

# 2Q23 EARNINGS CONFERENCE CALL

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 **brisanet**

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# 2Q23 HIGHLIGHTS



## Organic Expansion

+ 288,000 HPs in 2Q23  
7.6 million Total HPs<sup>1</sup>

## HCs Growth

Brisanet grew 4.4% in 2Q23  
Fiber market in the 7 states<sup>2</sup> grew 4.2%

## Regional and National Leader

Highest Broadband growth in 2Q23 – 51,000  
Market share in fiber in the 7 states<sup>2</sup> = 28%



## EBITDA and EBITDA Margin

EBITDA 2Q23 of BRL 148.4 million with margin of 49%, 8.6 p.p higher than 2Q22

## Gross Revenue and ARPU

Gross Rev. B2C 2Q23 = 24% > than 2Q22  
Gross Rev. B2B 2Q23 = 70% > than 2Q22

## Investment in the Future

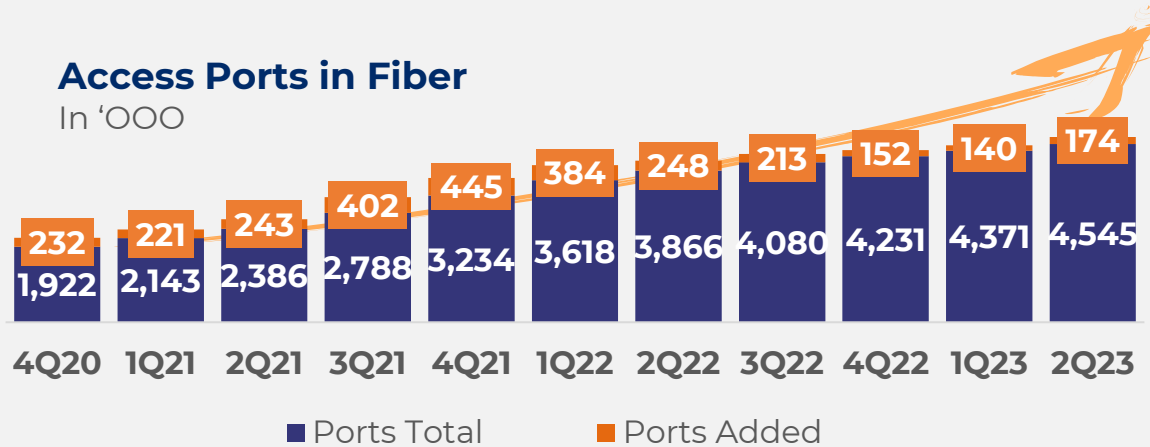
Capex 2Q23 BRL 208 mm, of which BRL 180 mm in operations.

# SOLID AND CONTINUOUS EXPANSION



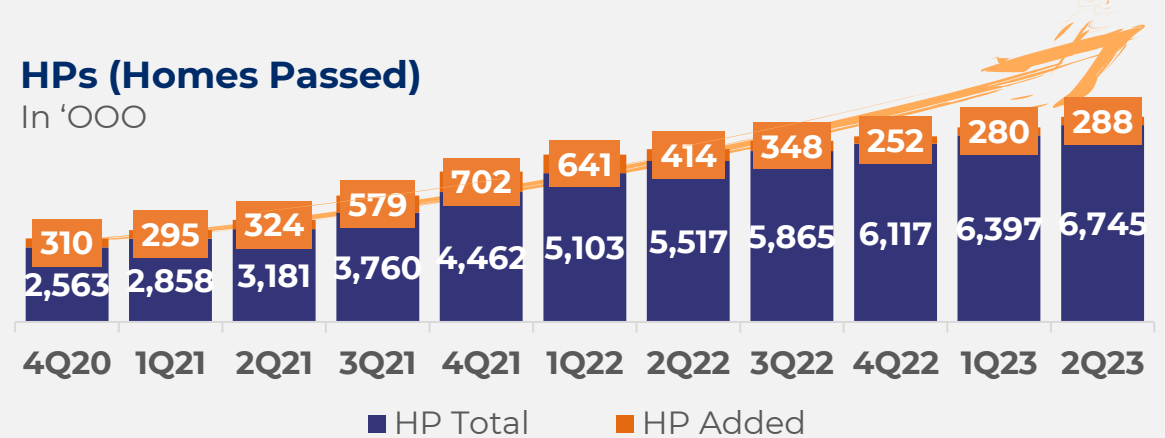
## Access Ports in Fiber

In '000



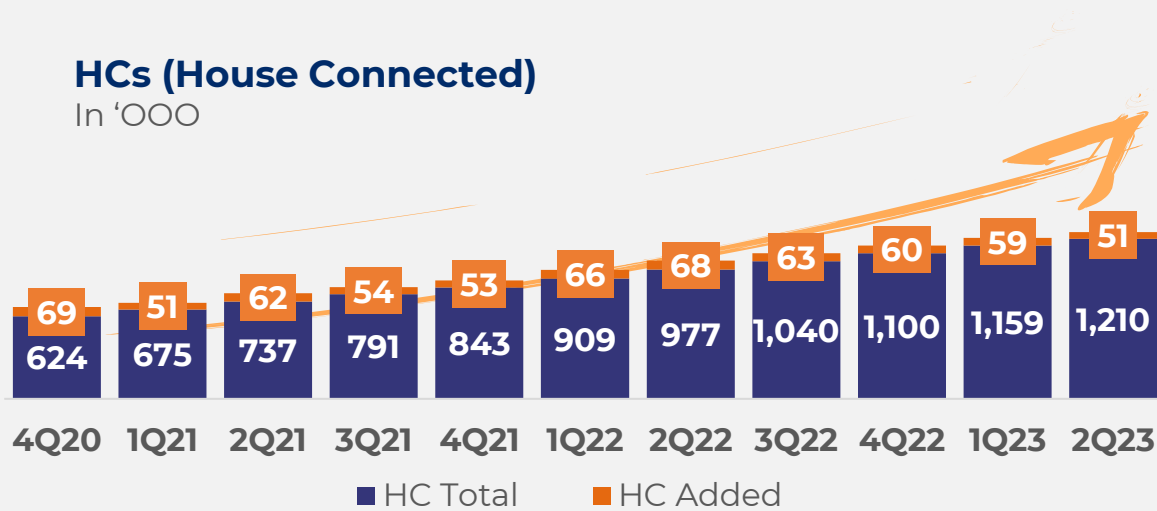
## HPs (Homes Passed)

In '000



## HCs (House Connected)

In '000



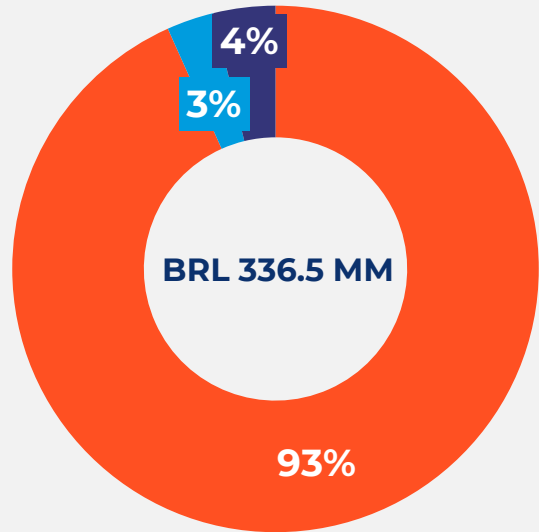
157 Cities in July 2023  
37 cities added since Jan/2022

July 23: Brisagnet + Agility = 1,427 million HCs  
+ de 400 cities in 9 states

# NET OPERATING REVENUE GREW 27% IN 2Q23 X 2Q22 AND 3% WHEN COMPARED TO 1Q23



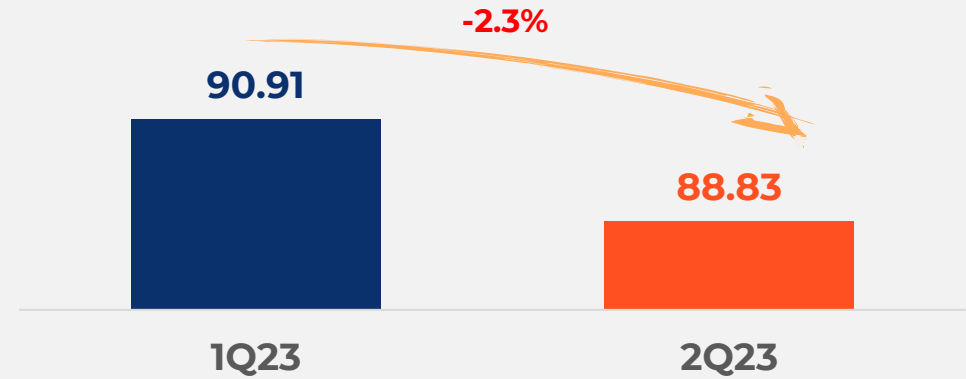
Gross Revenue per Product – 2Q23



Broadband – 93%  
B2C: 91%  
B2B: 9%

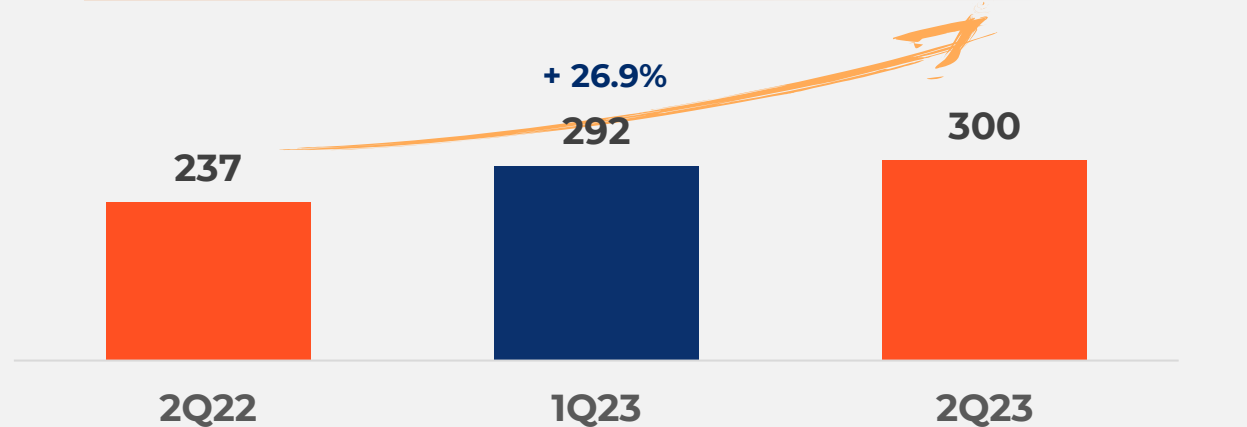
■ Broadband ■ Fixed telephony ■ Others

ARPU B2C (BRL)



Net Operation Revenue

BRL MM

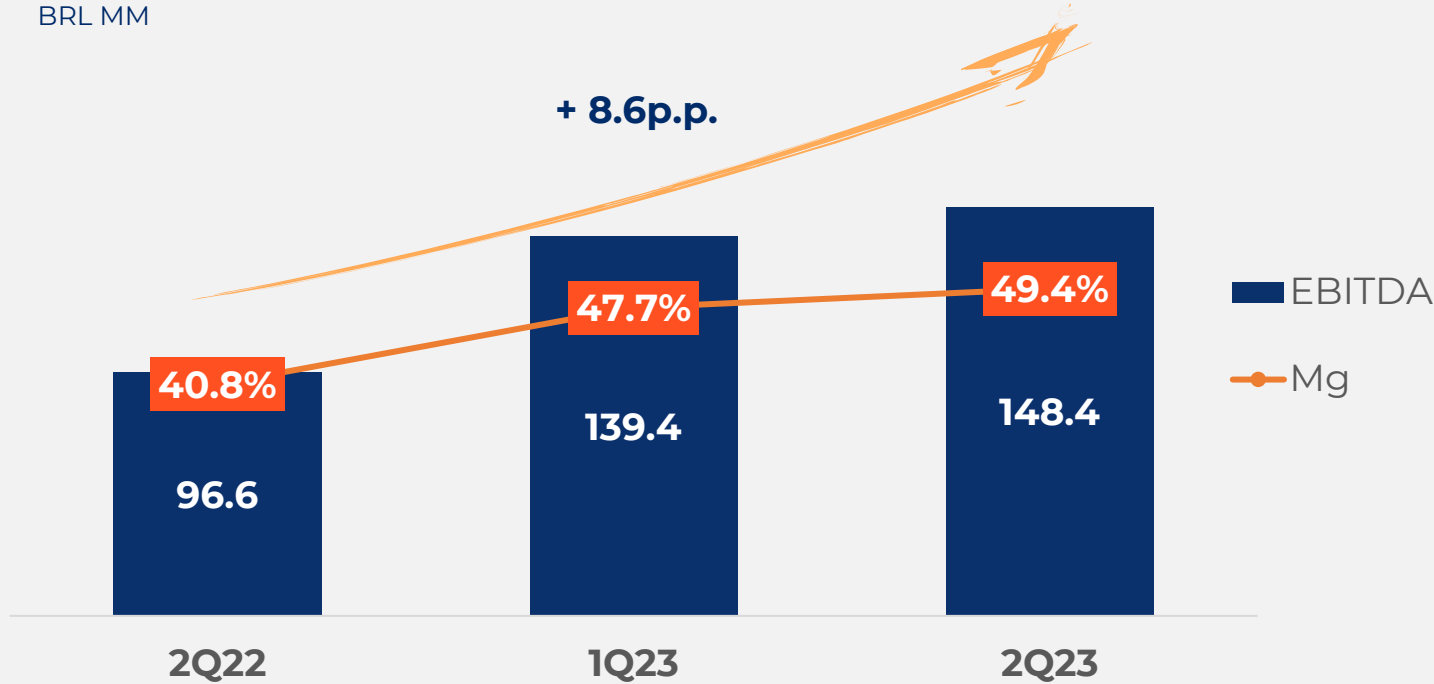


# EBITDA MARGIN REACHES 49% IN 2Q23



## EBITDA and EBITDA Margin

BRL MM



The EBITDA margin increased by 8.6 p.p. compared to 2Q22.

The main contribution comes from the dilution of fixed costs due to base growth and cost reduction initiatives implemented since 2Q22, as well as the rationalization of investments, reducing pre-operating costs.

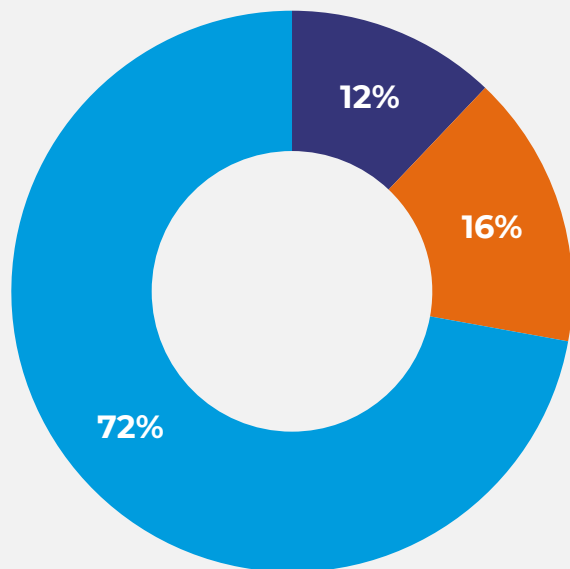
# NET DEBT/EBITDA = 1.38X JUN 23



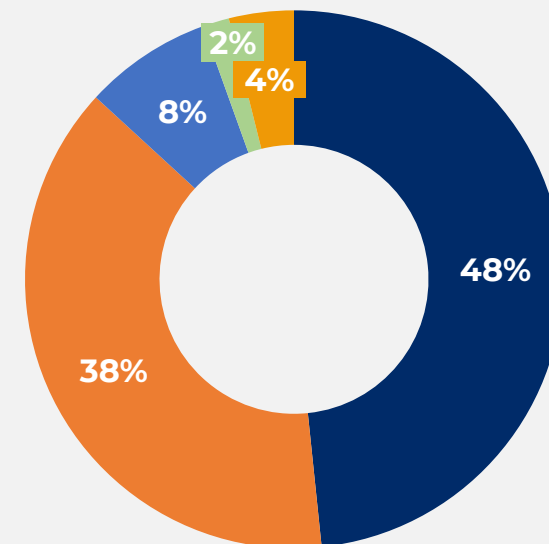
## Debt Profile

■ Short-Term ■ Long-Term ■ Debentures LT

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



Net debt increased only BRL 13.5 million in 1H23, mainly due to: amortization of the promissory note and the high cash generation in the period



**Loans and Financing + Debentures + Promissory Note**  
**Gross Debt (includes Leasing and Derivatives)**  
**Cash<sup>1</sup> and Short-Term Applications**  
**Net Debt**

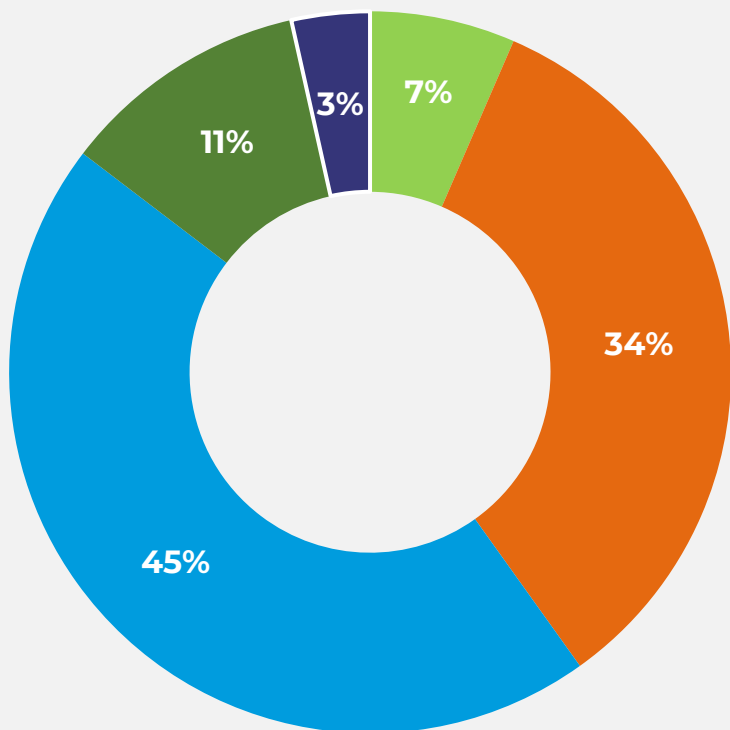
**BRL 1,152.3 mm**  
**BRL 1,212.4 mm**  
**BRL 455.1 mm**  
**BRL 757.3 mm**



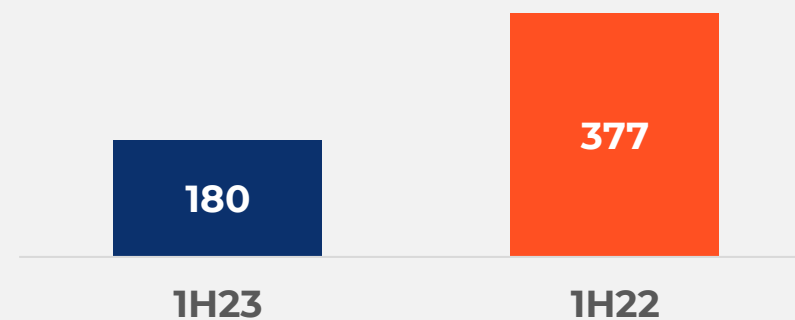
# INVESTMENTS

## Capex Breakdown “Operation”

■ Backbone ■ HPs ■ HCs ■ Maintenance ■ Intangible



## Adjusted Capex for “Operating”



- ✓ Total Disbursement – BRL 208 million
- ✓ In Operation – BRL 180 million
- ✓ “Inventory” of fixed asset\* – BRL 580 million
  - ✓ (includes BRL 342 mm - 5G)
- ✓ Expected Investments in 2023 – BRL 600 mm



# 5G - UPDATES



Authorization to use Radiofrequency for 20 years:



## NORTHEAST:

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

## MIDWEST

80 MHz at 3.5GHz frequency



## Grant + goodwill:

BRL 168.3 million, divided into  
20 annual installments

## Balance in Jun/23:

BRL 178.8 million



Commitments to start  
providing services –  
from 2026 to 2030



- ✓ Tests results – excellent *indoor* and *outdoor* coverage
- ✓ Start of sales (MVP) - Beginning of August/23
- ✓ Start of billing - 4Q23
- ✓ 12 cities covered and approx. 40 to Dec/23
- ✓ +400,000 inhabitants of covered cities
  - ✓ ~5 million inhabitants until Dec/23
- ✓ Total investment in Northeast – BRL 2 billion
  - ✓ Being R\$300mm in 2023, 21% already invested in 1H23

# Q&A

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# Thank you

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