built over the last 12 years. In addition to having 90 franchisees in Agility Telecom, which together add up to more than 214,000 subscribers in smaller cities and rural districts in 5 of the Northeastern states.



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## OPERATING RESULTS

Brisanet's mission is to provide a quality internet service for all citizens in the Northeast region, including those who live far from large urban centers. One of the Company's main differentials in terms of quality and efficiency comes from its vertical operation. The Company operates throughout its value chain, from mapping of potential new areas to receive fiber, to providing support and monitoring its services to customers.

One of the Company's quality pillars is its relationship with the customer, which is mainly managed through its proprietary management platform. It allows to know and even to act, in real time, from its operations center at the Company's headquarters, upon events happening to its infrastructure and its customers.

The Company has a fully integrated state-of-the-art data center structure and with local content, which guarantees the quality and stability of internet access, as well as link savings and the ability to increase data speed in the future.

Brisanet also has almost 27,000 km of backbone infrastructure (lanes used to distribute internet to other networks) and more than 59,000 km of FTTH (fiber-to-the-home). The FTTH modality corresponds to the fiber optic transmission network architecture where the network reaches the customer's residence, coming directly from the service provider's distribution box.

**In 3Q22, 347,796 HPs and 62,531 customers were added.** Despite the more challenging scenario, Brisanet continues to be the company with the highest organic growth in subscribers. The expectation for the last three months of this year is to grow around 50,000 subscribers.

The Brazilian economic scenario, especially in the region where we operate, remains challenging. The expectation of improvement in the purchasing power of the C, D and E classes, our largest audience, has not yet materialized. In addition, inflation and the pricing strategy adopted by competitors continue to exert pressure on the telecommunications market. Thus, the Company estimates a base of approximately 1.1 million customers by the end of 2022.

Brisanet continues to advance in capitals and metropolitan regions, **with fiber market share of 51%, 62% and 70% in Natal, Maceió and João Pessoa, respectively, and above 18% in Fortaleza**, where the horizontal area was concluded at the beginning of the year and the vertical is being done on demand. In Teresina and Aracajú, where the Company entered the second half of 2021, the market share is already above 12% in PI and above 17% in SE (data as of Sep-22).

	3Q22	2Q22	3Q21	3Q22 x 3Q21	3Q22 x 2Q22
Access Ports	4,079,529	3,866,318	2,788,221	46%	6%
Added HP	347,796	413,848	578,770	-40%	-16%
Homes Passed (HP)	5,864,762	5,516,966	3,760,13	56%	6%
Added HC	62,531	67,754	54,151	15%	-8%
Homes Connected (HC)	1,039,76	977,229	790,731	31%	6%
Cities served	152	149	110	38%	2%
Churn	2.43%	2.66%	2.25%	8%	-9%

Agility Telecom*	3Q22	3Q21
Added HP	29,057	74,713
Homes Passed (HP)	982,341	717,753
Added HC	3,960	11,040
Homes Connected (HC)	214,994	159,106
# of franchisees	93	93

\* Agility Telecom became a part of Grupo Brisanet after Mar/2021, starting to be consolidated as of Apr/2021 and incorporated as of Dec/21.

The Company continues its organic expansion, with **October having registered the addition of 99,613 HPs**, with this Brisanet's fiber optic infrastructure is already in front of **6 million homes in the Northeast**.

At the end of October, the Company was already present in 153 cities, **servicing more than 1.06 million customers and already present in Recife** and in the state of Bahia. With the reduction in the pace of expansion, the Company should not add any more relevant cities in the next 4 to 5 months.

## FINANCIAL RESULTS

### Gross Revenue by product

R\$ million	3Q22	2Q22	3Q21	3Q22 x 3Q21	3Q22 x 2Q22	9M22	9M21	9M22 X 9M21
<b>Gross Revenue</b>	<b>292.4</b>	<b>273.3</b>	<b>219.4</b>	<b>33%</b>	<b>7%</b>	<b>819.2</b>	<b>604.0</b>	<b>35.6%</b>
Broadband	273.9	247.0	202.1	35.6%	10.9%	746.9	559.1	33.6%
B2C	255.1	230.2	189.8	34.4%	10.8%	698.8	520.2	34.3%
B2B	18.9	16.8	12.3	53.2%	12.4%	48.1	38.9	23.7%
Fixed telephony	8.3	10.1	10.8	-23.1%	-17.4%	29.7	28.7	3.4%
Others	10.2	16.3	6.6	55.0%	-37.7%	42.7	16.1	165.2%
ARPU broadband	R\$ 92.05	R\$ 92.01	R\$ 92.87	1.3%	0.0%	R\$ 91.84	R\$ 88.89	3.3%

The Company's revenue comprises fixed broadband internet services, fixed telephony services and others such as: cable TV and mobile phones and complementary services, such as "BrisaMusic" (music streaming), BrisaPlay (video streaming) - among others, which increase the average ticket purchased per customer and the Company's perception of value. Recently, in 2022, the Company launched Brisa Conecta+, which aims to improve the quality of wifi inside the customer's home.

Agility Telecom revenues are included in Others and represented R\$22.3 million in 9M22.

The average B2C ticket increased 1% compared to 3Q21 and remained stable compared to the previous quarter. The reduction in purchasing power, a reflection of the inflation accumulated since August 2021, has reduced the previous trend of increasing more expensive and faster internet plans. In addition, price competition among providers – from large to small sizes – has made the market more fierce, stimulating the promotion of offers and causing this ARPU stability. Since June of this year, the Company has implemented a new plan table, reflecting the adjustment of part of the inflation in the last two years.

R\$ million	3Q22	2Q22	3Q21	3Q22 x 3Q21	3Q22 x 2Q22	9M22	9M21	9M22 X 9M21
Net Revenue	254.2	236.6	190.0	34%	7%	707.8	524.3	35%



Comparing the third quarter of 2022 and the same quarter in 2021, Brisagnet's net revenue grew by 34%, from R\$190.0 million in 3Q21 to R\$254.2 million in 3Q22. This was mainly due to the increase in the number of subscribers - which increased from 790,731 in September 2021 to 1,039,760 in September 2022 (+31%).

## Cost of Services

Costs of Services Rendered (In millions of R\$)	3Q22	2Q22	3Q21	3Q22 x 3Q21	3Q22 x 2Q22	9M22	9M21	9M22 x 9M21
Personnel	(34.8)	(39.2)	(29.8)	17%	-11%	(113.2)	(80.0)	42%
Clients Activation	-	-	-	n.m	n.m	n.m	(24.5)	n.m
Interconnection	(6.7)	(7.9)	(5.2)	29%	-16%	(21.9)	(12.4)	77%
Connectivity	(5.9)	(6.1)	(5.3)	11%	-4%	(18.4)	(14.8)	24%
Right of Passage	(16.4)	(14.8)	(11.5)	42%	11%	(45.9)	(23.2)	98%
Utilities	(2.3)	(2.4)	(3.1)	-27%	-5%	(6.9)	(6.0)	15%
Materials and maintenance	(4.4)	(3.9)	(7.0)	-37%	11%	(12.6)	(15.0)	-16%
Third-party Services	(1.9)	(2.6)	(4.3)	-56%	-28%	(6.5)	(10.7)	-39%
Others	(4.1)	(5.8)	(1.5)	170%	-30%	(15.7)	(8.0)	96%
Depreciation and Amortization	(65.9)	(61.6)	(35.5)	86%	7%	(182.8)	(93.2)	96%
<b>Total</b>	<b>(142.3)</b>	<b>(144.4)</b>	<b>(103.3)</b>	<b>38%</b>	<b>-1%</b>	<b>(423.9)</b>	<b>(287.8)</b>	<b>47%</b>

The Company's Cost of services in 3Q22 totaled R\$142.3 million compared to R\$103.3 million in 3Q21, representing an increase of 38%. **Cost dropped 1% when compared to 2Q22.** Excluding depreciation, **cash costs dropped 8%, or R\$6.4 million, despite the 6% growth in the customer base.**

Within the cost of services provided, when compared to 3Q21, the variation is mainly due to:

- personnel expenses, which rose 17%, or R\$5.0 million, despite the salary readjustment that took place in 4Q21 and the provision of increased funds for the 2022 CBA, whose reference date is September;
- depreciation and amortization, which grew R\$30.4 million, given the growth in assets and intangibles resulting from the expansions carried out;
- expenses with pole rental (right of way) increased by approximately R\$4.9 million due to the 56% increase in the number of HPs;
- the increase in interconnection and connectivity is linked not only to the growth of HC but also to the inflationary effect on tariffs and contracts. This variation was R\$2.1 million; and
- the reduction of almost R\$6.0 million in electricity, materials and third-party services.

## Operational Expenses

Operational expenses (In millions of R\$)	3Q22	2Q22	3Q21	3Q22 x 3Q21	3Q22 x 2Q22	9M22	9M21	9M22 x 9M21
Personnel	(28.1)	(26.8)	(26.2)	7%	5%	(81.8)	(75.2)	9%
Third-party Services	(6.9)	(6.3)	(10.9)	-37%	9%	(21.7)	(24.5)	-11%
Marketing expenses	(5.9)	(5.2)	(5.6)	6%	14%	(16.2)	(14.9)	9%
Taxes and contributions	(2.2)	(2.0)	(0.9)	137%	11%	(6.3)	(3.5)	80%
Provision for doubtful accounts	(8.2)	(6.9)	(3.4)	137%	18%	(21.4)	(13.9)	54%
Other Expenses	(8.0)	(10.0)	(1.7)	372%	-20%	(26.5)	(26.8)	-1%
Depreciation and amortization	(3.5)	(3.3)	(6.4)	-45%	6%	(11.4)	(18.2)	-37%
<b>Total</b>	<b>(62.7)</b>	<b>(60.5)</b>	<b>(60.1)</b>	<b>4%</b>	<b>4%</b>	<b>(185.3)</b>	<b>(177.0)</b>	<b>5%</b>

The Company's operating expenses in 3Q22 rose 4% both in comparison with 3Q21 and with the previous quarter, percentages well below the increase in net revenue.

The decrease in General and Administrative Expenses, excluding depreciation and amortization, were stable in relation to the comparison periods if we exclude expenses related to the IPO in the amount of R\$5.5 million in 3Q21.

Selling expenses, excluding depreciation and amortization, were R\$2.8 million higher in 3Q22 when compared to 3Q21, mainly due to higher expenses with vendors and business partners.

The fiercer competition and the drop in purchasing power, notably, of the lower purchasing power classes, has increased the churn in relation to history - in 3Q22 it represented a monthly average of 2.43%. From January to September this year, the average monthly churn was 2.73%, 0.3 p.p. above the average monthly churn of 9M21.

## EBITDA and Adjusted EBITDA

R\$ million	3Q22	2Q22	3Q21	3Q22 x 3Q21	3Q22 x 2Q22	9M22	9M21	9M22 x 9M21
Net Income	22.0	(1.3)	(6.6)	-432%	-1854%	30.2	0.7	4283%
(+) Income tax and social contributi	16.1	(1.7)	2.6	524%	-1021%	23.8	7.7	208%
(+) Net financial result	11.1	34.7	30.6	-64%	-68%	44.6	51.1	-13%
(+) Depreciation and amortizatio	69.4	64.9	41.9	66%	7%	194.2	111.4	74%
<b>EBITDA</b>	<b>118.6</b>	<b>96.6</b>	<b>68.5</b>	<b>73%</b>	<b>23%</b>	<b>292.8</b>	<b>170.9</b>	<b>71%</b>
<b>EBITDA margin (%)</b>	<b>46.6%</b>	<b>40.8%</b>	<b>36.0%</b>	<b>10.6 p.p.</b>	<b>6.6 p.p.</b>	<b>41.4%</b>	<b>32.6%</b>	<b>8.8 p.p.</b>
Non-recurring itens			5.5	n.m.	n.m.		5.5	n.m
Installation services			-	n.m.	n.m.		24.5	n.m
<b>Adjusted EBITDA</b>	<b>118.6</b>	<b>96.6</b>	<b>74.0</b>	<b>60%</b>	<b>23%</b>	<b>292.8</b>	<b>200.9</b>	<b>46%</b>
<b>Adjusted EBITDA Margin (%)</b>	<b>46.6%</b>	<b>40.8%</b>	<b>38.9%</b>	<b>7.7 p.p.</b>	<b>5.8 p.p.</b>	<b>41.4%</b>	<b>38.3%</b>	<b>3.1 p.p.</b>

The Company presented 3Q22 Adjusted EBITDA margin (the same as EBITDA margin) of 46.6% compared to 36.0% in 2Q21 and to 40.8% in the previous quarter. In the analysis against 3Q21, the margin improvement results from the dilution of fixed costs by the growth of the base and by the cost reduction initiatives adopted by the Company since the beginning of April, as well as the reduction in the expansion pace, since the organic expansion has an initial cost structure – poles, stores, repair/inventory/maintenance teams – which overwhelms the Company's total operating costs/expenses.

## Financial Result

In 3Q22, financial result was an expense of R\$11.1 million, 64% lower than in the same period of 2021 and 68% lower than in the previous quarter. This quarter's result reflects lower interest and foreign exchange variation expenses. Interest fell in relation to the previous quarter due to the effect of deflation on the incentivized debenture charges (IPCA + 5.77%). The exchange rate variation reflects the lower devaluation of the real (3% in 3Q22 x 11% in 2Q22 and 3Q21) and the lower foreign currency exposed balance. At the end of September, the Company had R\$49.0 million in international suppliers and R\$165.2 million in foreign currency financing. The Company adopts the policy of contracting hedging instruments to protect part of its financing and suppliers in foreign currency. Therefore, the balance exposed in September was less than R\$70 million.

R\$ million	3Q22	2Q22	3Q21	3Q22 x 3Q21	3Q22 x 2Q22	9M22	9M21	9M22 X 9M21
Financial revenue	28.6	32.8	26.3	9%	-13%	113.50	78.7	44%
Financial expenses	(39.7)	(67.5)	(57.2)	-31%	-41%	(158.0)	(129.8)	22%
<b>Net financial result</b>	<b>(11.1)</b>	<b>(34.7)</b>	<b>(31.0)</b>	<b>-64%</b>	<b>-68%</b>	<b>(44.5)</b>	<b>(51.1)</b>	<b>-13%</b>

**Financial income** in 3Q22 mainly reflects the interest from the IPO funds and the debentures issued in August 2022 applied in the period, in the amount of R\$16.2 million, R\$6.1 million from active exchange rate variation, and R\$2.5 million in derivative operations since a portion of the US dollar exposure is hedged with swap instruments.

**Financial expenses** basically consisted of: (i) interest expenses in 3Q22 in the amount of R\$25.0 million, (ii) operations with derivatives in the amount of R\$4.6 million - the derivatives are basically swap for exchange protection of long-term debts in foreign currency and dollar locks in NDF transactions to protect accounts payable with international suppliers, and (ii) passive exchange variations in the amount of R\$7.5 million.

Although the debt in foreign currency is partially protected from variations through exchange rate swap instruments, the effects of the currency impact the line of exchange variations, being partially offset by the positive result of operations with derivatives. Therefore, the net impact of the Real's depreciation in this quarter was R\$3.5 million.

## Indebtedness

R\$ million	Sep/2022	Dec/2021	Var. (%)
<b>Gross Debt</b>	<b>1,403.3</b>	<b>1,122.1</b>	<b>25.1%</b>
(-) Cash and cash equivalents	387.6	1,000.8	-61.3%
(-) Short-term investments	305.3	46.7	553.9%
<b>Net Debt</b>	<b>710.5</b>	<b>74.6</b>	<b>852.4%</b>

Brisanet had a gross debt of R\$1.4 billion in September 2022, earmarked for investment in the geographic expansion of its fiber optic network. Gross debt comprises loans and financing, debentures, promissory notes, lease obligations and derivative transactions.

Considering cash and financial investments at the end of the period of R\$692.9 million, the Company had a net debt of R\$710.5 million, compared to a net debt of R\$74.6 million at the end of 2021. Most of this resource is invested in instruments with liquidity of less than 90 days and with an average yield in the period of 103% CDI.

The increase in gross debt was basically due to the issuance of R\$300 million in debentures in August. This resource will be used for investments in the year 2023.

The Company monitors its indebtedness using the net debt/EBITDA ratio. **On September 30, 2022, the indebtedness level was 2.0x**, 0.3x lower than at the end of the previous quarter.

The Company adopts the policy of contracting hedge instruments to protect a portion of its financing carried out in foreign currency. As of September 30, 2022, total foreign currency financing represented around 12% of total gross indebtedness.

Find below the breakdown for loans and financing:

Type	Weighted average rates	09/30/2022	12/31/2021
Working capital	0.85% a.m. - Fixed	19,116	48,240
Working capital	0.17% a.m. + CDI	145,978	251,867
Working capital	0.25% a.m. + TJLP	2,551	7,933
Working capital	0.46% a.m. + TLP	26,460	6,348
Working Capital (foreign currency)	0.17% a.m. + CDI	80,832	46,934
PPE financing (CDC)	0.83% a.m. - Fixed	14,355	20,528
PPE financing (FINEM)	0.29% a.m. + TJLP	3,889	7,744
PPE financing (FINEM)	0.23% a.m. + TLP	-	26,088
Financing – TR	0.33% a.m. + TR	67,724	53,934
Import financing (foreign currency)	0.37% a.m. - Fixed	84,328	101,232
		<b>445,233</b>	<b>570,848</b>
Current		209,530	236,917
Noncurrent		235,703	333,931

On February 25, 2022, the Company, through its subsidiary, Brisagnet Serviços de Telecomunicações S.A., issued its 1st promissory note (PN), in 4 series, of 5 promissory notes, in the total amount of R\$70 million, having been the object of public distribution, with restricted placement efforts aimed at professional investors, without guarantees. The PN has a term of 12 months and interest of CDI+2.6% p.a. As of September 30, 2022, the balance was R\$71.7 million.

On March 15, 2021, the Company issued debentures, non-convertible into shares, in the amount of R\$500 million, which will be settled in semiannual installments, with initial maturity in March 2025 and ending in March 2028. These debentures bear interest/ remuneration equivalent to the IPCA + 5.7694%. As of September 30, 2022, the balance was R\$536.9 million.

Considering loans and financing, the debentures and the leases, almost half of the Company's debt matures from 2026 onwards.

On August 25, the Company issued debentures, non-convertible into shares, in the total amount of R\$300 million, with a maturity of 5 (five) years, maturing, therefore, on August 25, 2027. These debentures bear interest at CDI + 2.0% per year. As of September 30, 2022, the balance was R\$300.5 million.

## Capex

R\$ million	9M22	9M21	Var. (%)
<b>Capex</b>			
Additions to PPE <sup>1</sup>	716.5	608.9	17.7%
(-) PPE in progress / in Inventory	(98.7)	(222.0)	-55,6%
(-) Advances to Suppliers	(148.7)	(21.3)	598.2%
(-) Imported equipment in transit	33.6	(14.3)	-335,4%
Additions to Intangible Assets	24.5	19.5	25.4%
<b>Capex Adjusted - 'In Operations'</b>	<b>527.2</b>	<b>370.8</b>	<b>42.2%</b>

<sup>1</sup> See note # 8 and 28 of the 3Q22 FS

In 9M22, Brisanet invested, when measured by additions to property, plant and equipment and intangibles, the amount of R\$741.0 million, compared to R\$628.4 million in the same period of 2021.

Of this amount, just around R\$230 million corresponds to the purchase of equipment for the assembly of 5G ERBs (radio base stations). This purchase is recorded in Advances to suppliers (R\$162.7 mm in Sep/22) and PPE in inventory and aims to enable the implementation of the 5G pilot project as of the end of 2022.

The Company has an inventory of equipment and constructions to activate, accounted for in 'PPE in progress and Imported equipment in transit' (balance of R\$176.9 million) and 'PPE in inventory' (balance of R\$205.2 million), in the coming months.

Out of the R\$527.2 million in fixed/intangible assets already in operation, R\$7.6 million were maintenance capex, and the remaining were applied to the Company's organic expansion, notably in:

- 1.4 million HPs,
- 392,000 customer installations – base growth and replacement,
- R\$28 million in backbone DWDM (backbone lighting),
- R\$53 million in vehicles for expansion,
- R\$27 million in Agility Telecom and lands, and
- R\$8 million in IT systems development.



## NOTICES

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The Interim Financial Information as of 09/30/2022 revised by Ernst & Young Auditores Independentes S.A. are available on our website – [ri.brisanet.com.br/en](http://ri.brisanet.com.br/en)

### Conference Call

November 17, 2022 – Thursday – 11 am (NY Time) – In Portuguese with simultaneous translation to English

Brisanet – 3Q22 Earnings Release

Please join us for the zoom meeting at:

[https://tenmeetings.com.br/ten-events/#/webinar?evento=Brisanet3T22\\_106](https://tenmeetings.com.br/ten-events/#/webinar?evento=Brisanet3T22_106)

The link is also available at our website – [ri.brisanet.com.br/en](http://ri.brisanet.com.br/en)

### Investor Relations

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Website: [ri.brisanet.com.br](http://ri.brisanet.com.br)

## LEGAL NOTICE

*The consolidated financial and operating information, disclosed in this document, except where otherwise indicated, is presented in accordance with international accounting standards IFRS (International Financial Reporting Standards) and in Reais (R\$), in accordance with the Brazilian Corporation Law, Law 6,404/76 and the pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee (“CPC”) and approved by the Securities and Exchange Commission (“CVM”).*

*This document may contain forecasts about future events. Such forecasts do not constitute acts that took place in the past and only reflect the expectations of the Company's managers. The terms "anticipates", "believes", "estimates", "expects", "intends", "plans", "projects", "objectives", as well as other similar terms aim to identify such forecasts which evidently involve risks or uncertainties foreseen or not by the Company. Therefore, the future results of the Company's operations may differ from current expectations and the reader should not rely exclusively on the forecasts made herein. These forecasts only issue opinions on the date they are made and the Company does not undertake to update them in light of new information or future developments.*

### NON-ACCOUNTING MEASURES

*Consistent with market practice, we disclose non-accounting (non-GAAP) measures that are not recognized under IFRS or other accounting standards, including "Net Debt", "EBITDA", "Adjusted EBITDA". Non-accounting measures provide useful information for their investors, market analysts and the general public to compare their operating performance with that of other companies in the same and other sectors. However, these non-accounting measures do not have standardized meanings and methodologies and may not be directly comparable with metrics of the same or similar name published by other companies. Potential investors should not base their investment decision on non-accounting information as a substitute for accounting measures such as profitability or liquidity.*

## ANNEXES

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Annex I – Income Statement

Annex II – Balance Sheet

Annex III – Cash Flows

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## ATTACHMENT I – INCOME STATEMENT

	Consolidated - R\$ '000				
	3Q22	2Q22	3Q21	9M22	9M21
Net operating revenue	254,247	236,603	190,012	707,783	524,285
Cost of services	(142,328)	(144,382)	(103,311)	(423,881)	(287,740)
<b>Gross profit</b>	<b>111,919</b>	<b>92,221</b>	<b>86,701</b>	<b>283,902</b>	<b>236,545</b>
<b>Operating expenses</b>					
Administrative expenses	(27,721)	(27,576)	(36,613)	(84,205)	(11,276)
Selling expenses	(22,812)	(21,299)	(18,645)	(67,139)	(48,520)
Tax expenses	(2,166)	(1,953)	(914)	(6,307)	(3,456)
Other operating revenue (expenses), net	(10,040)	(9,690)	(3,950)	(27,686)	(12,264)
<b>Earnings before financial result and taxes</b>	<b>49,180</b>	<b>31,703</b>	<b>26,579</b>	<b>98,565</b>	<b>59,541</b>
Financial revenues	28,644	32,831	26,286	113,488	78,661
Financial expenses	(39,743)	(67,535)	(56,914)	(158,049)	(129,785)
<b>Net financial result</b>	<b>(11,099)</b>	<b>(34,704)</b>	<b>(30,628)</b>	<b>(44,561)</b>	<b>(51,124)</b>
<b>Income (Loss) before income tax and social contribution</b>	<b>38,081</b>	<b>(3,001)</b>	<b>(4,049)</b>	<b>54,004</b>	<b>8,417</b>
Income tax and social contribution	(16,072)	1,746	(2,576)	(23,761)	(7,728)
<b>Income (Loss) for the period</b>	<b>22,009</b>	<b>(1,255)</b>	<b>(6,625)</b>	<b>30,243</b>	<b>689</b>

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## ATTACHMENT II – BALANCE SHEET

	Consolidated - In R\$ '000			Consolidated - In R\$ '000	
	September	December		September	December
	2022	2021		2022	2021
<b>Assets</b>			<b>Liabilities and equity</b>		
<b>Current Assets</b>			<b>Current liabilities</b>		
Cash and cash equivalents	387,555	1,000,792	Suppliers	79,064	186,032
Short-term investments	305,317	46,693	Loans and financing	209,530	236,917
Trade accounts receivables	134,360	107,873	Debentures	73,382	8,909
Inventories	4,950	3,713	Lease obligations	21,298	7,958
Taxes recoverable	37,840	42,807	Labor and social obligations	59,821	41,782
Derivative operations	520	297	Taxes payable	30,019	24,912
Prepaid expenses	1,874	1,851	Taxes paid in installments	766	1,771
Other assets	1,436	12,913	Derivative operations	2,484	983
<b>Total current assets</b>	<b>873,852</b>	<b>1,216,939</b>	Other accounts payable	20,652	4,723
			<b>Total current liabilities</b>	<b>497,016</b>	<b>513,987</b>
<b>Noncurrent assets</b>			<b>Noncurrent</b>		
Short-term investments	-	3,600	Loans and financing	235,703	333,931
Accounts receivable	176	843	Debentures	835,346	506,941
Taxes recoverable	63,029	54,671	Lease obligations	24,690	27,532
Transactions with related parties	1,287	1,181	Taxes paid in installments	4,588	5,099
Court-related deposits	4,706	2,142	Derivative operations	3,193	218
Derivative operations	1,782	1,011	Provision for contingencies_Others	170,590	162,554
Prepaid expenses	2,729	2,462		1,274,110	1,036,275
Deferred income and social contribution t	2,404	8,559	<b>Equity</b>		
Other assets	38	38	Capital	1,281,606	1,281,606
Rights-of-use	46,251	35,928	Income reserve	90,732	60,486
Property, plant and equipment	1,906,305	1,346,276	Treasury shares	(9,405)	-
Intangible assets	231,504	218,711		1,362,933	1,342,092
<b>Total noncurrent assets</b>	<b>2,260,211</b>	<b>1,675,422</b>	Noncontrolling interest	4	7
<b>Total assets</b>	<b>3,134,063</b>	<b>2,892,361</b>	<b>Total equity</b>	<b>1,362,937</b>	<b>1,342,099</b>
			<b>Total liabilities and equity</b>	<b>3,134,063</b>	<b>2,892,361</b>

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## ATTACHMENT III – STATEMENT OF CASH FLOW

	Consolidated - In R\$ '000	
	Sep 22	Sep 21
Cash flow from operating activities		
Net income (loss) for the period	30,243	689
Adjustments to reconcile income (loss) for the period:	-	-
Depreciation and amortization	194,198	111,400
Residual value upon write-off of PPE and intangible assets	259	91
Allowance for doubtful accounts	21,388	13,867
Provision for contingencies	1,028	(2,074)
Monetary and exchange variation	62,732	35,882
Derivative operations	3,482	5,023
Interest on leases	2,518	2,759
Interest on loans, financing, debentures and promissory note	63,774	56,489
Short-term investment income	(48,538)	(11,405)
Deferred income and social contribution taxes	6,155	(4,596)
Others	10,063	1,995
(Increase) decrease in assets		
Trade accounts receivable	(47,208)	(40,402)
Inventories	(1,237)	297
Taxes recoverable	(3,391)	(35,462)
Prepaid expenses	(290)	1,211
Court-related deposits	(2,564)	(659)
Other assets	11,477	(1,497)
Increase (decrease) in liabilities		
Suppliers	(106,968)	51,554
Labor and social obligations	18,039	22,271
Taxes payable	12,154	11,679
Taxes paid in installments	(1,516)	(1,394)
Other accounts payable	23,470	1,830
<b>Cash from (used in) operating activities</b>	<b>249,268</b>	<b>219,548</b>
Interest paid	(71,968)	(73,755)
Income tax and social contribution paid	(7,047)	(6,087)
<b>Net cash from (used in) operating activities</b>	<b>170,253</b>	<b>139,706</b>
Cash flows from investing activities		
Short-term investments	(206,486)	(41,581)
Additions to Property, plant and equipment	(716,464)	(608,900)
Additions to intangible assets	(24,451)	(19,498)
Intercompany loans received	-	126
Others	(106)	-
<b>Net cash from (used in) investing activities</b>	<b>(947,507)</b>	<b>(669,853)</b>
Cash flows from financing activities		
Loans and financing raised	16,712	61,776
Amortization of principal of loans and financing	(172,484)	(136,623)
Debentures raised	296,679	467,354
Promissory note raised	69,380	-
Amortization of principal of promissory note	(4,000)	-
Lease paid	(32,332)	(16,334)
Intercompany loans paid	-	(12,163)
Acquisition of non-controlling interests	-	1,255,650
Share issue expenses	-	(40,253)
Dividend/Profits distributed	(533)	(2,205)
Treasury shares	(9,405)	-
Others	-	-
<b>Net cash from (used in) financing activities</b>	<b>164,017</b>	<b>1,577,202</b>
<b>Increase (Decrease) in cash and cash equivalents</b>	<b>(613,237)</b>	<b>1,047,055</b>

**REPRESENTATION FOR PURPOSES OF ARTICLE 25  
OF CVM RULING No. 480**

**LUCIANA PAULO FERREIRA**, Brazilian, divorced, administrator, bearer of Identity Card RG No. 08495887-5 SSP/RJ and Individual Taxpayer Identification (CPF/ME) No. 016.657.567-48, with business address in the city of Pereiro, state of Ceará, at Rodovia CE-138, Trecho Pereiro CE Divisa com RN, Km 14, Estrada Carrossal Brisa 1 Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 1, CEP 63460-000, as the Investor Relations Officer of **BRISANET PARTICIPAÇÕES**, a corporation with head office in the city of Pereiro, state of Ceará, at Rodovia CE-138, Trecho Pereiro CE Divisa com RN, Km 14, Estrada Carrossal Brisa 1 Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 1, CEP 63460-000, enrolled with the National Registry of Legal Entities (CNPJ/ME) under No. 19.796.586/0001-70 (“Company”), represents that, pursuant to article 25, paragraph 1, items V and VI of Ruling No. 480, of December 7, 2009, issued by the Brazilian Securities and Exchange Commission (CVM), as amended (CVM Ruling No. 480), jointly with the other Company officers: (a) she has reviewed, discussed and agrees with the review report issued by Ernst & Young Auditores Independentes S/S on the interim financial information for the three-month period ended September 30, 2022; and (b) she had reviewed, discussed and agrees with the interim financial information for the three-month period ended September 30, 2022.

Luciana Paulo Ferreira

**Investor Relations Officer**



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**A free translation from Portuguese into English of Independent Auditor's Review Report on interim financial information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB)**

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## **Independent auditor's review report on interim financial information**

To the Shareholders, Board of Directors and Officers  
**Brisanet Participações S.A.**  
Pereiro - CE

### **Introduction**

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of Brisanet Participações S.A. (the "Company") for the quarter ended September 30, 2022, which comprises the statement of financial position as at September 30, 2022, and the related statements of profit or loss and of comprehensive income (loss) for the three- and nine-month periods then ended, and of changes in equity and of cash flows for the nine-month period then ended, including the explanatory notes.

The executive board is responsible for the preparation of the individual and consolidated interim financial information in accordance with NBC TG 21 - Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the presentation of this financial information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## **Conclusion on the individual and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the Quarterly Information referred to above was not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR) and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

## **Other matters**

### *Statements of value added*

The abovementioned quarterly information includes the individual and consolidated statements of value added (SVA) for the nine-month period ended September 30, 2022, prepared under the responsibility of the Company's executive board, and presented as supplementary information by IAS 34. These statements were subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria set forth by NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, pursuant to such standard and consistently with the individual and consolidated interim financial information taken as a whole.

Fortaleza, November 14, 2022.

ERNST & YOUNG  
Auditores Independentes S.S. Ltda.  
CRC-CE001042/F

*Nathalia Araújo Domingues*

Nathalia Araújo Domingues  
Accountant CE-020833/O-7

## Brisanet Participações S.A.

Statements of financial position

September 30, 2022

(In thousands of reais)

	Note	Individual		Consolidated	
		09/30/2022	12/31/2021	09/30/2022	12/31/2021
Assets					
Current assets					
Cash and cash equivalents	3	93	3,325	387,555	1,000,792
Short-term investments	3	298,787	-	305,317	46,693
Trade accounts receivable	4	-	-	134,360	107,873
Inventories		-	-	4,950	3,713
Taxes recoverable	5	18	18	37,840	42,807
Derivative transactions	25	-	-	520	297
Prepaid expenses		46	-	1,874	1,851
Other assets		-	-	1,436	12,913
Total current assets		298,944	3,343	873,852	1,216,939
Noncurrent assets					
Long-term receivables					
Financial investments	3	-	-	-	3,600
Trade accounts receivable	4	-	-	176	843
Taxes recoverable	5	-	-	63,029	54,671
Transactions with related parties	6	-	-	1,287	1,181
Judicial deposits		-	-	4,706	2,142
Derivative transactions	25	-	-	1,782	1,011
Prepaid expenses		-	-	2,729	2,462
Deferred income and social contribution taxes	23	-	-	2,404	8,559
Other assets		-	-	38	38
Investments	7	1,368,150	1,342,780	-	-
Right of use	14	-	-	46,251	35,928
Property, plant and equipment	8	-	-	1,906,305	1,346,276
Intangible assets	9	-	-	231,504	218,711
Total noncurrent assets		1,368,150	1,342,780	2,260,211	1,675,422
Total assets					
		1,667,094	1,346,123	3,134,063	2,892,361

	Note	Individual		Consolidated	
		09/30/2022	12/31/2021	09/30/2022	12/31/2021
Liabilities and equity					
Current liabilities					
Trade accounts payable	10	4	-	79,064	186,032
Loans and financing	11	-	-	209,530	236,917
Debentures	12	317	-	1,693	8,909
Promissory note	13	-	-	71,689	-
Lease obligations	14	-	-	21,298	7,958
Labor and social obligations	15	85	86	59,821	41,782
Taxes payable	5	652	34	30,019	24,912
Taxes paid in installments		-	-	766	1,771
Derivative transactions	25	-	-	2,484	983
Proposed dividends	6 e 19	-	533	-	533
Other accounts payable	17	3	3	20,652	4,190
Total current liabilities		<b>1,061</b>	656	<b>497,016</b>	513,987
Noncurrent liabilities					
Loans and financing	11	-	-	235,703	333,931
Debentures	12	300,135	-	835,346	506,941
Lease obligations	14	-	-	24,690	27,532
Taxes paid in installments		-	-	4,588	5,099
Provision for losses on investments	7	2,965	3,375	-	-
Derivative transactions	25	-	-	3,193	218
Provision for contingencies	16	-	-	1,597	929
Other accounts payable	17	-	-	168,993	161,625
Total noncurrent liabilities		<b>303,100</b>	3,375	<b>1,274,110</b>	1,036,275
Equity					
Capital	19	1,281,606	1,281,606	1,281,606	1,281,606
Treasury shares		(9,405)	-	(9,405)	-
Income reserves		90,732	60,486	90,732	60,486
		<b>1,362,933</b>	1,342,092	<b>1,362,933</b>	1,342,092
Noncontrolling interests		-	-	4	7
Total equity		<b>1,362,933</b>	1,342,092	<b>1,362,937</b>	1,342,099
Total liabilities and equity					
		<b>1,667,094</b>	1,346,123	<b>3,134,063</b>	2,892,361

See accompanying notes.

## Brisanet Participações S.A.

### Statements of comprehensive income (loss)

Three and nine-month period ended September 30, 2022

(In thousands of reais, except earnings per share, stated in reais)

	Note	Individual				Consolidated			
		07/01/2022 to 09/30/2022	07/01/2021 to 09/30/2021	01/01/2022 to 09/30/2022	01/01/2021 to 09/30/2021	07/01/2022 to 09/30/2022	07/01/2021 to 09/30/2021	01/01/2022 to 09/30/2022	01/01/2021 to 09/30/2021
Net operating revenue	20	-	-	-	-	254,247	190,012	707,783	524,285
Cost of services	21	-	-	-	-	(142,328)	(103,311)	(423,881)	(287,740)
Gross profit		-	-	-	-	111,919	86,701	283,902	236,545
Operating expenses									
Administrative expenses	21	(989)	(917)	(2,569)	(2,324)	(27,721)	(36,613)	(84,205)	(112,764)
Selling expenses	21	-	-	-	-	(22,812)	(18,645)	(67,139)	(48,520)
Tax expenses	21	-	-	-	-	(2,166)	(914)	(6,307)	(3,456)
Equity pickup	7	25,167	(5,710)	34,940	3,018	-	-	-	-
Other operating expenses, net	21	(40)	11	-	5	(10,040)	(3,950)	(27,686)	(12,264)
Income (loss) before finance income (costs) and taxes		24,138	(6,616)	32,371	699	49,180	26,579	98,565	59,541
Finance income	22	2,491	7	2,500	7	28,644	26,286	113,488	78,661
Finance costs	22	(3,778)	(14)	(3,782)	(16)	(39,743)	(56,914)	(158,049)	(129,785)
Finance income (costs)		(1,287)	(7)	(1,282)	(9)	(11,099)	(30,628)	(44,561)	(51,124)
Income before income and social contribution taxes		22,851	(6,623)	31,089	690	38,081	(4,049)	54,004	8,417
Income and social contribution taxes	23	(841)	-	(843)	-	(16,072)	(2,576)	(23,761)	(7,728)
Net income (loss) for the period		22,010	(6,623)	30,246	690	22,009	(6,625)	30,243	689
Net income (loss) attributable to									
Controlling interests		-	-	-	-	22,010	(6,623)	30,246	690
Noncontrolling interests		-	-	-	-	(1)	(2)	(3)	(1)
Basic earnings per share - R\$	24	0.049	(0.016)	0.067	0.002	-	-	-	-
Diluted earnings per share - R\$	24	0.049	(0.016)	0.067	0.002	-	-	-	-

See accompanying notes.



## Brisanet Participações S.A.

Statements of comprehensive income (loss)  
 Three and nine-month period ended September 30, 2022  
 (In thousands of reais)

	Individual				Consolidated			
	07/01/2022 to 09/30/2022	07/01/2021 to 09/30/2021	01/01/2022 to 09/30/2022	01/01/2021 to 09/30/2021	07/01/2022 to 09/30/2022	07/01/2021 to 09/30/2021	01/01/2022 to 09/30/2022	01/01/2021 to 09/30/2021
Net income (loss) for the period	<b>22,010</b>	(6,623)	<b>30,246</b>	690	<b>22,009</b>	(6,625)	<b>30,243</b>	689
Other comprehensive income	-	-	-	-	-	-	-	-
Comprehensive income (loss) for the period	<b>22,010</b>	(6,623)	<b>30,246</b>	690	<b>22,009</b>	(6,625)	<b>30,243</b>	689
Net income attributable to								
Controlling interests	-	-	-	-	<b>22,010</b>	(6,623)	<b>30,246</b>	690
Noncontrolling interests	-	-	-	-	<b>(1)</b>	(2)	<b>(3)</b>	(1)

See accompanying notes.

## Brisanet Participações S.A.

Statements of changes in equity  
 Nine-month period ended September 30, 2022  
 (In thousands of reais)

	Consolidated								
	Individual								
	Capital			Income reserves			Subtotal	Noncontrolling interests	Equity
Capital	Share issue costs	Treasury shares	Legal reserve	Retained profits	Accumulated losses				
Balances at December 31, 2020	66,209	-	-	1,456	59,526	-	127,191	6	127,197
Capital increase	1,255,650	-	-	-	-	-	1,255,650	-	1,255,650
Share issue costs	-	(40,253)	-	-	-	-	(40,253)	-	(40,253)
Net income for the period	-	-	-	-	-	690	690	(1)	689
Profit allocation (Note 19):									
Dividends distributed	-	-	-	-	(2,205)	-	(2,205)	-	(2,205)
Retained profits	-	-	-	-	690	(690)	-	-	-
Balances at September 30, 2021	1,321,859	(40,253)	-	1,456	58,011	-	1,341,073	5	1,341,078
Balances at December 31, 2021	1,321,859	(40,253)	-	1,568	58,918	-	1,342,092	7	1,342,099
Treasury shares	-	-	(9,405)	-	-	-	(9,405)	-	(9,405)
Net income for the period	-	-	-	-	-	30,246	30,246	(3)	30,243
Profit allocation (Note 19):									
Retained profits	-	-	-	-	30,246	(30,246)	-	-	-
Balances at September 30, 2022	<b>1,321,859</b>	<b>(40,253)</b>	<b>(9,405)</b>	<b>1,568</b>	<b>89,164</b>	<b>-</b>	<b>1,362,933</b>	<b>4</b>	<b>1,362,937</b>

See accompanying notes.

## Brisanet Participações S.A.

Statements of cash flows  
 Nine-month period ended September 30, 2022  
 (In thousands of reais)

	Individual		Consolidated	
	09/30/2022	09/30/2021	09/30/2022	09/30/2021
Cash flows from operating activities				
Net income (loss) for the period	<b>30,246</b>	690	<b>30,243</b>	689
Adjustments to reconcile net income in the period:				
Depreciation and amortization	-	-	<b>194,198</b>	111,400
Residual value upon write-off of PPE and intangible assets	-	-	<b>259</b>	91
Provision for PPE's losses	-	-	<b>6,143</b>	-
Allowance for expected credit losses	-	-	<b>21,388</b>	13,867
Set-up (reversal) of provision for contingencies	-	(5)	<b>1,028</b>	(2,074)
Equity pickup	<b>(34,940)</b>	(3,018)	-	-
Monetary variation and exchange differences	<b>3,216</b>	-	<b>62,732</b>	35,882
Derivative transactions	-	-	<b>3,482</b>	5,023
Interest on leases	-	-	<b>2,518</b>	2,759
Interest on debentures	<b>501</b>	-	<b>20,341</b>	12,680
Interest on promissory notes	-	-	<b>1,122</b>	-
Interest on loans and financing	-	-	<b>42,311</b>	43,809
Appropriation of funding costs	<b>56</b>	-	<b>3,920</b>	1,995
Short-term investment yield	<b>(2,500)</b>	-	<b>(48,538)</b>	(11,405)
Deferred income and social contribution taxes	-	-	<b>6,155</b>	(4,596)
(Increase) decrease in assets				
Trade accounts receivable	-	-	<b>(47,208)</b>	(40,402)
Inventories	-	-	<b>(1,237)</b>	297
Taxes recoverable	-	-	<b>(3,391)</b>	(35,462)
Prepaid expenses	<b>(46)</b>	-	<b>(290)</b>	1,211
Judicial deposits	-	-	<b>(2,564)</b>	(659)
Other assets	-	(2)	<b>11,477</b>	(1,497)
Increase (decrease) in liabilities				
Trade accounts payable	<b>4</b>	-	<b>(106,968)</b>	51,554
Labor and social obligations	-	86	<b>18,039</b>	22,271
Taxes payable	<b>618</b>	38	<b>12,154</b>	11,679
Taxes paid in installments	-	-	<b>(1,516)</b>	(1,394)
Provision for contingencies	-	-	<b>(360)</b>	-
Other accounts payable	-	-	<b>23,830</b>	1,830
Cash flows from (used in) operating activities	<b>(2,845)</b>	(2,211)	<b>249,268</b>	219,548
Interest paid	-	-	<b>(71,968)</b>	(73,755)
Income and social contribution taxes paid	-	-	<b>(7,047)</b>	(6,087)
Net cash flows from (used in) operating activities	<b>(2,845)</b>	(2,211)	<b>170,253</b>	139,706
Cash flows from investing activities				
Increase in investments and AFAC in subsidiaries	-	(1,245,418)	-	-
Short-term investments	<b>(296,288)</b>	(3,997)	<b>(206,486)</b>	(41,581)
Redemption of short-term investments	-	-	<b>(716,464)</b>	(608,900)
Additions to PPE	-	-	<b>(24,451)</b>	(19,498)
Additions to intangible assets	-	-	-	126
Intercompany loans received	-	-	<b>(106)</b>	-
Dividends and profits received	<b>9,160</b>	38,767	-	-
Net cash flows from (used in) investing activities	<b>(287,128)</b>	(1,210,648)	<b>(947,507)</b>	(669,853)

## Brisanet Participações S.A.

Statements of cash flows (Continued)  
 Nine-month period ended September 30, 2022  
 (In thousands of reais)

	Individual		Consolidated	
	09/30/2022	09/30/2021	09/30/2022	09/30/2021
Cash flows from financing activities				
Loans and financing taken out	-	-	16,712	61,776
Debentures taken out, net of funding costs	296,679	-	296,679	467,354
Promissory notes taken out, net of funding costs	-	-	69,380	-
Payment of principal of loans and financing	-	-	(172,484)	(136,623)
Payment of principal of promissory notes	-	-	(4,000)	-
Lease payments	-	-	(32,332)	(16,334)
Intercompany loans paid	-	(330)	-	(12,163)
Acquisition of noncontrolling interests	-	1,255,650	-	1,255,650
Share issue costs	-	(40,253)	-	(40,253)
Treasury shares	(9,405)	-	(9,405)	-
Dividends/profits distributed	(533)	(2,205)	(533)	(2,205)
Net cash flows from financing activities	286,741	1,212,862	164,017	1,577,202
Increase (decrease) in cash and cash equivalents	(3,232)	3	(613,237)	1,047,055
Cash and cash equivalents				
At beginning of period	3,325	5	1,000,792	171,104
At end of period	93	8	387,555	1,218,159
Increase (decrease) in cash and cash equivalents	(3,232)	3	(613,237)	1,047,055

See accompanying notes.

## Brisanet Participações S.A.

Statements of value added  
 Nine-month period ended September 30, 2022  
 (In thousands of reais)

	Individual		Consolidated	
	09/30/2022	09/30/2021	09/30/2022	09/30/2021
Revenues	-	7	<b>801,547</b>	594,515
Gross operating income less discounts	-	-	<b>819,205</b>	603,975
Allowance for expected credit losses	-	-	<b>(21,388)</b>	(13,867)
Other revenues	-	7	<b>3,730</b>	4,407
Inputs acquired from third parties	<b>(1,736)</b>	(737)	<b>(145,879)</b>	(136,948)
Cost of sales	-	-	<b>(33,828)</b>	(36,206)
Materials, electricity, third-party services and other	<b>(1,736)</b>	(724)	<b>(102,024)</b>	(99,663)
Loss on/recovery of assets	-	(13)	<b>(6,171)</b>	(105)
Other inputs	-	-	<b>(3,856)</b>	(974)
Gross value added	<b>(1,736)</b>	(730)	<b>655,668</b>	457,567
Depreciation and amortization	-	-	<b>(194,198)</b>	(111,400)
Net value added generated	<b>(1,735)</b>	(730)	<b>461,470</b>	346,167
Value added received in transfer	<b>37,440</b>	3,025	<b>113,488</b>	78,661
Equity pickup	<b>34,940</b>	3,018	-	-
Finance income	<b>2,500</b>	7	<b>113,488</b>	78,661
Total value added to be distributed	<b>35,704</b>	2,295	<b>574,958</b>	424,828
Distribution of value added				
Taxes, charges and contributions	<b>981</b>	161	<b>174,086</b>	121,451
Federal	<b>981</b>	161	<b>100,532</b>	70,136
State	-	-	<b>72,508</b>	50,324
Local	-	-	<b>1,046</b>	990
Other taxes, charges and contributions	-	-	-	1
Personnel	<b>695</b>	617	<b>162,374</b>	144,701
Salaries	<b>694</b>	616	<b>124,966</b>	107,351
Unemployment Compensation Fund (FGTS)	-	-	<b>11,198</b>	9,388
Benefits	<b>1</b>	1	<b>26,210</b>	27,962
Debt remuneration	<b>3,782</b>	2	<b>208,255</b>	157,160
Interest, exchange differences and borrowing costs	<b>3,782</b>	2	<b>158,049</b>	129,785
Rents	-	-	<b>50,206</b>	27,375
Equity remuneration	<b>30,246</b>	1,515	<b>30,243</b>	1,516
Dividends/profits distributed	-	2,205	-	2,205
Retained profits/losses	<b>30,246</b>	(690)	<b>30,243</b>	(689)
Value added	<b>35,704</b>	2,295	<b>574,958</b>	424,828

See accompanying notes.

# Brisanet Participações S.A. and Consolidated

Notes to interim financial information  
September 30, 2022  
(In thousands of reais)

## 1. Operations

Brisanet Participações S.A. (the “Company”) is a publicly-held corporation, established on February 19, 2014, located in Pereiro, state of Ceará. The Company is primarily engaged in holding equity interests in other companies.

On July 28, 2021, the public offering of the Company’s shares on the stock market of B3 S.A. - Brasil, Bolsa e Balcão, denominated “Novo Mercado” was approved at the Board of Directors’ Meeting, under ticker symbol “BRIT3”, completed upon settlement of the shares on July 30, 2021 in the amount of R\$1,255,650. Share issue costs totaled R\$40,253.

### a) Subsidiaries

Currently, the Company has the following subsidiaries:

#### i) *Brisanet Serviços de Telecomunicações S.A. (“Brisanet Serviços”)*

Provision of telecommunication services - MCS (Multimedia Communication Service); equipment rental; IT services; radio and optical fiber network installation services; wholesale, retail and import of telecommunications and IT equipment; pay television; pay cable television; provision of monitoring services; wholesale, retail, import and rental of electronic monitoring equipment; electronic equipment maintenance; wholesale, retail and import of monitoring cameras and materials; manufacture of pre-cast concrete structures, in series or by order; electronic equipment installation and assembly; circuit-switched telephone services - PSTN (Public Switched Telephone Network); licensing or assignment of rights-of-use relating to computer programs; customizable computer system development; non-customizable computer system development; IT technical support, maintenance and services; provision, with no definitive assignment, of audio, video, image and text content through the internet, in compliance with the tax immunity of books, newspapers and periodicals (except for distribution of content by Conditioned Access Service providers, referred to in Federal Law No. 12485, of September 12, 2011, subject to State VAT - ICMS); value added services; and administrative support and office services.

#### Acquisition and merger of investments

On March 11, 2021, Brisanet Serviços acquired 100% of the units of interest of Agility Serviços de Telecomunicações Ltda. (“Agility”), a company that belongs to Brisanet Group shareholders, for the amount of R\$10.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 1. Operations (Continued)

#### a) Subsidiaries (Continued)

##### i) *Brisanet Serviços de Telecomunicações S.A. (“Brisanet Serviços”)* (Continued)

##### Acquisition and merger of investments (Continued)

At the Special General Meeting held on January 31, 2022, shareholders approved the merger of the net assets of the Company’s indirect subsidiary Agility Serviços de Telecomunicações Ltda., in the amount of R\$81,479, by the direct subsidiary Brisanet Serviços de Telecomunicações S.A. The merged net assets, in subsidiary Brisanet Serviços de Telecomunicações S.A., measured by external experts at book value, at base date December 31, 2021, are as follows:

	<u>12/31/21</u>
Current assets	43,886
Cash and cash equivalents	38,417
Short-term investments	1,903
Trade accounts receivable	3,530
Taxes recoverable	1
Other	35
Noncurrent assets	37,593
Trade accounts receivable	843
Taxes recoverable	1
Property, plant and equipment	10,777
Intangible assets	25,972
Total assets	<u>81,479</u>
Merged net assets	<u>81,479</u>

##### Agility Serviços de Telecomunicações Ltda. (“Agility Telecom”)

Provision of telecommunication services (Multimedia Communication Service - MCS); maintenance and repair of controlling and testing devices and instruments; wholesale of IT equipment; wholesale of other IT machinery and equipment, parts and pieces; internet protocol voice providers (Voice over IP - VOIP); telecommunications activities; computer program development by order; development and licensing of customizable computer programs; development and licensing of non-customizable computer programs; data treatment, application service providers and internet hosting services; provision of IT services; intermediation and agency of services and business in general; rental of office machinery and equipment; rental of other self-operating commercial and industrial machinery and equipment; administrative support and office combined services; provision of services mainly to companies; non-financial institutions’ holding companies; franchising sale and licensing; when the services provided, products sold and machinery and equipment rented are not commensurate with the company’s physical space, third-party warehouses will be contracted for storing respective products, machinery and equipment.

## **Brisanet Participações S.A. and Consolidated**

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### **1. Operations (Continued)**

#### a) Subsidiaries (Continued)

##### i) *Brisanet Serviços de Telecomunicações S.A. (“Brisanet Serviços”)* (Continued)

###### Establishment of company

On November 16, 2021, Brisanet Serviços established the company 4J Serviços de Telecomunicações Ltda., holding 100% of its units of interest, with capital totaling R\$50.

4J Serviços de Telecomunicações Ltda. (‘4J Telecomunicações’)

Provision of MCS Telecommunications services; fixed switched telephone services (STFC); Voice over Internet Protocol (VOIP) providers; equipment rental; computer services; fiber optic and radio network installation services; specialized retail trade of telephony and communication equipment; specialized retail trade of telephony and communication equipment; wholesale, retail and import of computer and telecommunication equipment; pay television; cable pay-television operators; provision of monitoring service; wholesale, retail, import and rental of equipment for electronic monitoring; maintenance of electronic monitoring equipment; wholesale, retail and import of cameras and monitoring materials; manufacture of pre-molded reinforced concrete structures, in series and to order; installation and assembly of electronic equipment; intermediation and agency of services and business in general; licensing or assignment of the right to use computer programs; customizable computer system and development; non-customizable computer system and development; technical support, maintenance and services in information technology; availability, without definitive assignment, of audio, video, image and text content via the internet, respecting the immunity of books, newspapers and periodicals (except for the distribution of content by the providers of Conditional Access Service, addressed by Federal Law No. 12485, of September 12, 2011, subject to ICMS); added value services; data processing, application service providers and internet hosting services; office services and administrative support.



## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 1. Operations (Continued)

#### a) Subsidiaries (Continued)

ii) *Brisanet Gerenciadora de Ativos Ltda. (“Brisanet Gerenciadora de Ativos”)*

Activities relating to asset management, advisory and consulting services in IT and out-of-court collection.

iii) *RPS - Prestação de Serviços de Informática Ltda. (“RPS”)*

IT technical support, including installation, configuration and maintenance of databank and computer programs, as well as technical support services for IT equipment in general; rental of chattel properties and IT equipment; IT equipment installation services, and image and data equipment monitoring services; sale of electronic equipment; import of electronic material; import of IT and telecommunications equipment and of consumption material; and rental of self-driving vehicles, including buses.

iv) *Interservice - Serviços de Elaboração de Dados Ltda. - ME (“Interservice”)*

IT technical support, including installation, configuration and maintenance of databank and computer programs, as well as technical support services for equipment in general; data processing and the like; and IT advisory and consulting services.

v) *Universo Serviços de Telecomunicações Ltda. - ME (“Universo Serviços”)*

*Merger of direct subsidiary Universo Serviços de Telecomunicações Ltda. by Brisanet Serviços de Telecomunicações S.A.*

At the Special General Meeting held on January 31, 2022, shareholders approved the merger of the net assets of the Company’s indirect subsidiary Universo Serviços de Telecomunicações Ltda., in the amount of R\$28,419, by Brisanet Serviços de Telecomunicações S.A.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 1. Operations (Continued)

#### a) Subsidiaries (Continued)

##### v) *Universo Serviços de Telecomunicações Ltda. - ME (“Universo Serviços”)* (Continued)

##### Merger of direct subsidiary Universo Serviços de Telecomunicações Ltda. by Brisanet Serviços de Telecomunicações S.A. (Continued)

The merged net assets, in subsidiary Brisanet Serviços, measured by external experts at book value, at base date January 31, 2022, are as follows:

	<u>01/31/22</u>
Current assets	24,403
Cash and cash equivalents	784
Trade accounts receivable	22,973
Taxes recoverable	619
Prepaid expenses	14
Other	13
Noncurrent assets	4,016
Taxes recoverable	61
Deferred taxes	329
Property, plant and equipment	2,736
Intangible assets	771
Right of use	119
Total assets	<u>28,419</u>
Merged net assets	<u>28,419</u>

#### b) Authorizations

The services offered by the Company and its subsidiaries, as well as tariffs charged, are authorized by the National Telecommunications Agency (Anatel), which is responsible for regulating the telecommunications sector in Brazil in accordance with the General Telecommunications Law and respective regulations. In this context, the Company and its subsidiaries have the following authorizations:

<u>Company</u>	<u>Grant</u>	<u>Area</u>	<u>Effective period</u>
Universo Serviços	Authorization to provide international long-distance STFC	For region 1 STFC	Indefinite
Brisanet Serviços	Authorization to provide Multimedia Communication Services (MCS)	All regions in Brazil	Indefinite
Brisanet Serviços	Authorization to provide Conditioned Access Services (SeAC)	All regions in Brazil	Indefinite

## **Brisanet Participações S.A. and Consolidated**

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### **1. Operations (Continued)**

#### c) Operations with franchisees and other transactions

In 2021, Agility Serviços de Telecomunicações ("Agility Telecom"), an indirect subsidiary of the Company, carried out 15 operations to purchase fixed and intangible assets from small providers, within its planning, as a franchisor, aiming to expand its telecommunications services and remaining with the optical fiber network infrastructure. With the migration of these operations to franchisees, Agility now charges 25% of the franchisee's billing, while Brisanet Serviços, which also acquired fixed and intangible assets from small providers, charges 5% for providing a link to its franchisees. In the current period, no new operations were carried out.

#### d) Outcome of the 5G Auction

On November 4, 2021, Brisanet Serviços de Telecomunicações S.A., a wholly-owned subsidiary of the Company, won 3 Lots in the 5G Auction conducted by Brazil's National Telecommunications Agency ("Anatel") to obtain the right to use radio frequencies, primarily of 2 regional blocks of 80 MHz in the 3.5 GHz range - 1 block in the Northeast and 1 in the Midwest - as well as 1 lot of 50MHz in the Northeast region in the 2.3 GHz range, all for a period of 20 (twenty) years, extendable against valuable consideration, in accordance with the regulations in force on the expiration date. The total amount offered for the 3 lots was R\$1,466,386, of which only R\$168,360 will be disbursed, being updated monthly by the IPCA. The remaining balance will be covered by commitments with offer of the service in certain areas until 2030.

#### e) Approval of interim financial information

Completion of the individual and consolidated interim financial information was authorized by management of the Company and its subsidiaries on November 14, 2022.

## **Brisanet Participações S.A. and Consolidated**

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### **2. Basis of preparation and presentation of interim financial information and summary of significant accounting policies**

#### **2.1. Basis of preparation**

This interim financial information was prepared under the historical cost convention which, in the case of certain financial assets and liabilities (including derivative instruments), is adjusted to reflect measurement at fair value.

This interim financial information was prepared and is presented in accordance with NBC TG 21 - Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and with accounting practices adopted in Brazil, which comprise the rules issued by the Brazilian Securities and Exchange Commission (CVM) and the Brazilian Accounting Standards (NBC) issued by Brazil's National Association of State Boards of Accountancy (CFC).

Additionally, the Company considered the guidance provided in Technical Guidance OCPC 07 issued by the CPC in November 2014, in the preparation of its interim financial information. As such, management discloses all significant information that is consistent with the information used to manage the Company's operations.

This interim financial information should be read in conjunction with the Company's and its subsidiaries' individual and consolidated financial statements for the year ended December 31, 2021, specifically Notes 2 and 3, which were prepared and presented in accordance with the accounting practices adopted in Brazil, including the pronouncements issued by the Brazilian FASB (CPC) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The presentation of the Statement of Added Value (SVA), although not required by IFRS, is mandatory for publicly-held corporations in Brazil. Consequently, this statement is presented as supplementary information for IFRS purposes, without prejudice to the set of the quarterly information.

The interim financial information is presented in reais, the functional and presentation currency, and all amounts are expressed in thousands of reais, unless otherwise stated.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 2. Basis of preparation and presentation of interim financial information and summary of significant accounting policies (Continued)

#### 2.2. Changes in accounting practices

Preparation of quarterly information requires the use of certain critical accounting estimates and use of professional judgment by Company management in the process of applying the accounting practices. No changes have been recorded in assumptions and judgements by Company management in using such estimates to prepare this interim financial information, in relation to those applied in the individual and consolidated financial statements as at December 31, 2021.

#### 2.3. Accounting judgments, estimates and assumptions

The individual and consolidated interim financial information was prepared in accordance with several measurement bases used in accounting estimates. Accounting estimates involved in the preparation of the interim financial information were based on both objective and subjective factors and use of professional judgment by management to determine the adequate amount to be recorded in the interim financial information. Significant items subject to these estimates and assumptions include the selection of useful lives of property, plant and equipment and intangible assets, analyses of their recoverability in operations, assessment of the fair value of financial assets and liabilities, as well as other risk analyses to determine other provisions, including provision for contingencies.

Settlement of transactions involving these estimates may result in amounts significantly different from those recorded in the interim financial information due to uncertainties inherent in the estimate process. Company management reviews its accounting estimates and assumptions at least on an annual basis.

#### 2.4. Basis of consolidation

As at September 30, 2022 and December 31, 2021, the Company maintains investments by means of direct subsidiaries, all of which are located in Brazil, as follows:

	<u>09/30/2022</u>	<u>12/31/2021</u>
Brisanet Serviços de Telecomunicações S.A.	99.99%	99.99%
Brisanet Gerenciadora de Ativos Ltda.	99.98%	99.98%
RPS - Prestação de Serviços de Informática Ltda.	99.99%	99.99%
Interservice - Serviços de Elaboração de Dados Ltda. - ME	99.99%	99.99%
Universo Serviços de Telecomunicações Ltda. - ME	-	99.99%

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 2. Basis of preparation and presentation of the financial statements (Continued)

#### 2.4. Basis of consolidation (Continued)

Subsidiaries are all entities over which the Company holds control. The Company controls an entity when the Company is exposed or entitled to variable returns based on its involvement with the entity and can affect these returns through the power used in the investee. The subsidiaries are fully included in the consolidation as from the date when control is transferred to the Company. Consolidation is interrupted as from the date when the Company ceases to have control.

Transactions between entities, balances and unrealized gains in transactions between the Company and its subsidiaries are eliminated. Unrealized gains and losses are only eliminated if the operation provides evidence of impairment of transferred assets. The subsidiaries' accounting policies are changed when necessary to ensure consistency with the policies adopted by the Company.

In the individual interim financial information of the parent company, investments in subsidiaries are recorded under the equity method.

### 3. Cash and cash equivalents and short-term investments

	Individual		Consolidated	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Cash	-	-	-	5
Checking accounts and other	48	79	1,947	4,701
Short-term investments:				
Sweep accounts	10	6	1,243	16,617
Bank Deposit Certificates (CDB)	35	3,240	374,146	974,727
Financial Bills	-	-	10,181	-
Debit cards	-	-	38	4,742
	<b>93</b>	<b>3,325</b>	<b>387,555</b>	<b>1,000,792</b>

Cash equivalents correspond to transactions with financial institutions in the Brazilian financial market and subject to low credit risk. These transactions are remunerated by the Interbank Deposit Certificates (CDI) variation at the average rate of 103.10% at September 30, 2022 (105.84% at December 31, 2021) and are available for use in the operations of the Company and its subsidiaries, i.e. are highly-liquid financial assets.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 3. Cash and cash equivalents and short-term investments (Continued)

#### Short-term investments

	Individual		Consolidated	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Investment funds (a)		-	55	21,491
Certificate accounts with lottery prizes (b)	-	-	4,400	9,820
CDB (c)	298,787	-	300,862	18,982
	<b>298,787</b>	-	<b>305,317</b>	<b>50,293</b>
Current	298,787	-	305,317	46,693
Noncurrent	-	-	-	3,600

(a) Investment funds have variable income (fixed income and multimarket funds), with an average of 93.70% of the CDI for the period;

(b) Certificate accounts with lottery prizes, with an average yield of 0.5% p.m. plus the reference rate (TR), were acquired in previous years and have a grace period for redemption, usually proportional to repayment of the loans, to which they are collateral; and

(c) Bank Deposit Certificates (CDB) had an average yield of 103.09% of the CDI in the third quarter of 2022, with liquidity above 90 days.

### 4. Trade accounts receivable (Consolidated)

	09/30/2022	12/31/2021
Trade accounts receivable	145,096	128,009
Allowance for expected credit losses	(10,560)	(19,293)
Accounts receivable, net	<b>134,536</b>	<b>108,716</b>
Current	134,360	107,873
Noncurrent	176	843

The aging list of trade accounts receivable is as follows:

	09/30/2022	12/31/2021
Falling due	57,636	41,136
Past due:		
1 to 30 days	23,428	28,898
31 to 60 days	6,737	5,524
61 to 180 days	20,164	16,767
181 to 360 days	27,316	17,538
Over 360 days	9,815	18,146
	<b>145,096</b>	<b>128,009</b>
(-) Allowance for expected credit losses	(10,560)	(19,293)
Accounts receivable, net	<b>134,536</b>	<b>108,716</b>

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 4. Trade accounts receivable (Consolidated) (Continued)

At September 30, 2022, DSO was of 44 days (46 days as of December 31, 2021).

Changes in allowance for expected credit losses are as follows:

	09/30/2022	12/31/2021
Opening balance	(19,293)	(20,791)
Set-up	(21,503)	(24,229)
Reversal	115	3,190
Write-off	30,121	22,537
Closing balance	<u>(10,560)</u>	<u>(19,293)</u>

No individual customer represents more than 10% of total accounts receivable. In accordance with IFRS 9/NBC TG 48, allowance for expected credit losses is set up based on analysis of customer portfolio, in an amount considered sufficient by management to cover expected losses on realization of receivables, as well as of sales returns and customer discounts.

### 5. Taxes recoverable and payable

	Individual		Consolidated	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Assets				
State VAT (ICMS) recoverable	-	-	11,142	10,092
ICMS recoverable on fixed assets	-	-	86,012	80,939
PIS and COFINS recoverable	-	-	62	151
Corporate Income Tax (IRPJ) and Social Contribution on Net Profit (CSLL) recoverable	18	18	3,001	5,557
Other taxes recoverable	-	-	652	739
	<u>18</u>	<u>18</u>	<u>100,869</u>	<u>97,478</u>
Current	18	18	37,840	42,807
Noncurrent	-	-	63,029	54,671
Current liabilities				
ICMS payable	-	-	13,170	9,963
IRPJ payable	395	-	2,924	2,917
CSLL payable	224	-	2,979	1,199
PIS and COFINS payable	-	-	2,489	3,094
ISS payable	-	-	121	129
Other taxes payable	33	34	8,336	7,610
	<u>652</u>	<u>34</u>	<u>30,019</u>	<u>24,912</u>

ICMS statutory taxation for communication services is of approximately 18% in the states of Pernambuco, Paraíba, Rio Grande do Norte and Ceará. ICMS is paid to suppliers at the following rates in each state: São Paulo-18%, Rio de Janeiro-18% and Ceará-20%.



## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 6. Transactions with related parties

Outstanding balances on the reporting dates are as follows:

	Individual		Consolidated	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Noncurrent assets				
BWM Consortium (a)	-	-	1,287	1,181
	-	-	1,287	1,181
Current liabilities				
Dividends payable	-	533	-	533
	-	533	-	533

	Consolidated			
	07/01/2022	07/01/2021	01/01/2022	01/01/2021
	to	to	to	to
	09/30/2022	09/30/2021	09/30/2022	09/30/2021
Statement of profit or loss				
AGILITY Segurança Eletronica (b)	(391)	(614)	(1,110)	(1,489)
BWM Consortium (c)	(531)	(485)	(1,660)	(1,404)
Imobiliária Pau D'arco Ltda. (d)	(6)	(9)	(22)	(28)
JPMF Imobiliária Ltda (d)	-	(103)	(31)	(309)
S&L Locadora de Veículos Ltda (e)	(8,359)	(4,350)	(25,120)	(12,191)
Nosso Atacarejo Comércio de Gêneros Alimentícios Ltda. (f)	(720)	(626)	(2,036)	(1,546)
Nossa fruta Brasil Indústria de Alimentos Ltda.(g)	(60)	(43)	(156)	(117)
Agritech Semiárido Agricultura Ltda (g)	(3)	-	(3)	-
	(10,070)	(6,230)	(30,138)	(17,084)

(a) BWM Consortium refers to project Cinturão Digital do Ceará (CDC), comprised by Brisanet Serviços and MOB Telecom, which currently consists of a modern optical fiber network of approximately 3,000 km in the entire state of Ceará, which serves over 90% of the urban population. Brisanet Serviços holds 50% interests in the project structure;

(b) Expenses with software rental and licensing;

(c) Expenses with maintenance of Cinturão Digital project;

(d) Expenses with real property rental; and

(e) S&L Locadora de Veículos Ltda., company under common control, engaged in rental of vehicles. All rental contracts undergo a quotation process, and the best technical (service level) and commercial proposal is chosen. The Company approved a contract for the provision of rental services for 1,911 vehicles, in the total estimated amount of R\$2,769/month and term of 1 (one) year. The prices of the services established are as agreed between the parties and vary according to the quantity and categories, being light vehicles, and light vehicles.

(f) Expenses with food, cleaning and consumption products.

(g) Food product expenses.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 6. Transactions with related parties (Continued)

The nature of transactions with related parties is as follows:

<u>Related party</u>	<u>Nature of transaction</u>
AGILITY Segurança Eletrônica Ltda.	Software rental and licensing
BWM Consortium	Cinturão Digital project
Imobiliária Pau D'arco Ltda.	Real property rental agreement
JPMF Imobiliária Ltda	Real property rental agreement
S&L Locadora de Veículos Ltda.	Vehicle rental agreement
Nosso Atacarejo Comércio de Gêneros Alimentícios Ltda.	Supply of food, cleaning and consumption products
Nossa Fruta Brasil Indústria de Alimentos Ltda.	Food product supply
Agritech Semiárido Agricultura Ltda.	Food product supply

#### Guarantees in financial contracts of related parties

The Company and its subsidiaries are guarantors of certain loans and financing held with financial institutions for the benefit of the parties listed below. The related parties are under common control of the shareholders of the Company and its subsidiaries.

<u>Related party</u>	<u>Nature of transaction</u>
Nossa Fruta Brasil Indústria de Alimentos Ltda.	Guarantees for loans and financing totaling R\$8,571

#### Key management personnel compensation - Company and subsidiaries

Compensation of the key management personnel of the Company and its subsidiaries totaled R\$1,684 in the period ended September 30, 2022 (R\$1,108 as of September 30, 2021).

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 7. Investments (Individual)

#### a) Breakdown

	<u>09/30/2022</u>	<u>12/31/2021</u>
Interests held in subsidiaries		
Brisanet Serviços de Telecomunicações S.A.	1,326,666	1,283,471
Brisanet Gerenciadora de Ativos Ltda.	(2,965)	(3,375)
RPS - Prestação de Serviços de Informática Ltda.	36,757	40,979
Interservice - Serviços de Elaboração de Dados Ltda. - ME	4,727	5,453
Universo Serviços de Telecomunicações Ltda. - ME	-	12,877
	<u>1,365,185</u>	<u>1,339,405</u>
Classified as:		
Investments	1,368,150	1,342,780
Provision for losses on investments	(2,965)	(3,375)
	<u>1,365,185</u>	<u>1,339,405</u>

#### b) Changes in investments

	Brisanet Serviços de Telecomunicações S.A.	Brisanet Gerenciadora de Ativos Ltda.	RPS - Prestação de Serviços de Informática Ltda.	Interservice - Serviços de Elaboração de Dados Ltda - ME	Universo Serviços de Telecomunicações Ltda - ME	09/30/2022	12/31/2021
Opening balance	1,283,471	(3,375)	40,979	5,453	12,877	1,339,405	127,524
Capital increase	-	-	-	-	-	-	1,245,418
Merger (i)	12,877	-	-	-	(12,877)	-	-
Dividends receivable	-	-	-	-	-	-	(37,744)
Dividends received (ii)	-	-	(9,160)	-	-	(9,160)	(1,023)
Equity pickup	30,318	410	4,938	(726)	-	34,940	5,230
Closing balance	<u>1,326,666</u>	<u>(2,965)</u>	<u>36,757</u>	<u>4,727</u>	<u>-</u>	<u>1,365,185</u>	<u>1,339,405</u>

(i) Refers to merger of Universo Serviços de Telecomunicações Ltda. by the Company's subsidiary Brisanet Serviços de Telecomunicações S.A., on 01/31/2022.

(ii) Refers to dividends received from the subsidiary RPS Prestação de Serviços in the amount of R\$4,050 in May 2022, R\$1,500 in July 2022, R\$505 in August 2022 and R\$3,105 in September 2022.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 7. Investments (Individual) (Continued)

#### c) Information on investments in subsidiaries

	09/30/2022					
	Capital	Equity (capital deficiency)	Net income (loss) for the period	Interest held - %	Investment balance	Equity pickup
Brisanet Serviços de Telecomunicações S.A.	1,311,171	1,326,666	30,318	99,99	1,326,666	30,318
Brisanet Gerenciadora de Ativos Ltda.	5	(2,966)	410	99,98	(2,965)	410
RPS - Prestação de Serviços de Informática Ltda.	32,000	36,760	4,938	99,99	36,757	4,938
Interservice - Serviços de Elaboração de Dados Ltda. - ME	70	4,727	(726)	99,99	4,727	(726)
					<u>1,365,185</u>	<u>34,940</u>

	12/31/2021					
	Capital	Equity (capital deficiency)	Net income (loss) for the period	Interest held - %	Investment balance	Equity pickup
Brisanet Serviços de Telecomunicações S.A.	1,311,000	1,283,471	(33,967)	99.99%	1,283,471	(33,967)
Brisanet Gerenciadora de Ativos Ltda.	5	(3,375)	(93)	99.98%	(3,375)	(93)
RPS - Prestação de Serviços de Informática Ltda.	32,000	40,979	17,859	99.99%	40,979	17,859
Interservice - Serviços de Elaboração de Dados Ltda. - ME	70	5,453	4,378	99.99%	5,453	4,378
Universo Serviços de Telecomunicações Ltda. - ME	170	12,877	17,053	99.99%	12,877	17,053
					<u>1,339,405</u>	<u>5,230</u>

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 8. Property, plant and equipment (Consolidated)

#### a) Breakdown

	Annual average depreciation rate - %	09/30/2022		12/31/2021	
		Cost	Accumulated depreciation	Net	Net
Land	-	23,312	-	23,312	12,338
Optical fiber cables	5%	290,954	(28,460)	262,494	203,862
Network construction	10%	286,385	(24,701)	261,684	139,576
Machinery and equipment	10%	86,807	(23,752)	63,055	44,131
Furniture and fixtures	10%	4,866	(1,013)	3,853	3,608
Sundry installations (i)	10%	250,578	(40,765)	209,813	150,950
Planes and aircraft	10%	1,800	(149)	1,651	1,773
Leasehold improvements	15%	765	(83)	682	704
Computers and peripherals	20%	25,206	(12,600)	12,606	13,580
Vehicles	20%	78,398	(20,158)	58,240	11,591
Software	20%	176,304	(96,288)	80,016	104,969
Electronic equipment	20%	486,775	(186,271)	300,504	287,266
Installations (customer activation) (ii)	20%	80,318	(13,082)	67,236	24,498
Advances to suppliers (iii)	-	179,137	-	179,137	30,484
Imports in progress (iv)	-	18,636	-	18,636	52,227
PPE in progress (v)	-	158,235	-	158,235	227,919
PPE in supplies room (vi)	-	205,151	-	205,151	36,800
		<b>2,353,627</b>	<b>(447,322)</b>	<b>1,906,305</b>	<b>1,346,276</b>

#### b) Changes in balances

	12/31/2021	Additions	Write-offs	Transfers	Provision for PPE's losses	Depreciation	09/30/2022
Land	12,338	5,230	-	5,744	-	-	23,312
Optical fiber cables	203,862	28,331	-	40,790	-	(10,489)	262,494
Network construction	139,576	22,640	-	113,209	-	(13,741)	261,684
Machinery and equipment	44,131	18,088	(50)	5,329	-	(4,443)	63,055
Furniture and fixtures	3,608	587	-	-	-	(342)	3,853
Sundry installations (i)	150,950	11,883	(28)	63,418	-	(16,410)	209,813
Planes and aircraft	1,773	-	-	-	-	(122)	1,651
Leasehold improvements	704	-	-	-	-	(22)	682
Computers and peripherals	13,580	1,975	-	360	-	(3,309)	12,606
Vehicles	11,591	53,439	(172)	-	-	(6,618)	58,240
Software	104,969	24	(2)	162	-	(25,137)	80,016
Electronic equipment	287,266	9,637	(7)	79,797	(6,143)	(70,046)	300,504
Installations (customer activation) (ii)	24,498	-	-	54,385	-	(11,647)	67,236
Advances to suppliers (iii)	30,484	238,711	-	(90,058)	-	-	179,137
Imports in progress (iv)	52,227	83,887	-	(117,478)	-	-	18,636
PPE in progress (v)	227,919	78,114	-	(147,798)	-	-	158,235
PPE in supplies room (vi)	36,800	176,211	-	(7,860)	-	-	205,151
	<b>1,346,276</b>	<b>728,757</b>	<b>(259)</b>	<b>-</b>	<b>(6,143)</b>	<b>(162,326)</b>	<b>1,906,305</b>

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 8. Property, plant and equipment (Consolidated) (Continued)

#### b) Changes in balances (Continued)

	12/31/2020	Additions	Write-offs	Transfers	Depreciation	12/31/2021
Land	3,014	9,217	-	107	-	12,338
Optical fiber cables	108,512	12,567	-	91,040	(8,257)	203,862
Network construction	54,141	474	-	92,031	(7,070)	139,576
Machinery and equipment	18,866	26,443	-	3,048	(4,226)	44,131
Furniture and fixtures	2,115	1,840	(9)	-	(338)	3,608
Sundry installations (i)	77,840	19,690	(62)	65,023	(11,541)	150,950
Planes and aircraft	-	1,800	-	-	(27)	1,773
Leasehold improvements	765	-	-	-	(61)	704
Computers and peripherals	10,810	6,560	-	-	(3,790)	13,580
Vehicles	6,695	7,965	(6)	-	(3,063)	11,591
Software	108,611	1,283	-	27,794	(32,719)	104,969
Electronic equipment	165,448	25,952	(8)	157,966	(62,092)	287,266
Installations (customer activation) (ii)	-	-	-	25,933	(1,435)	24,498
Advances to suppliers (iii)	5,035	25,449	-	-	-	30,484
Imports in progress (iv)	35,426	312,056	-	(295,255)	-	52,227
PPE in progress (v)	50,254	382,136	-	(204,471)	-	227,919
PPE in supplies room (vi)	-	16	-	36,784	-	36,800
	<b>647,532</b>	<b>833,448</b>	<b>(85)</b>	<b>-</b>	<b>(134,619)</b>	<b>1,346,276</b>

(i) Sundry installations

This refers to materials used in infrastructure of external networks.

(ii) Installations (customer activation)

Since July 2021, the Company and its subsidiaries are recording expenses incurred with activation of new customers in assets.

(iii) Advances to suppliers

These refer basically to advances for import of equipment. In March 2022, the Company recorded the amount advanced for the purchase of 5G - R\$229 million.

(iv) Imports in transit

Refers to shipping of equipment and costs incurred in transit.

(v) PPE in progress

This balance refers to civil works, network infrastructure, machinery and equipment, and market equipment being installed so that they begin to be used.

(vi) PPE in supplies room

The balance of PPE in supplies room refers to ONU equipment, routers, drop cables, and fiber cables that are not yet in use.

(vii) Provision for PPE's losses

Refer to the provision for estimated losses for non-return of ONU handsets, setup boxes, telephone sets and routers, by the Company's customers and its subsidiaries.

## **Brisanet Participações S.A. and Consolidated**

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### **8. Property, plant and equipment (Consolidated) (Continued)**

#### Interest capitalization

In the period ended September 30, 2022, the Company and its subsidiaries capitalized interest on loans and financing amounting to R\$21,888 (R\$24,285 as of December 31, 2021).

#### Depreciation capitalization

In the period ended September 30, 2022, the Company and its subsidiaries capitalized depreciation on PPE used in installations, infrastructure and network expansions, in the amount of R\$12,293 (R\$5,760 as of December 31, 2021).

#### Guarantees

As at September 30, 2022, the Company and its subsidiaries recorded PPE items given in guarantee amounting to R\$237,709 (R\$150,936 as of December 31, 2021).

#### Software

Software relating specifically to operation of modems of the Company and its subsidiaries, which are jointly controlled and meet the PPE classification criteria, in accordance with NBC TG 04 (R4).

#### Impairment

The Company and its subsidiaries periodically analyze whether there are indications that certain assets could be recorded in accounting for amounts that exceed the recoverable amount. After internal analysis, management concluded that there was no need to set up a provision for impairment on PPE and intangible assets of the Company and its subsidiaries as of September 30, 2022 and December 31, 2021.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 9. Intangible assets (Consolidated)

#### Changes in balances

	Average annual amortization rate - %	12/31/2021	Additions	Transfers	09/30/2022
<b>Cost</b>					
Radiofrequency license - GHZ	20%	171,235	-	(169,899)	1,336
Software and system licenses	20%	15,717	1,717	(1,336)	16,098
ADM projects	20%	2,476	794	(23)	3,247
Customer portfolio and relationship with the franchisee (a)	7%	32,463	14,545	-	47,008
Radiofrequency license 4G (b)	7%	-	-	2,804	2,804
Radiofrequency license 5G (b)	5%	-	-	168,431	168,431
Software and API development (c)	5%	-	4,945	-	4,945
Intangibles assets under development (d)	-	-	2,450	-	2,450
Trademarks and patents	-	3	-	-	3
<b>Total cost</b>		<b>221,894</b>	<b>24,451</b>	<b>(23)</b>	<b>246,322</b>
<b>Accumulated amortization</b>					
Radiofrequency license - GHZ	20%	(136)	(197)	(407)	(740)
Software and system licenses	20%	(2,451)	(2,238)	543	(4,146)
ADM projects	20%	(596)	(432)	23	(1,005)
Customer portfolio and relationship with the franchisee (a)	7%	-	(2,059)	-	(2,059)
Radiofrequency license 4G (b)	7%	-	(169)	(136)	(305)
Radiofrequency license 5G (b)	5%	-	(6,316)	-	(6,316)
Software and API development (c)	5%	-	(247)	-	(247)
<b>Total accumulated amortization</b>		<b>(3,183)</b>	<b>(11,658)</b>	<b>23</b>	<b>(14,818)</b>
<b>Intangible assets, net</b>		<b>218,711</b>	<b>12,793</b>	<b>-</b>	<b>231,504</b>

	Average annual amortization rate - %	12/31/2020	Additions	Write-offs	12/31/2021
<b>Cost</b>					
Radiofrequency license - GHZ	20%	205	171,030	-	171,235
Software and system licenses	20%	6,326	9,391	-	15,717
ADM projects	20%	1,455	1,021	-	2,476
Customer portfolio and relationship with the franchisee (a)	7%	-	34,530	(2,067)	32,463
Trademarks and patents	-	-	3	-	3
<b>Total cost</b>		<b>7,986</b>	<b>215,975</b>	<b>(2,067)</b>	<b>221,894</b>
<b>Accumulated amortization</b>					
Radiofrequency license - GHZ	20%	(27)	(109)	-	(136)
Software and system licenses	20%	(929)	(1,522)	-	(2,451)
ADM projects	20%	(309)	(287)	-	(596)
<b>Total accumulated amortization</b>		<b>(1,265)</b>	<b>(1,918)</b>	<b>-</b>	<b>(3,183)</b>
<b>Intangible assets, net</b>		<b>6,721</b>	<b>214,057</b>	<b>(2,067)</b>	<b>218,711</b>



## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 9. Intangible assets (Consolidated) (Continued)

- (a) As disclosed in Note 1, in line with the expansion strategy of the Company and its subsidiaries, intangible assets were acquired from small providers. These contracts will be amortized over 15 to 16 years.
- (b) This refers to radiofrequency licenses amortized over the term of the concession arrangement, which is 15 years for 4G and 20 years for 5G.
- (c) This refers to new and existing software and APIs developed by the Company itself.
- (d) It refers to expenses with software development projects and APIs prepared by the Company itself from the period of configuration until the moment they start operating

### 10. Trade accounts payable

As at September 30, 2022 and December 31, 2021, breakdown of trade accounts payable is as follows:

	Individual		Consolidated	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Domestic suppliers	4	-	30,087	79,724
Foreign suppliers	-	-	48,977	106,308
	<b>4</b>	<b>-</b>	<b>79,064</b>	<b>186,032</b>

### 11. Loans and financing (Consolidated)

Type	Weighted average rates	09/30/2022	12/31/2021
Working capital	0.66% p.m. - Fixed	19,116	48,240
Working capital	0.17% p.m. + CDI	145,978	251,867
Working capital	0.25% p.m. + TJLP	2,551	7,933
Working capital	0.27% p.m. + TLP	26,460	6,348
Working capital (foreign currency)	0.17% p.m. + CDI	80,832	46,934
PPE financing (CDC)	0.73% p.m. - Fixed	14,355	20,528
PPE financing (FINEM)	0.29% p.m. + TJLP	3,889	7,744
PPE financing (FINEM)	0.23% p.m. + TLP	-	26,088
Financing - TR	0.33% p.m. + TR	67,724	53,934
Import financing	0.42% p.m. + exchange rate	84,328	101,232
		<b>445,233</b>	<b>570,848</b>
Current		209,530	236,917
Noncurrent		235,703	333,931

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 11. Loans and financing (Consolidated) (Continued)

The guarantees for loans and financing include shareholder sureties, disposal of assets, financial investments and credit rights on accounts receivable, as described in the table below:

	<u>09/30/2022</u>	<u>12/31/2021</u>
Short-term investments	-	37,768
Sureties and disposals	<b>444,928</b>	570,847
Assets and credit rights given in guarantee	<b>237,709</b>	136,121
	<b><u>682,637</u></b>	<u>744,736</u>

Changes in loans and financing are as follows:

	<u>09/30/2022</u>	<u>12/31/2021</u>
Opening balance	<b>570,848</b>	651,747
Funds raised	<b>16,712</b>	216,797
Interest recognized	<b>42,311</b>	59,346
Monetary variation and exchange differences	<b>25,533</b>	7,659
Repayment of principal	<b>(172,484)</b>	(308,197)
Interest paid	<b>(37,687)</b>	(56,504)
Closing balance	<b><u>445,233</u></b>	<u>570,848</u>

Noncurrent portions mature as follows:

	<u>09/30/2022</u>	<u>12/31/2021</u>
2023	<b>31,616</b>	135,988
2024	<b>93,377</b>	109,186
2025	<b>61,411</b>	54,986
2026	<b>12,461</b>	9,994
2027	<b>7,207</b>	4,755
2028 onwards	<b>29,631</b>	19,022
	<b><u>235,703</u></b>	<u>333,931</u>

#### Covenants

Loan and financing covenants substantially refer to annual financial ratios, default with creditors, in-court or out-of-court measures that compromise payment capacity, insolvency and commitment of guarantees offered. The Company and its subsidiaries analyzed covenants for the period ended September 30, 2022 and year ended December 31, 2021 and concluded that all requirements have been legally met.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 12. Debentures

#### a) Breakdown

	Charges (p.a.)	Individual	
		09/30/2022	12/31/2021
Nonconvertible debentures			
First issue Brisanet Participações (ii)	2,00% a.a + CDI	303,717	-
(-) Issuance costs		(2,362)	-
(-) Discount		(903)	-
		<u>300,452</u>	-
Current		317	-
Noncurrent		300,135	-
	Charges (p.a.)	Consolidated	
		09/30/2022	12/31/2021
Nonconvertible debentures			
First issue Brisanet Serviços (i)	5.77% p.a. + IPCA	562,574	545,335
First issue Brisanet Participações (ii)	2,00% a.a + CDI	303,717	-
(-) Issuance costs		(28,349)	(29,485)
(-) Discount		(903)	-
		<u>837,039</u>	<u>515,850</u>
Current		1,693	8,909
Noncurrent		835,346	506,941

Changes in debentures are as follows:

#### b) Changes

	Individual		Consolidated	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Opening balance	-	-	515,850	-
Debentures raised	300,000	-	300,000	500,000
Monetary restatement	3,216	-	32,172	36,426
Interest	501	-	20,341	20,313
Amortization of interest	-	-	(31,556)	(11,404)
Debenture costs	(2,402)	-	(2,402)	(32,646)
Amortization of funding costs	40	-	3,537	3,161
Discount	(919)	-	(919)	-
Amortization of discount	16	-	16	-
Closing balance	<u>300,452</u>	-	<u>837,039</u>	<u>515,850</u>

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 12. Debentures (Continued)

#### b) Changes (Continued)

Noncurrent portions mature as follows:

	Individual		Consolidated	
	09/30/2022	09/30/2022	09/30/2022	12/31/2021
2025	101,072	-	261,414	153,299
2026	101,072	-	261,414	153,250
2027	101,073	-	261,414	153,258
2028 onwards	-	-	80,173	76,619
	<b>303,217</b>	-	<b>864,415</b>	536,426
(-) Issuance costs	(2,362)	-	(28,349)	(29,485)
(-) Discount	(720)	-	(720)	-
	<b>300,135</b>	-	<b>835,346</b>	506,941

#### i) *First issue Brisanet Serviços*

On March 15, 2021, Brisanet Serviços issued 500,000 junior nonconvertible debentures, in a single series, secured and with additional personal guarantee, at unit value of R\$1,000.00 (one thousand reais), amounting to R\$500,000 ("Debentures - 1<sup>st</sup> issue"), for public distribution with restricted placement efforts.

The debt balance relating to the unit value of Debentures - 1<sup>st</sup> issue is subject to interest corresponding to 100% of IPCA plus 5.77% p.a.

Interest is paid on a semi-annual basis in March and September as from date of issue of the Debentures - 1st issue. The first payment is due on September 15, 2021, and each March 15 and September 15 henceforth. The last payment matures on March 15, 2028.

The term of the Debentures - 1st issue is of 84 months as from issue date, and payments are due in seven semi-annual consecutive installments over the contract period, every March 15 and September 15, beginning on March 15, 2025 and final maturity on March 15, 2028.

Debenture issuance costs are amortized in P&L using the effective cost method, and presented in "Debentures" as a reduction of debt, as established by NBC TG 08 - Transaction Costs and Premiums upon Issue of Securities.

Debentures are guaranteed by surety from shareholders and companies that are part of the economic group and the flow of credit rights from accounts receivable, in the minimum amount of R\$40,000 or 40% of the amount raised.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 12. Debentures (Continued)

#### b) Changes (Continued)

##### i) *First issue Brisanet Serviços* (Continued)

###### Covenants

The debenture covenants substantially refer to annual financial ratios, default with creditors, bankruptcy, transformation of the corporation type or any corporate reorganization involving the issuer, settlement of any financial debt where the amount is greater than 3% of the equity of the Brisanet group, in-court or out-of-court measures that compromise payment capacity, constitution of mortgage, pledge, chattel mortgage, assignment in trust, usufruct, trust, promise of sale, purchase option (except option to purchase shares issued by the issuer within the scope of incentive plans established in favor of administrators and employees) and commitment of guarantees offered. The Company and its subsidiaries analyzed covenants for the period ended September 30, 2022 and year ended December 31, 2021 and concluded that all requirements have been legally met.

##### ii) *First issue Brisanet Participações*

On August 25, 2022, Brisanet Participações S.A. issued 300,000 single-series nonprivileged unsecured nonconvertible debentures for public distribution, with restricted distribution efforts, in the unit value of R\$1,000.00 (one thousand reais).

The debt balance relating to the unit value of the 1<sup>st</sup> issue Debentures is subject to interest corresponding to 100% of the CDI rate plus 2.00% p.a.

Interest is paid on a semi-annual basis in February and August as from the issue date of the 1<sup>st</sup> Issue Debentures. The first payment is due on February 25, 2023, and the other payments on February and August 25 henceforth. The last payment shall mature on August 25, 2027.

The term of the 1<sup>st</sup> Issue Debentures is of 60 months as from the issue date, and payments are due in 3 annual consecutive installments over the contract period, every year in August 15, beginning August 15, 2025, and final maturity on August 25, 2027.

Debenture issue costs and discount are amortized in P&L using the effective cost method, and presented in "Debentures" as a reduction of debt, as established by NBC TG 08 - Transaction Costs and Premiums upon Issue of Marketable Securities.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 12. Debentures (Continued)

#### b) Changes (Continued)

##### ii) *First issue Brisanet Participações* (Continued)

The surety for debentures consist of the surety from Brisanet Participações S.A., without additional security interest.

The debenture covenants substantially refer to annual financial ratios, default with creditors, bankruptcy, transformation of the corporation type or any corporate reorganization involving the issuer, early maturity of any financial debt and/or obligations where the amount is greater than 3% of the Company's equity, in-court or out-of-court measures that compromise payment capacity, constitution of mortgage, pledge, chattel mortgage, assignment in trust, usufruct, trust, promise of sale, purchase option (except option to purchase shares issued by the issuer within the scope of incentive plans established in favor of managing officers and employees). The Company and its subsidiaries analyzed covenants for the period ended September 30, 2022 and year ended December 31, 2021 and concluded that all requirements have been legally met.

### 13. Promissory note (Consolidated)

#### a) Breakdown

	<u>Charges (p.a.)</u>	<u>09/30/2022</u>
First issue (i)		
Promissory note not convertible into shares	2.60% p.m. + CDI	71,942
(-) Issue costs to be recorded		<u>(253)</u>
		<u>71,689</u>
Current		71,689
Noncurrent		-

Changes in promissory notes are as follows:

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 13. Promissory note (Consolidated) (Continued)

#### b) Changes

	<u>09/30/2022</u>
Opening balance	-
Raising of promissory notes	70,000
Monetary restatement	5,027
Interest	1,122
Principal amortization	(4,000)
Interest amortization	(207)
Cost on promissory notes	(620)
Amortization of funding costs	367
Closing balance	<u>71,689</u>

#### i) *First issue*

On February 25, 2022, Brisanet Serviços de Telecomunicações S.A. issued its 1<sup>st</sup> promissory note, in 4 series, with 5 promissory notes, in the total amount of R\$70,000, for public distribution and restricted placement efforts, aimed at professional investors, with no security interest and with guarantee of companies belonging to the Brisanet Participações group.

The unit face value of this promissory notes is not monetarily restated, and is subject to payment of interest corresponding to 100.00% of the accumulated DI over extra group variation, plus a surcharge of 2.60% per year, calculated exponentially and cumulatively on a pro rata temporis basis.

The 1<sup>st</sup> issue of promissory notes has a 12-month term from the issue date, with quarterly payments in 5 series, with maturity of the 1<sup>st</sup> series on May 25, 2022 in the amount of R\$2,000, of the 2<sup>nd</sup> series on August 25, 2022 in the amount of R\$2,000, of the 3<sup>rd</sup> series on November 24, 2022 in the amount of R\$2,000, and final maturity of the 4<sup>th</sup> and 5<sup>th</sup> series on February 25, 2023 in the amount of R\$32,000 each.

### 14. Rights of use and lease obligations (Consolidated)

Company subsidiaries are parties to lease agreements and used discount rates based on risk-free interest rates observable in the Brazilian market, for their agreement periods, adjusted to these subsidiaries' reality (credit spread). These spreads were obtained based on the debt profile presented by the Company subsidiaries at September 30, 2022 and December 31, 2021, updated at each date of recognition of new capitalizations of the new lease agreements. Nominal rates applied at September 30, 2021 and December 31, 2021 are as follows:

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 14. Rights of use and lease obligations (Consolidated) (Continued)

#### Agreements per period and discount rate

Agreement period	Rate % p.a.	
	09/30/2022	12/31/2021
2 years	11.76%	9.54%
3 years	11.76%	9.54%
4 years	11.76%	9.54%
5 years	11.76%	9.54%
10 years	11.76%	9.54%

Changes in lease obligations are as follows:

	09/30/2022	12/31/2021
Opening balance	35,490	33,474
Interest recognized	2,518	2,515
Additions due to new agreements	42,830	28,609
Consideration paid	(32,332)	(27,004)
Interest paid	(2,518)	(2,104)
Closing balance	45,988	35,490
Current	21,298	7,958
Noncurrent	24,690	27,532

Agreement maturity and undiscounted installments, reconciled to the balances at September 30, 2022 and December 31, 2021 are analyzed below:

	09/30/2022	12/31/2021
Installment maturity		
2022	14,175	10,035
2023	11,578	9,227
2024	8,459	7,068
2025 onwards	17,239	22,784
Undiscounted amounts	51,451	49,114
Embedded interest	(5,463)	(13,624)
Lease obligation balance	45,988	35,490



## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 14. Rights of use and lease obligations (Consolidated) (Continued)

Changes in rights of use are as follows:

	<u>09/30/2022</u>	<u>12/31/2021</u>
Opening balance	35,928	34,117
Additions due to new agreements	42,830	28,609
Amortization expenses	<u>(32,507)</u>	<u>(26,798)</u>
Closing balance	<u>46,251</u>	<u>35,928</u>

Potential PIS/COFINS recoverable embedded in lease/rental consideration amounts, based on payment periods is as follows. Undiscounted balances and balances discounted to present value:

<u>Cash flows</u>	<u>Nominal amount</u>	<u>Amount adjusted to present value</u>
Lease consideration	51,451	45,988
Potential PIS/COFINS (9.25%)	(4,759)	(4,254)

#### Misleading information due to application of NBC TG 06 (R3)

In compliance with NBC TG 06 (R3), in measuring and remeasuring their lease obligations and rights of use, Company subsidiaries used the cash flow method without considering future inflation projected in the flows to be discounted, as barred by NBC TG 06 (R3). This barring may cause significant misstatements in the information provided, given the current reality of long-term interest rates in the Brazilian economic scenario.

As such, for the purposes of safeguarding reliability of the information and complying with the guidance provided by CVM by means of CVM/SNC/SEP Memorandum Circular No. 02/2019, as well as preserving Brazilian market investors, the comparative balances of lease obligations and right-of-use assets, finance costs and depreciation expenses at September 30, 2022 and December 31, 2021 are presented below:

	<u>09/30/2022</u>	<u>12/31/2021</u>
Rights of use, net		
NBC TG06(R3) / IFRS 16	46,251	35,928
Amounts including future inflation	1,892	39,672
Variation	<u>48,143</u>	<u>3,744</u>
Lease obligations		
NBC TG06(R3) / IFRS 16	45,988	35,490
Amounts including future inflation	1,881	39,188
Variation	<u>47,869</u>	<u>3,698</u>

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 14. Rights of use and lease obligations (Consolidated) (Continued)

Misleading information due to application of NBC TG 06 (R3)--Continuação

	<u>09/30/2022</u>	<u>12/31/2021</u>
Finance costs		
NBC TG06(R3) / IFRS 16	<b>(2,518)</b>	(2,515)
Amounts including future inflation	<b>(103)</b>	(2,777)
Variation	<b>(2,621)</b>	(262)
Depreciation expenses		
NBC TG06(R3) / IFRS 16	<b>(32,507)</b>	(26,798)
Amounts including future inflation	<b>(1,330)</b>	(29,590)
Variation	<b>(33,837)</b>	(2,792)

### 15. Labor and social obligations

	<u>Individual</u>		<u>Consolidated</u>	
	<u>09/30/2022</u>	<u>12/31/2021</u>	<u>09/30/2022</u>	<u>12/31/2021</u>
Salaries and wages	<b>56</b>	57	<b>12,757</b>	14,653
Social charges on salaries and wages	<b>29</b>	29	<b>7,029</b>	7,590
Accrued vacation pay	-	-	<b>29,062</b>	13,753
Social charges on accrued vacation pay and 13 <sup>th</sup> monthly salary	-	-	<b>10,896</b>	5,714
Other	-	-	<b>77</b>	72
	<b>85</b>	86	<b>59,821</b>	41,782

### 16. Provision for contingencies (Consolidated)

As at September 30, 2022, the Company and its subsidiaries are parties to proceedings of civil, tax and labor natures whose likelihood of an unfavorable outcome was considered probable, for which provision for contingencies was set up in the amount of R\$1,597 (R\$929 at December 31, 2021). There are no contingencies whose individual amounts are significant.

Changes in provision for contingencies are as follows:

	<u>Labor</u>	<u>Tax</u>	<u>Civil</u>	<u>Total</u>
Balance at December 31, 2020	1,777	950	2	2,729
Set-up	892	-	47	939
Reversal	(1,780)	(948)	(11)	(2,739)
Balance at December 31, 2021	889	2	38	929
Set-up	<b>1,580</b>	<b>731</b>	<b>99</b>	<b>2,410</b>
Reversal	(1,291)	(1)	(90)	(1,382)
Write-off	(353)	-	(7)	(360)
Balance at September 30, 2022	<b>825</b>	<b>732</b>	<b>40</b>	<b>1,597</b>

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 16. Provision for contingencies (Consolidated) (Continued)

Additionally, at September 30, 2022, the Company and its subsidiaries recorded civil and labor lawsuits assessed as possible loss in the amount of R\$8,525 (R\$3,040 at December 31, 2021).

### 17. Other accounts payable

	Individual		Consolidated	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Authorization for use of radiofrequency (5G) (a)	-	-	172,923	160,010
Radiofrequency license - LTE (4G) (b)	-	-	2,760	1,866
(-) Amount adjusted to present value	-	-	(1,137)	(251)
Other obligations payable (c)	3	3	15,099	4,190
	<b>3</b>	<b>3</b>	<b>189,645</b>	<b>165,815</b>
Current	3	3	20,652	4,190
Noncurrent	-	-	168,993	161,625

- (a) Obligation payable referring to the right to use radio frequencies (5G), acquired through the 5G radio frequency auction. Further details are presented in Note 1, item "d".
- (b) Obligation to pay referring to the right to use radio frequencies (4G), acquired in 2018 with an effective term of 15 years.
- (c) In the consolidated statements, these refer to advances from customers, obligations with plans (health and dental), and other provisions.

### 18. Government grants (Consolidated)

#### a) Federal Government

Subsidiary Brisanet Serviços de Telecomunicações S.A. was granted a tax benefit by means of the Superintendency for the Development of the Northeast (SUDENE), pursuant to Certificate of Income Tax Reduction No. 0214/2017:

Benefit: Decrease of 75% in non-refundable income tax and surtax.  
Effective period: 10 years.  
Entitlement period (calendar year): 01/01/2018 to 12/31/2027.

The subsidiary Brisanet Serviços de Telecomunicações S.A. recorded a tax benefit of income tax reduction of R\$2,366 for the period ended September 30, 2022 (R\$1,017 as of September 30, 2021).

Subsidiary Brisanet Serviços de Telecomunicações S.A. adhered to the tax incentive related to the Workers' Meal Program (PAT), established by Law No. 6321/76.

## **Brisanet Participações S.A. and Consolidated**

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### **18. Government grants (Consolidated) (Continued)**

#### a) Federal Government (Continued)

- Benefit: Direct deduction on Income Tax, limited to 4% of the tax due (without surtax) in each calculation base period.
- The PAT incentive, deducted directly from the IRPJ, shall correspond to the lower of the following amounts:
  - 1) Application of the 15% rate on the sum of costing expenses incurred with PAT;
  - 2) 15% of R\$1.99 (in reais) multiplied by the number of meals provided for in the period.

#### b) State Government

Subsidiary Brisanet Serviços de Telecomunicações S.A. was granted tax benefit by means of an agreement in the states of Ceará and Paraíba. This benefit reduces by 75% the ICMS amounts on intrastate revenues.

Agreement No. 202001782-2 - State of Paraíba Finance Office (Sefaz-PB), effective from 06/2020, Agreement No. 00556/2020 - State of Ceará Finance Office (Sefaz-CE), effective from 09/2020 (renewal).

As of April 2022, the subsidiary Brisanet Serviços de Telecomunicações S.A. obtained accreditation from the state of Pernambuco, through DPC Notice No. 46/2022, published in the Official Gazette of the State of Pernambuco, of March 29, 2022, for use of a tax benefit for a 75% ICMS tax base reduction, according to ICMS Agreement No. 19/18.

In the period ended September 30, 2022, subsidiary Brisanet Serviços de Telecomunicações S.A. recorded ICMS benefits amounting to R\$59,001 (R\$44,485 as of September 30, 2021) as a reduction of ICMS expenses.

### **19. Equity (Individual)**

#### a) Capital

At September 30, 2022 and December 31, 2021, subscribed and paid-in capital amounts to R\$1,321,859, represented by 449,094,916 common shares.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 19. Equity (Individual) (Continued)

#### a) Capital (Continued)

Shareholders	Shares		Percentage - %	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Jose Roberto Nogueira	<b>148,185,781</b>	148,185,781	<b>33.00%</b>	33.00%
Paulo Estevam da Silva	<b>35,316,878</b>	35,282,878	<b>7.86%</b>	7.86%
João Paulo Estevam	<b>35,312,878</b>	35,312,878	<b>7.86%</b>	7.86%
Jordão Estevam Nogueira	<b>35,282,878</b>	35,316,878	<b>7.86%</b>	7.86%
Miguel Estevam Parente	<b>21,169,728</b>	21,169,728	<b>4.71%</b>	4.71%
Ana Paula Nogueira	<b>17,641,436</b>	17,641,436	<b>3.93%</b>	3.93%
Jordania Karina Nogueira Estevam	<b>17,641,436</b>	17,641,436	<b>3.93%</b>	3.93%
Francisco Estevam Sobrinho	<b>15,877,173</b>	15,877,173	<b>3.54%</b>	3.54%
Francisco de França Reis	<b>10,584,864</b>	10,584,864	<b>2.36%</b>	2.36%
Pedro Sales Queiroz Estevam	<b>7,938,593</b>	7,938,593	<b>1.77%</b>	1.77%
Gabriela Queiroz Estevam	<b>7,938,593</b>	7,938,593	<b>1.77%</b>	1.77%
Shares - offering (Verde Asset Management S.A)	<b>23,142,003</b>	24,351,500	<b>5.15%</b>	5.42%
Shares - offering	<b>69,812,675</b>	71,853,178	<b>15.54%</b>	15.99%
Treasury shares	<b>3,250,000</b>	-	<b>0.72%</b>	-
Total	<b>449,094,916</b>	449,094,916	<b>100%</b>	100%

All shares are registered and with no par value, and capital may be increased subject to no statutory reform, through decision of the Board of Directors, by means of reserve capitalization, with or without change in the number of shares.

As of September 30, 2022 and December 31, 2021, capital authorized for increase by the Board of Directors, regardless of statutory amendment, is of up to 150,000,000 additional common shares.

On June 21, 2021, the Company carried out a capital increase in the amount of R\$5,650, distributed proportionally among shareholders. Subscribed and paid-in capital increased to R\$71,859, represented by 71,859,213 shares with a par value of R\$1.00 (one real) each.

At the Special Meeting held on July 6, 2021, the shareholders approved the proposal for the split of all common shares representing the Company's capital, in the proportion of 5 shares for each share held by each shareholder, and capital is now represented by 359,296,065 common registered shares with no par value. Also at this meeting, an increase in the capital limit was approved, which may be increased by the Board of Directors, regardless of statutory amendment, up to the limit of 900,000,000 additional common shares.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 19. Equity (Individual) (Continued)

#### a) Capital (Continued)

On July 28, 2021, the Company's capital increase was approved in the amount of R\$1,250,000, from R\$71,859 to R\$1,321,859, upon issue of 89,798,851 common shares within the scope of the public offering of shares, with increase in the Company's capital from 359,296,065 to 449,094,916 common shares. Share issue costs totaled R\$40,253, which were recorded in a contra account of capital.

On October 19, 2021, Brisanet Participações ("Company"), listed on B3's Novo Mercado under ticker symbol BRIT3, disclosed, in compliance with article 12 of CVM Resolution No. 44/21, that it had been informed on October 18, 2021 by VERDE ASSET MANAGEMENT S.A. ("Verde") that investment funds managed by that company ("Fundos Verde") had increased equity interest in the Company's capital, now holding 24,351,500 common shares issued by the Company, corresponding to 5.42% of the share capital and the total issued in this type of share. At September 30, 2022, the number of shares increased to 25,622,100, corresponding to 5.71% of the capital and of the total issued in this type of share.

On February 2, 2022, the shareholders approved at the Special General Meeting the creation of a Buyback Program of shares issued by the Company, to be held in treasury, canceled or subsequently sold in the market, through B3 trading. The Share Buyback Program is limited to the repurchase of up to 9,500,000 shares issued by the Company, with investment of the Company's available resources, without reducing capital. At September 30, 2022, the Company recorded the amount of R\$9,405 referring to the treasury shares.

On May 10, 2022, the allocation of net income for the year ended December 31, 2021, in the amount of R\$2,240, was approved as follows: 5% of net income, equivalent to R\$112, allocated to legal reserve, 25% of net income, equivalent to R\$532, fully settled by the date set out at the SGM held on May 31, 2022, the remaining balance of R\$1,596, in accordance with the terms of article 196 of the Brazilian Corporation Law, was allocated to the retained profit reserve, as provided for in the capital budget for the year ending December 31, 2022.

#### b) Income reserves

*Legal reserve:* recorded based on 5% of net income for the year, capped at 20% of capital, pursuant to Brazilian Corporation Law in force.

*Retained profits:* The Company management submits for approval at the General Shareholders' Meeting the allocation of the remaining portion of net income for the year to the capital budget for expansion of the Company's business.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 19. Equity (Individual) (Continued)

#### c) Profit distribution

The accumulated losses, if any, and the provision for income and social contribution taxes, will be deducted from profit or loss for the year, before any profit sharing. The loss for the year will be mandatorily absorbed by retained earnings, by the income reserves and by the legal reserve, thus after recognition of the legal reserve, 25% (twenty-five percent), at least, will be allocated to the payment of the mandatory minimum dividend due to shareholders.

Changes in dividends payable are as follows:

	<u>09/30/2022</u>	<u>12/31/2021</u>
Opening balance	533	-
Mandatory minimum dividends	-	533
Dividends approved	-	2,205
Dividends paid	<b>(533)</b>	<b>(2,205)</b>
Closing balance	<u>-</u>	<u>533</u>

### 20. Net operating revenue (Consolidated)

	<u>Consolidated</u>			
	<u>07/01/2022 to</u>	<u>07/01/2021 to</u>	<u>01/01/2022 to</u>	<u>01/01/2021 to</u>
	<u>09/30/2022</u>	<u>09/30/2021</u>	<u>30/09/2022</u>	<u>30/09/2021</u>
Gross sales revenue				
Services provided	<b>292,252</b>	219,321	<b>818,810</b>	603,641
Products resold	<b>144</b>	109	<b>395</b>	334
	<u><b>292,396</b></u>	<u>219,430</u>	<u><b>819,205</b></u>	<u>603,975</u>
Deductions from gross revenue				
(-) Taxes on revenue				
Tax benefits (Note 19)	<b>(55,302)</b>	(45,414)	<b>(170,423)</b>	(124,175)
	<u><b>17,153</b></u>	<u>15,996</u>	<u><b>59,001</b></u>	<u>44,485</u>
Net operating revenue	<u><b>(38,149)</b></u>	<u>(29,418)</u>	<u><b>(111,422)</b></u>	<u>(79,690)</u>

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 21. Operating costs and expenses by nature and function

	Individual					
	01/01/2022 to 09/30/2022			01/01/2021 to 09/30/2021		
	Administrative expenses	Other operating income (expenses), net	Total	Administrative expenses	Other operating income (expenses), net	Total
	(2,569)	-	(2,569)	(2,324)	5	(2,319)
By nature:						
Salaries and wages	(830)	-	(830)	(927)	-	(927)
Third-party services	(1,298)	-	(1,298)	(657)	-	(657)
General expenses	(440)	-	(440)	(739)	-	(739)
Other personnel expenses	(1)	-	(1)	(1)	-	(1)
Other	-	-	-	-	5	5

	Individual					
	07/01/2022 to 09/30/2022			07/01/2021 to 09/30/2021		
	Administrative expenses	Other operating income (expenses), net	Total	Administrative expenses	Other operating income (expenses), net	Total
	(989)	(40)	(1,029)	(917)	11	(906)
By nature:						
Salaries and wages	(276)	-	(276)	(619)	-	(619)
Third-party services	(505)	-	(505)	(581)	-	(581)
General expenses	(208)	-	(208)	(283)	-	(283)
Provision for contingencies	-	-	-	-	5	5
Other personnel expenses	-	(40)	-	-	6	6



## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 21. Operating costs and expenses by nature and function (Continued)

	Consolidated											
	09/30/2022						09/30/2021					
	Cost of services	Administrative expenses	Selling expenses	Tax expenses	Other operating income (expenses), net	Total	Cost of services	Administrative expenses	Selling expenses	Tax expenses	Other operating income (expenses), net	Total
	(142,328)	(27,721)	(22,812)	(2,166)	(10,040)	(205,067)	(103,311)	(36,613)	(18,645)	(914)	(3,950)	(163,433)
By nature:												
Interconnection and means of connection	(6,692)	-	-	-	-	(6,692)	(5,168)	-	-	-	-	(5,168)
Direct connectivity costs (Link)	(5,900)	-	-	-	-	(5,900)	(5,334)	-	-	-	-	(5,334)
Indirect costs of right of way (utility poles)	(16,405)	-	-	-	-	(16,405)	(11,548)	-	-	-	-	(11,548)
Indirect costs of customer activation	-	-	-	-	-	-	-	-	-	-	-	-
Salaries and wages	(30,472)	(13,826)	(10,716)	-	-	(55,014)	(25,839)	(13,151)	(7,958)	-	-	(46,948)
Salaries and wages of customer activation	-	-	-	-	-	-	-	-	-	-	-	-
Third-party services	(1,884)	(3,860)	(2,993)	-	-	(8,737)	(4,297)	(8,083)	(2,853)	-	-	(15,233)
Advertising and promotion	-	-	(5,904)	-	-	(5,904)	-	(193)	(5,357)	-	-	(5,550)
Depreciation and amortization	(65,922)	(2,890)	(583)	-	-	(69,395)	(35,525)	(6,174)	(210)	-	-	(41,909)
General expenses	-	(2,626)	(563)	-	-	(3,189)	-	(4,602)	(386)	-	-	(4,988)
Taxes, charges and contributions	-	-	-	(2,166)	-	(2,166)	10	-	-	(914)	-	(904)
Electric power and water	(2,254)	(373)	(4)	-	-	(2,631)	(3,105)	(130)	(190)	-	-	(3,425)
Materials and maintenance	(4,357)	(565)	(211)	-	-	(5,133)	(6,962)	199	(62)	-	-	(6,825)
Other personnel expenses	(4,329)	(1,891)	(1,666)	-	-	(7,886)	(4,010)	(3,866)	(1,194)	-	-	(9,070)
Allowance for expected credit losses	-	-	-	-	(8,160)	(8,160)	-	-	-	-	(3,490)	(3,490)
Provision for contingencies	-	-	-	-	(253)	(253)	-	-	-	-	440	440
Software and projects (a)	(1,660)	(1,690)	(172)	-	-	(3,522)	(152)	(613)	(435)	-	-	(1,200)
Other	(2,453)	-	-	-	(1,627)	(4,080)	(1,381)	-	-	-	(900)	(2,281)

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 21. Operating costs and expenses by nature and function (Continued)

	Consolidated						Consolidated					
	07/01/2022 to 09/30/2022			07/01/2021 to 09/30/2021			07/01/2022 to 09/30/2022			07/01/2021 to 09/30/2021		
	Cost of services	Administrative expenses	Selling expenses	Tax expenses	Other operating income (expenses), net	Total	Cost of services	Administrative expenses	Selling expenses	Tax expenses	Other operating income (expenses), net	Total
	(423,881)	(84,205)	(67,139)	(6,307)	(27,686)	(609,218)	(287,740)	(112,764)	(48,520)	(3,456)	(12,264)	(464,744)
By nature:												
Interconnection and means of connection	(22,355)	-	-	-	-	(22,355)	(12,389)	-	-	-	-	(12,389)
Direct connectivity costs (Link)	(18,450)	-	-	-	-	(18,450)	(14,831)	-	-	-	-	(14,831)
Indirect costs of right of way (utility poles)	(45,914)	-	-	-	-	(45,914)	(23,172)	-	-	-	-	(23,172)
Indirect costs of customer activation	-	-	-	-	-	-	(4,312)	-	-	-	-	(4,312)
Salaries and wages	(99,141)	(39,313)	(30,306)	-	-	(168,760)	(69,939)	(39,071)	(21,993)	-	-	(131,003)
Salaries and wages of customer activation	-	-	-	-	-	-	(20,189)	-	-	-	-	(20,189)
Third-party services	(6,457)	(10,859)	(10,849)	-	-	(28,165)	(10,662)	(18,544)	(5,933)	-	-	(35,139)
Advertising and promotion	-	-	(16,224)	-	-	(16,224)	-	(196)	(14,870)	-	-	(15,066)
Depreciation and amortization	(182,812)	(9,850)	(1,536)	-	-	(194,198)	(93,237)	(17,593)	(570)	-	-	(111,400)
General expenses	-	(9,923)	(2,282)	-	-	(12,205)	-	(14,241)	(1,134)	-	-	(15,375)
Taxes, charges and contributions	-	-	-	(6,307)	-	(6,307)	-	-	-	(3,456)	-	(3,456)
Electric power and water	(6,851)	(1,451)	(15)	-	-	(8,317)	(5,999)	(566)	(223)	-	-	(6,788)
Materials and maintenance	(12,580)	(2,388)	(454)	-	-	(15,422)	(14,956)	(9,473)	(97)	-	-	(24,526)
Other personnel expenses	(14,059)	(7,119)	(5,032)	-	-	(26,210)	(10,025)	(11,314)	(2,863)	-	-	(24,202)
Allowance for expected credit losses	-	-	-	-	(21,388)	(21,388)	-	-	-	-	(13,867)	(13,867)
Provision for contingencies	-	-	-	-	(1,028)	(1,028)	-	-	-	-	2,074	2,074
Software and projects (a)	(4,614)	(3,302)	(441)	-	-	(8,357)	(2,307)	(1,766)	(837)	-	-	(4,910)
Other	(10,648)	-	-	-	(5,270)	(15,918)	(5,722)	-	-	-	(471)	(6,193)

(a) These refer to system maintenance services.

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 22. Finance income (costs)

	Individual			
	07/01/2022 to 09/30/2022	07/01/2021 to 09/30/2021	01/01/2022 to 09/30/2022	01/01/2021 to 09/30/2021
Finance costs				
Interest on loans and financing, debentures and promissory notes	(3,772)	-	(3,772)	-
Late-payment interest and fines	-	-	(1)	(1)
Bank charges	(2)	(1)	(5)	(2)
Tax on Financial Transactions (IOF)	(4)	-	(4)	-
Others	-	(13)	-	(13)
	<b>(3,778)</b>	<b>(14)</b>	<b>(3,782)</b>	<b>(16)</b>
Finance income				
Short-term investment yield	2,491	7	2,500	7
	<b>2,491</b>	<b>7</b>	<b>2,500</b>	<b>7</b>
Finance income (costs)	<b>(11,099)</b>	<b>(30,628)</b>	<b>(44,561)</b>	<b>(51,124)</b>
	Consolidated			
	07/01/2022 to 09/30/2022	07/01/2021 to 09/30/2021	01/01/2022 to 09/30/2022	01/01/2021 to 09/30/2021
Finance costs				
Interest on loans and financing, debentures and promissory notes	(24,934)	(13,278)	(96,922)	(52,906)
Late-payment interest and fines	328	(331)	(514)	(1,345)
Exchange losses	(7,472)	(39,787)	(35,259)	(52,199)
Bank charges	(1,735)	(1,766)	(5,348)	(6,517)
Interest on leases	(764)	295	(2,518)	(1,610)
Tax on Financial Transactions (IOF)	(76)	(897)	(323)	(2,022)
Collection fees	(412)	(396)	(1,284)	(1,075)
Interest on installment payments	(108)	(91)	(358)	(477)
Derivative transactions - swap	(4,559)	180	(15,501)	(11,601)
Others	(11)	(843)	(22)	(33)
	<b>(39,743)</b>	<b>(56,914)</b>	<b>(158,049)</b>	<b>(129,785)</b>
Finance income				
Interest income received	2,892	2,290	8,520	6,514
Short-term investment yield	16,154	11,405	48,538	14,075
Exchange gains	6,057	4,363	43,519	43,042
Derivative transactions - swap	2,463	6,188	9,934	9,350
Other finance income	1,078	2,040	2,977	5,680
	<b>28,644</b>	<b>26,286</b>	<b>113,488</b>	<b>78,661</b>
Finance income (costs)	<b>(11,099)</b>	<b>(30,628)</b>	<b>(44,561)</b>	<b>(51,124)</b>

### 23. Income and social contribution taxes

As at September 30, 2022 and 2021, income and social contribution taxes were calculated on taxable profit computed as a percentage of gross revenue ("Lucro Presumido") and on taxable profit computed on accounting records of the Company ("Lucro real"), at the rate of 15% income tax, and surtax of 10% for profits exceeding R\$180 over 9 months, and at 9% for social contribution tax,

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 23. Income and social contribution taxes (Continued)

Current income and social contribution tax expense is as follows:

	Individual	
	07/01/2022 a 09/30/2022	01/01/2022 a 09/30/2022
Taxable profit computed as a percentage of gross revenue: (b)		
Income tax	(619)	(620)
Social contribution tax	(222)	(223)
	<u>(841)</u>	<u>(843)</u>
Total income and social contribution tax expenses:		
Current income and social contribution taxes	(841)	(843)
	<u>(841)</u>	<u>(843)</u>

	07/01/2022 to 09/30/2022	07/01/2021 to 09/30/2021	01/01/2022 to 09/30/2022	01/01/2021 to 09/30/2021
Taxable profit computed on accounting records: (a)				
Current income tax	(7,331)	(1,811)	(10,900)	(4,779)
Current social contribution tax	(2,640)	(913)	(3,924)	(1,721)
Tax benefit - income tax reduction (Note 18)	2,366	331	2,366	1,017
Tax incentive - PAT (Note 18)	104	-	104	-
Deferred income and social contribution taxes	(7,299)	1,974	(6,155)	4,596
	<u>(14,800)</u>	<u>(419)</u>	<u>(18,509)</u>	<u>(887)</u>
Taxable profit computed as a percentage of gross revenue: (b)				
Income tax	(932)	(1,541)	(3,852)	(5,014)
Social contribution tax	(340)	(616)	(1,400)	(1,827)
	<u>(1,272)</u>	<u>(2,157)</u>	<u>(5,252)</u>	<u>(6,841)</u>
Total income and social contribution tax expenses:				
Current income and social contribution taxes	(11,243)	(4,881)	(20,076)	(13,341)
Deferred income and social contribution taxes	(7,299)	1,974	(6,155)	4,596
Tax benefit - income tax reduction (Note 18)	2,366	331	2,366	1,017
Tax incentive - PAT (Note 18)	104	-	104	-
	<u>(16,072)</u>	<u>(2,576)</u>	<u>(23,761)</u>	<u>(7,728)</u>

(a) Subsidiaries Brisanet Serviços de Telecomunicações S,A, compute taxable profit on their accounting records ('lucro real');

(b) The Company and the other subsidiaries compute taxable profit as a percentage of gross revenue ('lucro presumido').

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 23. Income and social contribution taxes (Continued)

Breakdown of deferred income and social contributions taxes on income is as follows:

	Consolidated	
	09/30/2022	31/12/2021
<b>Assets</b>		
Income and social contribution tax losses	17,079	10,582
Temporary differences on allowance for expected credit losses	3,144	4,397
Temporary differences on provision for contingencies	414	235
Temporary differences on derivative transactions	1,096	9,405
Temporary differences on lease payable	1,935	-
	<b>23,668</b>	<b>24,619</b>
<b>Liabilities</b>		
Temporary differences on derivative transactions	-	(28)
Temporary differences on installation and activation of customers	(21,179)	(6,511)
Lease payable	(85)	(9,521)
	<b>(21,264)</b>	<b>(16,060)</b>
Deferred income and social contribution taxes, net	<b>2,404</b>	<b>8,559</b>

Reconciliation of income and social contribution tax expenses is as follows:

#### a) Subsidiaries that adopt the 'lucro real' regime

	Consolidated			
	07/01/2022 to 09/30/2022	07/01/2021 to 09/30/2021	01/01/2022 to 09/30/2022	01/01/2021 to 09/30/2021
Income (loss) before income and social contribution taxes	43,146	(11,487)	48,846	(12,957)
Combined statutory rate - 34%	34%	34%	34%	34%
Income and social contribution taxes at statutory rates	14,670	3,906	(16,608)	4,406
<b>Permanent differences</b>				
Tax benefit - income tax reduction (Note 18)	2,366	331	2,366	1,017
Offset - tax loss carryforward	5,194	-	11,433	-
Tax incentive - PAT (Note 18)	104	-	104	-
(Additions) exclusions, net	(495)	(4,656)	(9,649)	(6,310)
Income and social contribution tax expenses	<b>(7,501)</b>	<b>(419)</b>	<b>(12,354)</b>	<b>(887)</b>
Effective rate (%)	17%	(4%)	25%	(7%)

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 23. Income and social contribution taxes (Continued)

#### b) Company and subsidiaries that adopt the 'lucro presumido' regime

	Individual			
	07/01/2022 a 09/30/2022		01/01/2022 a 09/30/2022	
	IRPJ	CSLL	IRPJ	CSLL
Finance income	2.491	2.491	2.500	2.500
Deducted portion	(180)	-	(180)	-
Gross revenue base	2.311	2.491	2.320	2.500
	(619)	(222)	(620)	(223)
Effective rate (%)	27%	9%	27%	9%

	Consolidated			
	01/01/2022 to 09/30/2022		01/01/2021 to 09/30/2021	
	IRPJ	CSLL	IRPJ	CSLL
Gross revenue	27,984	27,984	56,293	56,293
Gross revenue percentage	32%	32%	32%	32%
	8,955	8,955	18,014	18,014
Finance income	6,603	6,603	2,777	2,777
Deducted portion	(180)	-	(180)	-
Gross revenue base	15,378	15,558	20,611	20,791
	(3,852)	(1,400)	(5,014)	(1,827)
Effective rate (%)	25%	9%	25%	9%

	Consolidated			
	07/01/2022 to 09/30/2022		07/01/2021 to 09/30/2021	
	IRPJ	CSLL	IRPJ	CSLL
Gross revenue	3,728	3,728	21,394	21,394
Gross revenue percentage	32%	32%	32%	32%
	1,193	1,193	6,846	6,846
Finance income	2,855	2,855	504	504
Deducted portion	(180)	-	(60)	-
Gross revenue base	3,868	4,048	7,290	7,350
	(932)	(340)	(1,541)	(616)
Effective rate (%)	25%	9%	24%	9%

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 24. Earnings (loss) per share

#### a) Basic and diluted

Basic earnings per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of common shares issued in the period, excluding common shares purchased by the Company and held as treasury shares,

Diluted earnings per share are calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potentially dilutive common shares, The Company has no potentially dilutive common shares,

	07/01/2022 to 09/30/2022	07/01/2021 to 09/30/2021	09/30/2022	09/30/2021
Profit (loss) attributable to Company shareholders	22,010	30,246	(6,623)	690
Weighted average number of common shares issued	449,094,916	449,094,916	421,764,831	362,549,275
Basic and diluted earnings (loss) per share - in (R\$)	0.049	0.067	(0.016)	0.002

### 25. Financial instruments and risk management

#### a) Capital management

Company management administers Company funds to ensure business continuity, maximize application of these funds for expanding services, new technologies, as well as for working capital financing and providing return to shareholders,

The Company's capital structure consists of contracting financial liabilities with financial institutions, and applying funds in cash and cash equivalents, marketable securities and equity,

Management periodically reviews the Company's capital structure and its ability to settle liabilities, monitors on a timely basis the average term of trade accounts payable and takes the necessary measures to ensure the Company's financial balance,

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 25. Financial instruments and risk management (Continued)

#### a) Capital management (Continued)

The Company monitors its financial position based on the financial leverage ratio, similarly to other companies in the same industry, This ratio corresponds to net debt divided by total capital, Net debt corresponds to total loans less cash and cash equivalents, Total capital is determined by adding equity and net debt,

As at September 30, 2022 and December 31, 2021, debt ratios are summarized as follows:

	Note	Consolidated	
		09/30/2022	12/31/2021
Total loans and financing	11	<b>445,233</b>	570,848
Total debentures	12	<b>837,039</b>	515,850
Total promissory notes	13	<b>71,689</b>	-
Total lease obligations	14	<b>45,988</b>	35,490
Total derivatives	25	<b>5,677</b>	1,201
Less: cash and cash equivalents	3	<b>(387,555)</b>	(1,000,792)
Less: short-term investments	3	<b>(305,317)</b>	(46,693)
Less: derivatives	25	<b>(2,302)</b>	(1,308)
Net debt	A	<b>710,452</b>	74,596
Total equity		<b>1,362,937</b>	1,342,099
Equity plus net debt	B	<b>2,073,389</b>	1,416,695
Financial leverage ratio	A / B	<b>34,27%</b>	5,27%

#### b) Significant accounting policies

Detailed information on significant accounting policies and methods adopted, including criteria for recognition and basis of measurement of revenues and expenses for each class of financial assets and liabilities, in addition to equity, is presented in Note 2,



## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 25. Financial instruments and risk management (Continued)

#### c) Category of financial instruments

	Consolidated	
	09/30/2022	12/31/2021
Financial assets at amortized cost:		
Cash and cash equivalents	387,555	1,000,792
Financial investments	305,317	46,693
Trade accounts receivable	134,536	108,716
Financial assets at fair value through profit or loss		
Derivative transactions	2,302	1,308
	<b>829,710</b>	<b>1,157,509</b>
Financial liabilities at amortized cost:		
Trade accounts payable	79,064	186,032
Loans and financing	445,233	570,848
Debentures	837,039	515,850
Promissory notes	71,689	-
Lease obligations	45,988	35,490
Financial liabilities at fair value through profit or loss		
Derivative transactions	5,677	1,201
	<b>1,484,690</b>	<b>1,309,421</b>

Management conducted an analysis and is of the opinion that the Company's financial instruments, which are recorded at book value, do not present significant variations as compared with respective market values, Fair value of financial instruments is the amount for which an asset or a liability may be exchanged or settled, between known parties willing to carry out a fair market transaction, rather than in a sale or distressed liquidation, The methods and assumptions used for estimating any changes in relation to fair value of the Company's and its subsidiaries' financial assets and liabilities include:

- Cash and cash equivalents: presented at market value, which equals book value, Short-term investments included in cash and cash equivalents are classified as available for sale, Market value is reflected in the amounts recorded in the statements of financial position,
- Short-term investments: presented at fair value adjusted by the rates in effect on investment date,
- Trade accounts receivable: classified as receivables and recorded at their original amounts, subject to allowance for expected credit losses, when applicable,

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 25. Financial instruments and risk management (Continued)

c) Category of financial instruments (Continued)

- Trade accounts payable: derive from transactions with third parties for purchase of assets and materials necessary for Company operation, at market prices,
- Loans and financing: measured at amortized cost under the effective interest rate method,

d) Credit risk

This is the risk of financial loss due to a counterparty's failure to perform an obligation under a financial instrument or customer contract, The Company is exposed to credit risk in its operating and financing activities, including deposits in banks and financial institutions, and other financial instruments,

Trade accounts receivable subject to credit risk are presented in Note 4, As at September 30, 2022, Company subsidiaries recorded allowance for expected credit losses amounting to R\$10,560 (R\$19,293 at December 31, 2021), considered sufficient by management to cover expected losses on realization of trade receivables, As disclosed in Note 4, no individual customer represents more than 10% of total accounts receivable,

Credit risk to which balances with banks and financial institutions are subject is managed by the finance area according to the policy established by the Company, Surplus funds are invested only in approved counterparties and within the limit established for each counterparty, Credit limit is reviewed annually by Company management and may be adjusted during the year, These limits are established with a view to minimizing risk concentration, therefore mitigating financial risk in cases of counterparty bankruptcy, Cash and cash equivalents, and marketable securities subject to credit risk are presented in Note 3.

e) Market risk

This is the risk that the fair value of the future cash flows of a financial instrument will fluctuate due to changes in market prices, Market price includes interest rate risk, Financial instruments affected by market risk include loans and financing payable and deposits measured at fair value through profit or loss,

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 25. Financial instruments and risk management (Continued)

#### f) Liquidity risk

Management analyzes the continuous forecasts of Company liquidity requirements to ensure that cash is sufficient for Company operation, Management is of the understanding that the Company is fully able to honor its financial commitments, Management analyzed the Company's current and projected cash position and believes that it has sufficient liquidity to continue fulfilling its obligations,

Financial liabilities, by maturity bracket, corresponding to the period remaining between the reporting date and contractual maturity date are as follows:

	Total at 09/30/2022	Within 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	Over 5 years
Trade accounts payable	79.064	(70.182)	(8.882)	-	-	-
Loans and financing	445.233	(108.350)	(101.180)	(174.952)	(36.525)	(24.226)
Derivatives	5.677	(211)	(2.273)	(1.974)	(844)	(375)
Debentures	837.039	(501)	(1.192)	(250.315)	(585.031)	-
Promissory note	71.689	(71.689)	-	-	-	-
Lease obligations	45.988	(13.138)	(8.160)	(9.535)	(6.789)	(8.366)
	<b>Total at 12/31/2021</b>	<b>Within 6 months</b>	<b>From 6 to 12 months</b>	<b>From 1 to 2 years</b>	<b>From 2 to 5 years</b>	<b>Over 5 years</b>
Trade accounts payable	186,032	150,701	35,331	-	-	-
Loans and financing	570,848	90,911	146,006	245,174	69,735	19,022
Derivatives	1,201	61	922	218	-	-
Debentures	515,850	8,908	-	-	459,798	47,144
Lease obligations	35,490	4,060	3,898	12,972	9,235	5,325

#### g) Financial risk factors

The Company manages liquidity risk based on cash flow management and seeks to maintain cash and cash equivalents at a level that is sufficient to meet its short-term needs,

#### h) Currency risk

This risk refers to exchange rate fluctuations on commitments in foreign currency, The Company subsidiaries use derivatives (fx forward contracts and swaps) recorded as financial instruments to mitigate risks of exchange losses due to fluctuations of the Brazilian real (R\$), in consonance with the Company's currency risk management policy,

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 25. Financial instruments and risk management (Continued)

#### h) Currency risk (Continued)

##### *Derivative financial instruments*

The derivatives and fx forward contracts have as counterparty a financial institution and were contracted to cover potential risks involved in the purchase of PPE items abroad, The essential terms of the fx forward contracts were negotiated so as to be in line with the existing sale commitments contracted in foreign currency, As at September 30, 2022, Company subsidiaries presented a consolidated balance receivable of R\$2,302 (R\$1,308 at December 31, 2021) equivalent to the estimated positive adjustment to be received financially upon contract maturity, based on their market value on respective date,

##### *Breakdown of financial instruments*

Description	09/30/2022	12/31/2021
Derivative transactions receivable - Swap	<b>2,302</b>	1,308
	<b>2,302</b>	1,308
Current	<b>520</b>	297
Noncurrent	<b>1,782</b>	1,011
	<b>2,302</b>	1,308

##### Maturity of swap transactions:

	09/30/2022	12/31/2021
2022	<b>246</b>	297
2023	<b>287</b>	1,011
2024	<b>210</b>	-
2025	<b>396</b>	-
2026 onwards	<b>1,163</b>	-
	<b>2,302</b>	1,308

	09/30/2022	12/31/2021
Outstanding swap transactions:		
Loans and financing - book value	<b>80,832</b>	46,935
Loans and financing - fair value	<b>(78,530)</b>	(45,627)
Gain adjustments from financial instruments - swap	<b>2,302</b>	1,308

## **Brisanet Participações S.A. and Consolidated**

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### **25. Financial instruments and risk management (Continued)**

#### h) Currency risk (Continued)

##### *Breakdown of financial instruments* (Continued)

Subsidiaries Brisanet Serviços and RPS Prestação de Serviços engage in instruments for financial transactions in foreign currency aimed at fundraising and import financing, As at September 30, 2022 and December 31, 2021, hedging transactions represented 18.15% (R\$80,832 / R\$445,233) and 8,22% (R\$46,935 / R\$570,848), respectively, of these subsidiaries' bank debt,

For the current period, the Company engaged in hedging instruments to protect financial transactions denominated in foreign currency, These transactions were performed using the same credit operations in order to prevent any position mismatch,

At September 30, 2022, derivative financial instruments amounted to R\$2,302 (R\$1,308 in 2021), The Company measures its foreign-currency loan liabilities at amortized cost and hedges such items by means of derivative financial instruments (swaps), In order to prevent accounting mismatches between measurement of financial liabilities (amortized cost and fair value), the Company classified referred to instruments as financial liabilities measured at fair value,

In the period ended September 30, 2022, net realized and unrealized gains (losses) deriving from these contracts were recorded in finance income (costs), and represented consolidated net loss of R\$5,567 (loss of R\$2,251 as of September 30, 2021),

#### i) Sensitivity analysis of CDI and USD variations

Management administers any exposure to interest rate variations by managing cash flow, Currency rate fluctuation has an impact on loans and financing, and on commitments to foreign suppliers, which are hedged by derivative financial instruments, in consonance with the Company' risk management policy (item g),

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)

September 30, 2022

(In thousands of reais)

### 25. Financial instruments and risk management (Continued)

#### i) Sensitivity analysis of CDI and USD variations (Continued)

Three scenarios are considered below, to wit: (i) current scenario (probable), which is adopted by the Company, (ii) the scenario with decrease of 25% of the risk variable considered, and (iii) the scenario with decrease of 50% of the risk variable considered, These scenarios were defined based on hypotheses of changes in key variables at the date of termination of the respective agreements subject to these risks, Worth mentioning, the scenarios presented are subject to significant adjustments due to variations in the Company's operating performance, which may affect debt and liquidity level,

#### *Interest rate risk*

09/30/2022		Consolidated			
Instrument/transaction	Probable scenario p,a,	Risk	Current scenario	Scenario II	Scenario III
Working capital	11,10%	CDI increase	(16,198)	(20,247)	(24,297)
Working capital	7,45%	TJLP increase	(190)	(238)	(285)
Working capital	5,73%	TLP increase	(1,516)	(1,895)	(2,274)
PPE financing (FINEM)	7,49%	TLP increase	(291)	(364)	(437)
Financing - TR	1,01%	TR increase	(682)	(853)	(1,024)
Financial investments	10,93%	CDI decrease	33,371	25,028	16,686
Projected income (loss)			14,494	1,431	(11,631)

12/31/2021		Consolidated			
Instrument/transaction	Probable scenario	Risk	Current scenario	Scenario II	Scenario III
Working capital	9,80%	CDI increase	(25,111)	(31,389)	(37,667)
Working capital	5,57%	TJLP increase	(462)	(577)	(693)
Working capital	11,01%	TLP increase	(716)	(895)	(1,074)
Working capital (foreign currency)	9,80%	CDI increase	(4,679)	(5,849)	(7,019)
PPE financing (FINEM)	5,61%	TJLP increase	(457)	(571)	(685)
PPE financing (FINEM)	10,97%	TLP increase	(2,922)	(3,652)	(4,383)
Financing - TR	0,33%	TR increase	(178)	(222)	(267)
Financial investments	1,23%	CDI decrease	11,610	8,708	5,805
Projected income (loss)			(22,915)	(34,447)	(45,983)

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 25. Financial instruments and risk management (Continued)

i) Sensitivity analysis of CDI and USD variations (Continued)

*Currency risk*

<u>09/30/2022</u>		<u>Consolidated</u>			
<u>Instrument/transaction</u>	<u>Probable dollar rate</u>	<u>Risk</u>	<u>Current scenario</u>	<u>Scenario II</u>	<u>Scenario III</u>
Trade accounts payable	5,46	Dollar increase	-	(12,244)	(24,489)
Loans and financing	5,46	Dollar increase	-	(41,290)	(82,580)
Projected income (loss)			-	(53,534)	(107,069)
<hr/>					
<u>12/31/2021</u>		<u>Consolidated</u>			
<u>Instrument/transaction</u>	<u>Probable dollar rate</u>	<u>Risk</u>	<u>Current scenario</u>	<u>Scenario II</u>	<u>Scenario III</u>
Trade accounts payable	5,58	Dollar increase	-	(26,402)	(52,803)
Loans and financing	5,58	Dollar increase	-	(26,577)	(53,154)
Projected income (loss)			-	(52,979)	(105,957)

j) Fair value hierarchy

The Company classifies and discloses the fair value of financial instruments based on measurement techniques:

- Level 1: prices (without adjustments) quoted in active markets for identical assets or liabilities;
- Level 2: other techniques for which all data that has a significant impact on fair value recorded may be observed, either directly or indirectly; and
- Level 3: techniques that use data that has a significant impact on fair value recorded that are not based on data that may be observed in the active market,

	<u>Consolidated</u>			
	<u>09/30/2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial assets				
Derivative transactions	2,302	-	2,302	-
Financial liabilities				
Derivative transactions	5,677	-	5,677	-

## Brisanet Participações S.A. and Consolidated

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### 25. Financial instruments and risk management (Continued)

#### j) Fair value hierarchy (Continued)

	<b>Consolidated</b>			
	<b>12/31/2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Financial assets				
Derivative transactions	1,308	-	1,308	-
Financial liabilities				
Derivative transactions	1,201	-	1,201	-

Financial assets and liabilities recorded at amortized cost approximate their fair value, since these amounts are adjusted for provisions, to present value and/or at floating market rates,

### 26. Insurance coverage (Consolidated)

Management of the Company and its subsidiaries take out various types of insurance, whose amounts are considered sufficient by management and insurance brokers to cover any claims,

Insurance coverage in effect is as follows:

	<b>09/30/2022</b>	<b>12/31/2021</b>
Aircraft - civil liability risk	<b>US\$ 40,000</b>	US\$40,000
Aircraft - operational risk	<b>US\$ 10,400</b>	US\$10,400
D&O	<b>R\$50,000</b>	-
Other items - operational risk	<b>R\$29,576</b>	R\$10,604

### 27. Transactions not involving cash or cash equivalents

	<b>Consolidated</b>	
	<b>09/30/2022</b>	<b>09/30/2021</b>
Capitalization of interest (Note 8)	<b>21,888</b>	12,568
Capitalization of depreciation (Note 8)	<b>12,293</b>	-
Write-off of allowance for credit loss (Note 4)	<b>30,121</b>	5,620



## **Brisanet Participações S.A. and Consolidated**

Notes to interim financial information (Continued)  
September 30, 2022  
(In thousands of reais)

### **28. Events after the reporting period**

*Merger of direct subsidiary Brisanet Gerenciadora de Ativos Ltda. into Brisanet Serviços de Telecomunicações S.A.*

At the Special General Meeting held on November 1, 2022, shareholders approved the merger of the net assets of the Company's direct subsidiary Brisanet Gerenciadora de Ativos Ltda., in the amount of R\$133, into the direct subsidiary Brisanet Serviços de Telecomunicações S.A.

*Merger of direct subsidiary Serviços de Elaboração de Dados Ltda. into RPS Prestação de Serviços de Informática Ltda.*

At the Special General Meeting held on November 1, 2022, shareholders approved the merger of the net assets of the Company's direct subsidiary Interservice Serviços de Elaboração de Dados Ltda., in the amount of R\$6,156, into RPS Prestação de Serviços de Informática Ltda.