

1Q23 EARNINGS CONFERENCE CALL



 **brisanet**

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1Q23 HIGHLIGHTS



Organic expansion

+ 280,000 HPs in 1Q23
7.4 million Total HPs¹



EBITDA and EBITDA Margin

1Q23 EBITDA of R\$ 139.4 million with margin of 48%, 12 p.p higher than 1Q22

HCs Growth

Brisanet grew 5.3% in 1Q23
Fiber market in the 7 states² grew 1.5%



Gross Revenue and ARPU

Billing B2B 1Q23 = 30% > than 4Q22
ARPU B2C 0.8% > 1Q23 x 4Q22

Regional and National Leadership

Highest Broadband growth in 1Q23 – 59,000
Market share in fiber in the 7 states² = 28.3%



Investment in the Future

Capex 1Q23 R\$106 mm, of which R\$93.0 mm in operations

¹ April/2023 Data, it includes Agility HPs

² AL, CE, PB, PE, PI, RN and SE

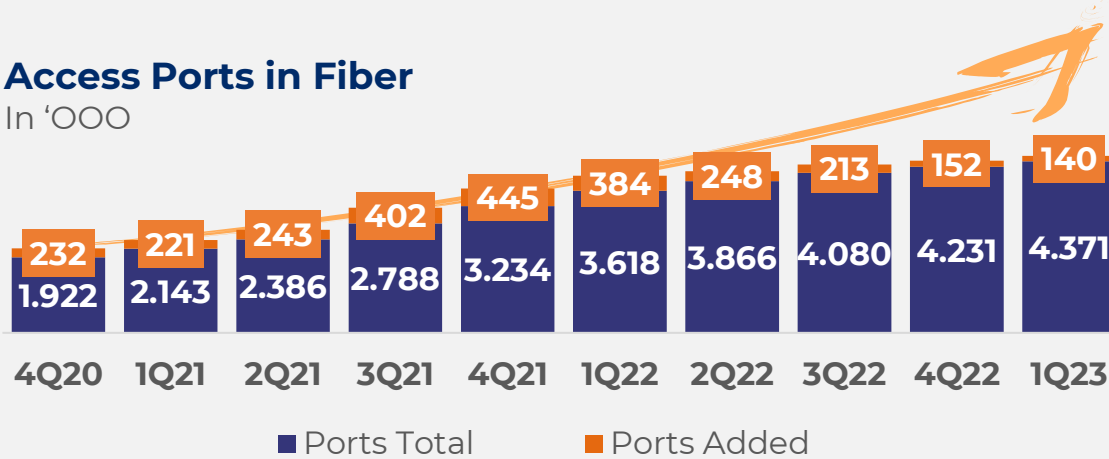
Source: Company and National Telecommunications Agency - Anatel

SOLID AND CONTINUOUS EXPANSION



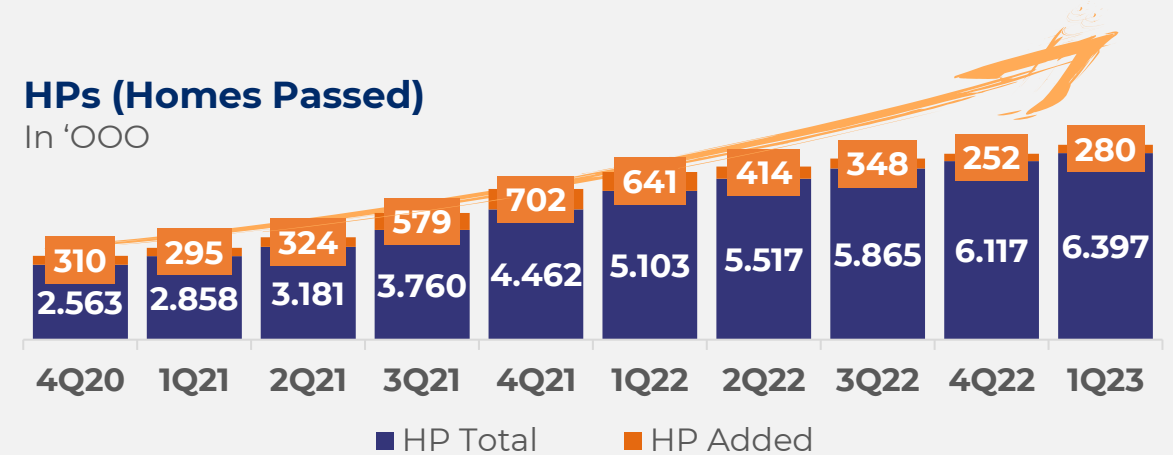
Access Ports in Fiber

In '000



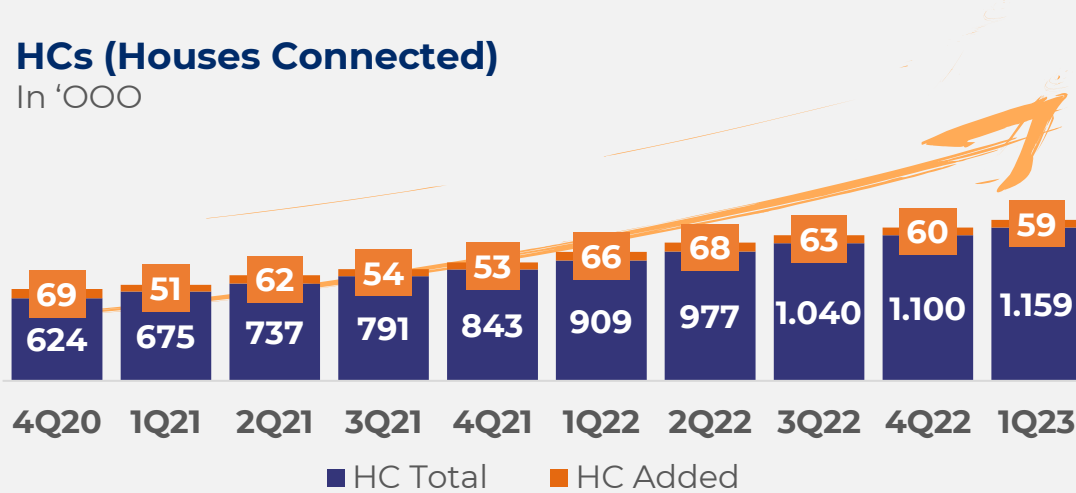
HPs (Homes Passed)

In '000



HCs (Houses Connected)

In '000



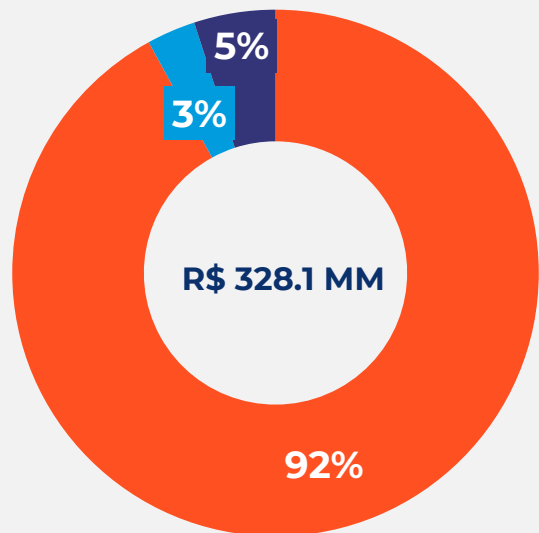
155 Cities in March 2023
35 cities added since Jan/2022

Mar 2023: Brisnet + Agility = **1.37 million HCs**
+400 cities in 9 states

NET OPERATING REVENUE GREW 35% IN 1Q23 X 1Q22 AND 5% WHEN COMPARED TO 4Q22



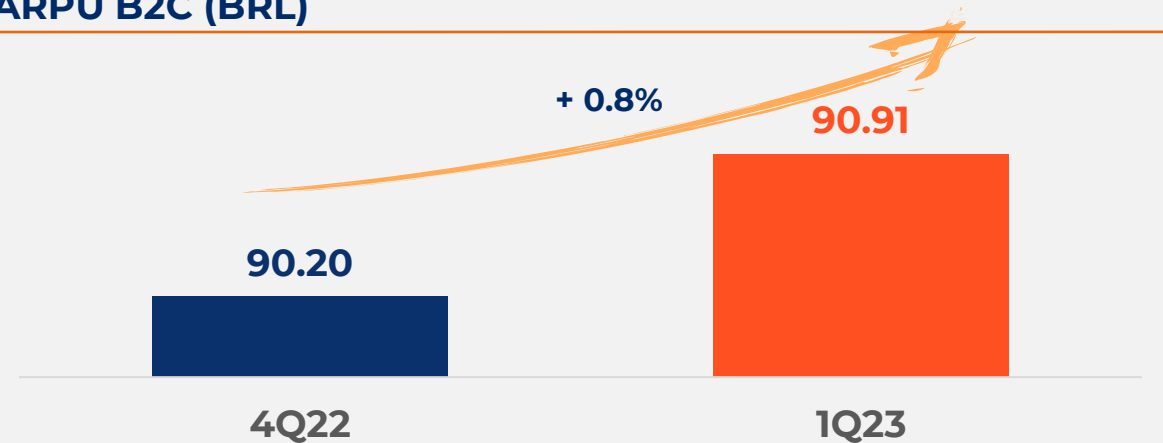
Gross revenue per product – 1Q23



Broadband – 92%
B2C: 91%
B2B: 9%

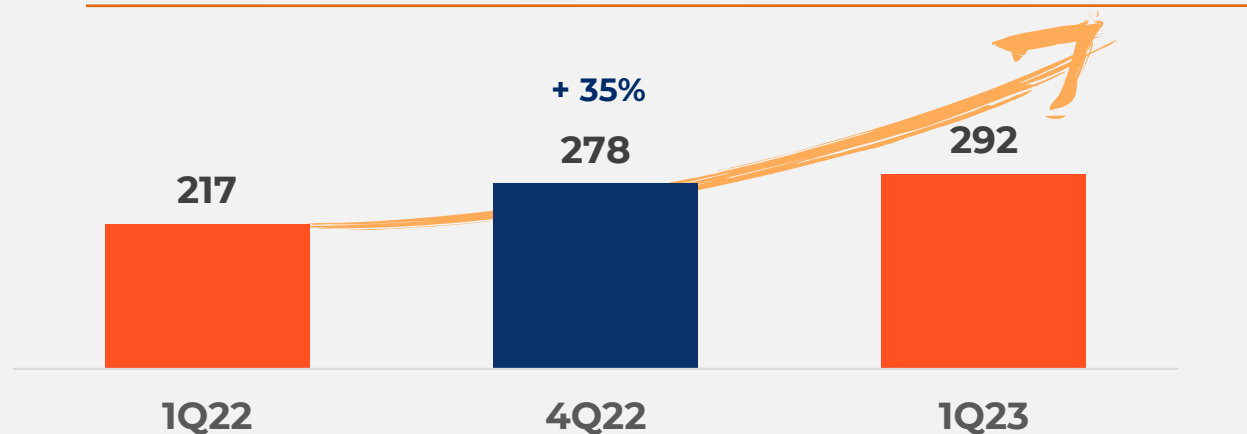
■ Broadband ■ Fixed Telephony ■ Others

ARPU B2C (BRL)



Net Operating Revenue

BRL MM

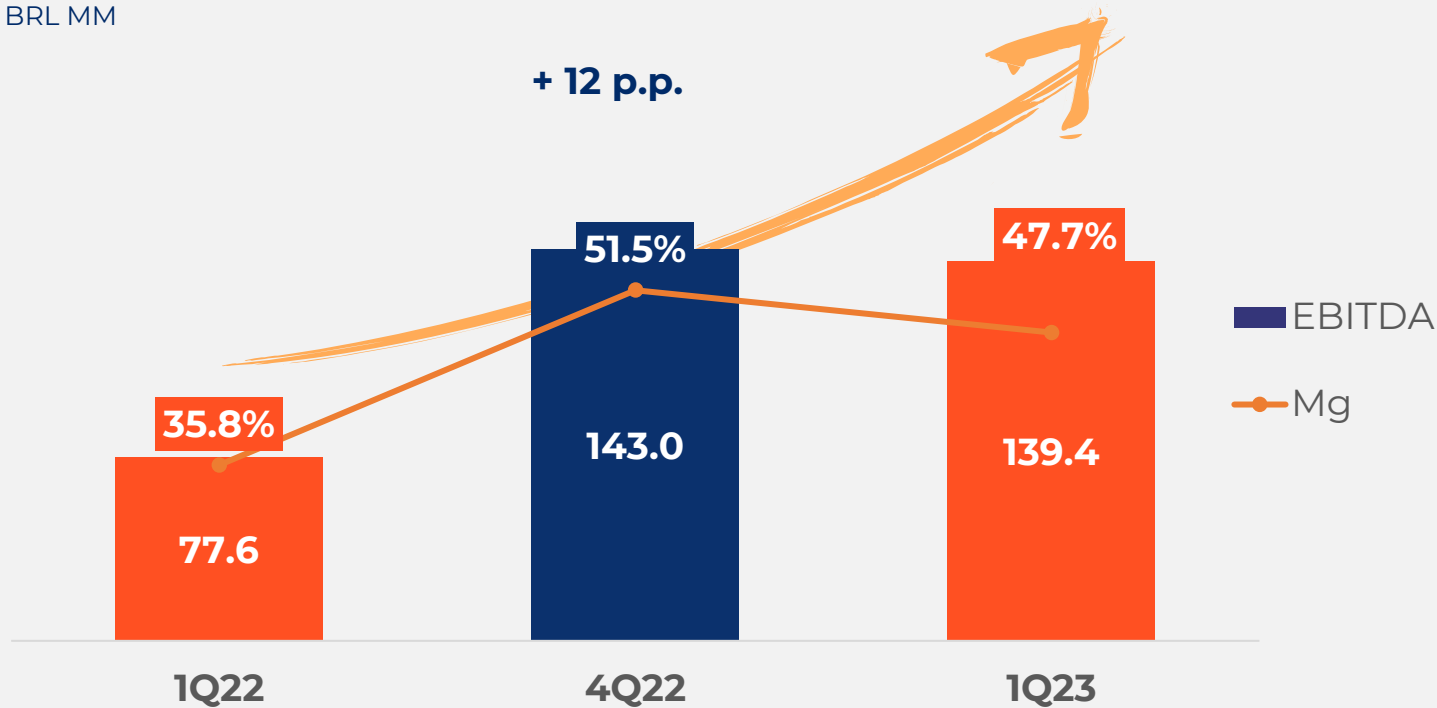


EBITDA MARGIN REACHES 48% IN 1Q23



Adjusted EBITDA and Adjusted EBITDA Margin

BRL MM



EBITDA margin increase 12 p.p. compared to 1Q22. The main contribution was the reduction in Cost of Services Sold and Operating Expenses, excluding depreciation and amortization. This reduction is the result of actions aimed at reducing costs implemented from 2Q22 onwards, as well as the rationalization of investments, reducing pre-operating costs.

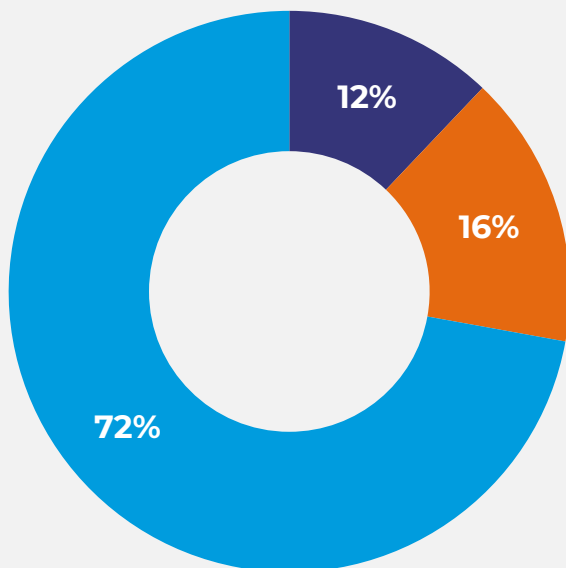
NET DEBT/EBITDA = 1.5X MAR 23



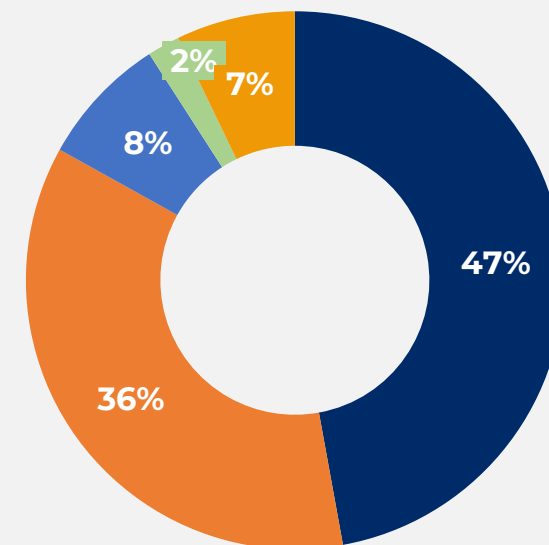
Debt Profile

■ Short-Term + Promissory Note ■ Long-Term ■ Debentures LT

■ IPCA ■ CDI ■ Fixed ■ TJLP/TLP ■ Foreign Currency



Net debt increased only R\$18 million in 1Q23, mainly due to: amortization of the promissory note and payment of interest on the two debentures



Loans and Financing + Debentures + Promissory Note
Gross Debt (includes Leasing and Derivatives)
Cash¹ and Short-Term Applications
Net Debt

R\$ 1,183.7 mm
R\$ 1,228.3 mm
R\$ 466.5 mm
R\$ 761.8 mm

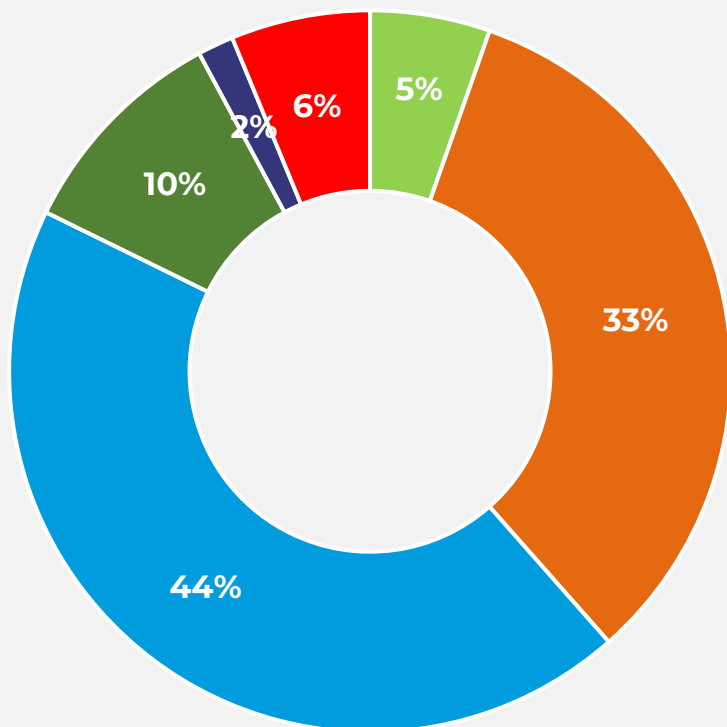
¹Applied to an average of 103.3% of CDI with liquidity less than 90 days.



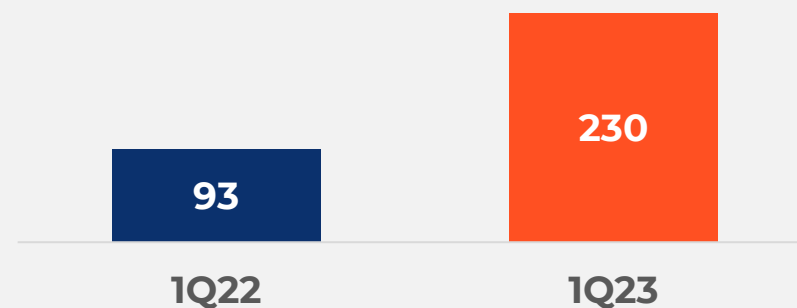
INVESTMENTS

CAPEX

■ Backbone ■ HPs ■ HCs ■ Maintenance ■ Consortia ■ Others



Adjusted CAPEX to “In Operation”



Total Disbursement – R\$107 million
In Operation – R\$93 million
“Inventory” of fixed asset* – R\$566 million
(includes R\$280 million - 5G)

Expected investment in 2023 – R\$700 million

5G - UPDATES

Authorization to use Radiofrequency for 20 years:



NORTHEAST:

50 MHz at 2.3 GHz frequency
80 MHz at 3.5 GHz frequency

MIDWEST

80 MHz at 3.5GHz frequency



Grant + goodwill – R\$168.3 million, divided into 20 annual installments

Balance in Mar/22 – R\$168.4 million



Commitments to start providing services – from 2026 to 2030



- ✓ Test results – excellent indoor and outdoor coverage
- ✓ Sales start by the end of June 23
- ✓ Revenues as of the end of 3Q23
- ✓ Coverage by July 23 – over 20 cities (South-Center of CE + RN close to the state line with CE) – market close to 800,000 mobile lines
- ✓ Coverage at the end of 2023 : over 40 cities in the interior
start of operations in Fortaleza
- ✓ Total investment in the Northeast – R\$2 billion, of which R\$350mm in 2023 – 10% invested in 1Q23

Q&A



Thank you

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