

EARNINGS RELEASE 4Q23

 **brisanet | 5G**

MESSAGE FROM CEO

Our commitment to promoting high-performance connectivity spans decades, technologies, and generations. The substantive and growing results we have achieved over time validate the effort, strategic guidance, and synchronous work of all the people who form and sustain the Company's success.

Brisanet's strength in the telecommunications market has not only been consolidated but has grown in an effective and assured manner. Until then, focusing on fixed broadband, as we enter 2023, we introduced a new service to our catalog: mobile telephony (4G/5G), while maintaining the growth of broadband in a solid and profitable manner. During the period, we added more than 192 thousand customers to the base organically, surpassing all operators registered with Anatel in the northeast region of the country. This ensured that we remain among the five largest companies in fixed broadband access in the country and in the leadership of the Northeast, with 1,292,091 subscribers.

We ended the year with a presence in 158 cities in the nine northeastern states with FTTH (fiber to the customer's home) and in more than 40 cities with mobile service, including from the capital to cities with less than 10 thousand inhabitants, with coverage of around 4 million inhabitants, thus materializing our purpose of internalizing 5G. In 2024, we will be focused on further expanding the reach of the mobile service, reaching coverage of 14 million inhabitants in 300 cities in the northeast.

The year 2023 also represented a considerable advance in the Company's financial performance. Adjusted EBITDA was R\$591.6 million, growing 36% compared to the previous year, and net profit was 160% higher, reaching R\$163.3 million in the year. This performance is the result of the growth of the fiber customer base and efforts to increase productivity and reduce costs, even in a year in which we began to sell new services, with the launch of mobile.

We present important progress in Corporate Governance. We held the 1st Brisanet Compliance Week and launched the Women's Channel, among other initiatives that contribute to a safer and more transparent corporate environment. Furthermore, we make a valuable contribution to regional development through job creation. Currently, our workforce includes more than 8 thousand employees, local talents who perform essential skills for Brisanet's success.

In the context of human and organizational development, the Company has also taken important actions to train and qualify employees. Projects such as the Management Track, the Leader Development Program (PDL), 5G Training and the Technical Improvement Tracks totaled more than 160 thousand hours of training carried out, contributing substantially to the assertiveness of executing our operations, from the implementation of infrastructure for after-sales service.

As we lead the process of digital inclusion and universalization of connectivity in the Northeast region, we also introduce sustainable initiatives into the business. In this sense, we initiated a change in our energy matrix, adding third-party solar energy in some consumer units, resulting in the reduction of greenhouse gas emissions and contributing to the global energy transition towards a more sustainable planet.

We are confident that the Company's current business model perfectly aligns with its commitment to innovation. Therefore, we remain firm in our mission to not only connect people, but to provide an increasingly inclusive and accessible future.

To this end, we will continue to implement constant improvements internally, ensuring data security and enabling increasingly advanced products and solutions. We will honor every opportunity to consolidate the Brisanet brand, while promoting the technological, economic and social development of the locations in which we are present.

José Roberto Nogueira
CEO

4Q23 RESULTS

Brisanet records Adjusted EBITDA of R\$591.6 million in 2023, with net profit of R\$163.3 million.

Brisanet Participações S.A. (“Company” or “Brisanet”, B3: BRIT3), the largest fixed broadband provider in the Northeast region, according to the Anatel¹ ranking, today announces its results for the fourth quarter of 2023 (4Q23) and the year 2023.

With 25 years of history, Brisanet has a 29% market share in fiber in 7² of the 9 states in the Northeast (N.E.). The Northeast is the region of the country with the highest percentage of fiber optic customers in the country, with 84% of the total fixed broadband using this technology.

With a 100% fiber optic product portfolio, 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 Central-West of the country. The commercialization of 5G began in 3Q23 and at the end of February 2024, we had 34,600 active customers in the mobile segment.

Brisanet	4Q23	3Q23	4Q22	2023	2022
Operating Highlights					
Cities served	158	158	154	158	154
Access Ports - '000	4,670	4,651	4,231	4,670	4,231
HP added- '000	39	211	252	878	1,655
Total HP - '000	6,995	6,956	6,117	6,995	6,117
HC added- '000	35	47	60	192	257
Total HC - '000	1,292	1,257	1,100	1,292	1,100
Financial Highlights (BRL million)					
Net revenue	325.1	310.5	277.5	1,227.9	985.2
<i>Gross Margin (%)</i>	45%	46%	46%	46%	42%
Operating income	67.6	53.0	68.0	250.7	166.6
EBITDA	156.0	136.2	143.0	580.0	435.8
<i>EBITDA Margin (%)</i>	48%	44%	52%	47%	44%
Adjusted EBITDA	151.6	149.6	143.0	591.6	435.8
<i>Adjusted EBITDA Margin (%)</i>	47%	48%	52%	48%	44%
Net income (loss)	62.5	31.7	30.5	163.3	60.7
Net debt	745.7	757.3	743.8	745.7	743.8
Net debt/LTM EBITDA (x)	1.29x	1.38x	1.70x	1.29x	1.70x

¹ Feb/24 Data

HIGHLIGHTS OF THE FOURTH QUARTER

MAIN HIGHLIGHTS OF THE PERIOD

- ✓ **Net operating revenue grew 17% in 4Q23** when compared to 4Q22 and 5% when compared to 3Q23. The growth is mainly the result of the increase in the Company's take-up rate, which in 4Q23 **added 35,362 customers to its base organically, reaching 192,016 new customers in 2023.**
- ✓ **Adjusted EBITDA in 4Q23 was R\$151.6 million with a margin of 46.6%**, an increase of 6.0% compared to EBITDA in 4Q22. The margin was impacted by the start of mobile operations (4G/5G). This quarter, the adjustment was a negative impact, as we removed R\$4.4 million from taxes expenses reclassification between lines, from operating to financial expenses, relative to the previous three quarters. **In 2023, adjusted EBITDA reached R\$591.6 million, with a margin of 48.2%, an increase of 4 p.p. compared to 2022.**
- ✓ The Company's debt level, measured by the **net debt to EBITDA (LTM) indicator, remained at 1.29x at the end of 4Q23**, in line with the previous quarter, demonstrating its financial health.
- ✓ Regarding cash flow, in 4Q23, **the Company generated operating cash of R\$168.7 million**, a volume well above the EBITDA for the period. At the end of 2023, the Company had operating cash generation of R\$655.2 million.
- ✓ **Net profit reached R\$62.5 million in 4Q23**, an increase of 105% compared to the result of 4Q22, due to the recognition of income tax and social contribution ("IR/CSSL") credits and lower taxes expenses on VAT ("ICMS") tax benefits. At the end of 2023, net profit reached R\$163.3 million, an increase of 169% when compared to 2022.
- ✓ Brisanet received important awards such as Minha Operadora – **the Company was awarded 10 state and 179 municipal awards, involving the categories Best Satisfaction, Best Provider and Best Internet Gamer** – and the 7th Edition of the Canaltech Award - best fixed broadband by the popular jury.
- ✓ In **February**, the Company had net additions of **10,546 customers**, thus serving 1,314,916 customers with fixed broadband. In the mobile segment, additions were 10,5 thousand customers, reaching 34,574 customers as of February 29, 2024.

EARNINGS CONFERENCE CALL

Date: 03/21/2024 – Thursday

Time: 8 am ET – In Portuguese with simultaneous translation into English

Brisanet – 4Q23 Earnings Release

To access, [click here](#).

OPERATING RESULTS

OPERATING RESULTS

Brisanet's mission is to connect people promoting digital and social inclusion, currently operating only in the Northeast region. One of the Company's main quality and competitive drivers comes from its verticalized operation – whether in fixed broadband service through optical fiber (FTTH) or in mobile service (4G/5G).

One of the Company's quality pillars is its relationship with the customer, which is managed mainly through its own management platform that allows it to know and act in real time, from the operations center, at the Company's headquarters, on what happens with your infrastructure and your customers. The Company has a state-of-the-art structure of fully integrated data centers with local content, which guarantees quality and stability in internet access, as well as savings and infrastructure for the implementation of its mobile network.

Brisanet has more than 38 thousand km of backbone infrastructure (paths used to distribute internet to other networks), 287 data centers and more than 61.6 thousand km of FTTH (fiber-to-the-home) cables. In mobile, the implemented infrastructure already reaches 70 cities², covering a population of around 5 million people.

In 4Q23, the Company added 39,032 HPs and 35,362 customers to its base. In February 2024, we added 10,546 customers to the base, which already totals 1,314,916 customers. **The Company reinforces its commitment and objective to continue increasing organically its fiber customer base.**

The Company continues to advance in capitals and metropolitan regions, with fiber market share stable between **50 and 66% in Natal, Maceió and João Pessoa**, growing and **above 20% in Fortaleza and Aracaju** (figures from Dec-23).

Operational Data	4Q23	3Q23	4Q22	4Q23 x 4Q22	4Q23 x 3Q23	2023	2022
Access Ports	4,670,030	4,650,514	4,231,005	10%	0%	4,670,030	4,231,005
Added HP	39,032	211,216	252,460	-85%	-82%	878,050	1,654,864
Homes Passed (HP)	6,995,272	6,956,240	6,117,222	14%	1%	6,995,272	6,117,222
Added HC	35,416	47,140	60,135	-41%	-25%	192,017	256,792
Homes Connected (HC)	1,292,092	1,256,676	1,100,075	17%	3%	1,292,092	1,100,075
Cities served	158	158	154	3%	0%	158	154
Churn	2.32%	2.24%	2.27%	0.05 p.p.	0.08 p.p.	2.30%	2.47%

The Company also operates through its franchisor, Agility Telecom. The brand is represented by 70 franchisees who operate in smaller cities or rural districts in the region serving 183,139 customers.³

The mobile customer base on 02/28/24 was 34,574 thousand, with 10,452 thousand being added in February. Until February, the Company was operating commercially in an area with a population of just over 1 million inhabitants.

² February/24 data

³ February/24 data

NET REVENUE

FINANCIAL RESULTS

GROSS REVENUE BY PRODUCT

BRL million	4Q23	3Q23	4Q22	4Q23 x 4Q22	4Q23 x 3Q23	2023	2022
Gross Revenue	365.6	353.1	308.0	18.7%	3.6%	1,383.3	1,127.2
Broadband	331.3	325.1	289.0	14.6%	1.9%	1,271.1	1,035.8
B2C	301.4	295.7	267.2	12.8%	1.9%	1,154.3	966.0
B2B	29.9	29.4	21.8	37.2%	1.7%	116.8	69.9
Fixed telephony	9.3	9.7	7.4	25.7%	-3.9%	38.9	37.1
Others	25.0	18.3	11.6	115.3%	36.7%	73.3	54.3
ARPU broadband	R\$ 91,32	R\$ 90,93	R\$ 90,20	1.2%	0.4%	R\$ 90,50	R\$ 91,42

The Company's revenue is comprised of fixed broadband internet services, fixed telephone services and others such as: pay TV and mobile telephony and complementary services, such as music and video streaming, which increase the average ticket purchased per customer and the perception of value of the Company itself.

The average B2C ticket in 4Q23 was R\$91.32. The Company has maintained ARPU in recent quarters.

B2B revenue has grown over the quarters, having registered a 60% increase in 2023, compared to the previous year, this percentage reflects the expansion and presence in larger cities.

Agility Telecom's revenue, in the amount of R\$8.2 million in 4Q23, is in Others. In 2023, revenue was R\$33.7 million, an increase of R\$2.9 million compared to 2022 revenue even with a lower number of customers in the franchises, portraying better management of its franchisees.

In the comparison between 4Q23 and 4Q22, Brisanet's net revenue grew by 17%, going from R\$277.5 million in 4Q22 to R\$325.1 million in 4Q23. This was mainly due to the increase in the number of subscribers and the increase in B2B revenues.

BRL million	4Q23	3Q23	4Q22	4Q23 x 4Q22	4Q23 x 3Q23	2023	2022
Net Revenue	325.1	310.5	277.5	17.2%	4.7%	1,227.9	985.2

OPERATING COSTS AND EXPENSES

COSTS OF SERVICES PROVIDED

Costs of Services Rendered (BRL million)	4Q23	3Q23	4Q22	4Q23 x 4Q22	4Q23 x 3Q23
Personnel	(37.1)	(35.4)	(32.9)	12.8%	4.8%
Clients Activation	-	-	-	<i>n.m</i>	<i>n.m</i>
Interconnection	(9.8)	(9.2)	(6.6)	48.9%	6.7%
Connectivity	(4.9)	(5.0)	(5.4)	-8.9%	-2.2%
Right of Passage	(20.1)	(19.7)	(20.0)	0.3%	1.8%
Utilities	(3.4)	(3.0)	(2.4)	41.9%	13.2%
Materials and maintenance	(6.5)	(5.5)	(4.1)	58.7%	19.9%
Third-party Services	(4.1)	(3.3)	(2.3)	75.4%	22.0%
Others	(8.1)	(6.5)	(3.8)	112.2%	23.5%
Depreciation and Amortization	(84.6)	(79.5)	(71.5)	18.4%	6.5%
Total	(178.5)	(167.1)	(149.0)	19.9%	6.9%

The Company's costs of services provided in 4Q23 totaled R\$178.5 million compared to R\$149.0 million in 4Q22, representing an increase of 20%. When compared to 3Q23, cash cost (without depreciation) rose 7%, already reflecting impacts from the start of operations in the mobile segment (4G/5G).

In comparison with 4Q22, the variation is mainly due to:

- depreciation and amortization, which grew by R\$13.2 million, given the growth in assets and intangible assets resulting from the expansions carried out;
- increase in personnel costs that grew by R\$4.2 million due to the Company's growth in new cities and regions, both for sales, installation and maintenance; and
- growth in the interconnection account, by R\$3.2 million, due to the increase in content offered through third-party streaming.

OPERATIONAL EXPENSES

Operational expenses (BRL million)	4Q23	3Q23	4Q22	4Q23 x 4Q22	4Q23 x 3Q23
Personnel	(34.9)	(33.9)	(27.2)	28.4%	3.1%
Third-party services	(5.3)	(4.7)	(5.3)	-0.3%	14.1%
Marketing expenses	(8.9)	(7.5)	(6.1)	45.5%	19.5%
Taxes and contributions	1.1	(4.3)	(2.5)	-	-
Provision for doubtful accounts	(19.9)	(17.7)	(9.3)	114.0%	12.5%
Other expenses	(7.2)	(18.8)	(6.5)	11.5%	-61.4%
Depreciation and amortization	(3.8)	(3.7)	(3.5)	10.5%	3.3%
Total	(79.0)	(90.4)	(60.4)	30.7%	-12.7%

The Company's operating expenses in 4Q23 increased by 31% compared to 4Q22 and decreased by around 12% compared to the previous quarter.

General and Administrative Expenses (GAE), excluding depreciation and amortization, grew by around R\$2 million compared to 4Q22, due to the seasonality in some third-party expenses.

Commercial Expenses, excluding depreciation and amortization, were 11% higher in 4Q23, when compared to the previous quarter, due to higher personnel and advertising expenses, mainly related to the launch of the mobile business (4G/5G), and also due to the higher provisioning for doubtful accounts (PCLD).

PCLD totaled R\$19.9 million in the 4Q23. The Company's objective, together with the natural improvement in accounts receivable overdue for more than 181 days over the last few quarters (as evidenced in the table below), lead to full coverage of accounts receivable overdue for more than 181 days. At the end of December, considering the write-offs made and the balance of R\$28.3 million, this coverage was 68%.

EBITDA AND FINANCIAL RESULTS

Accounts Receivable (BRL million)	4Q23	3Q23	4Q22	4Q23 x 4Q22	4Q23 x 3Q23
Falling due	80.2	74.2	49.6	61.9%	8.1%
Past due under 180 days	74.0	73.2	63.7	16.2%	1.2%
Past due over 181 days	28.3	29.8	30.7	-7.9%	-5.2%
Past due over 181 days	(19.2)	(14.2)	(3.2)	508.1%	35.5%

In 4Q23, some taxes (“PIS/Cofins”) expenses were reclassified from Other Operating Expenses to Financial Expenses. The amount from January to September that positively impacted the Other Operating Expenses item in 4Q23 was R\$4.4 million. For comparison purposes, we removed this impact on Adjusted EBITDA, as explained below.

EBITDA

BRL million	4Q23	3Q23	4Q22	4Q23 x 4Q22	4Q23 x 3Q23	2023	2022	2023 x 2022
Net Income	62.5	31.7	30.5	105.2%	97.0%	163.3	60.7	169.1%
(+) Income tax and social contrib.	(15.1)	5.8	21.1	-171.6%	-359.2%	5.4	44.9	-88.0%
(+) Net financial result	20.2	15.5	16.4	22.7%	30.4%	81.9	61.0	34.3%
(+) Depreciation and amortiz.	88.5	83.2	75.0	18.0%	6.4%	329.3	269.2	22.4%
EBITDA	156.0	136.2	143.0	9.1%	14.5%	580.0	435.8	33.1%
<i>EBITDA margin (%)</i>	<i>48.0%</i>	<i>43.9%</i>	<i>51.5%</i>	<i>-3.5 p.p.</i>	<i>4.1 p.p.</i>	<i>47.2%</i>	<i>44.2%</i>	<i>3.0 p.p.</i>
(-) Adjustment PIS/COFINS 9M23	(4.4)	-	-	-	-	-	-	-
(+) FECOP (one-off)	0.0	13.3	0.0	-	-	11.5	0.0	0.0%
Adjusted EBITDA	151.6	149.6	143.0	6.0%	1.4%	591.6	435.8	35.8%
<i>Adjusted EBITDA margin (%)</i>	<i>46.6%</i>	<i>47.9%</i>	<i>51.5%</i>	<i>-4.9 p.p.</i>	<i>-1.3 p.p.</i>	<i>48.2%</i>	<i>44.2%</i>	<i>4.0 p.p.</i>

The Company presented an EBITDA of R\$156.0 million in 4Q23, with a margin of 48%. Ebitda in 4Q23 was positively impacted by the reclassification of “PIS/Cofins” expenses related to the first nine months of the year to the financial expenses line. Adjusted Ebitda for 4Q23 was R\$151.6 million, with a margin of 46.6%.

2023 Adjusted EBITDA was R\$591.6 million, with an EBITDA margin of 48.2%, 4 p.p. above the margin for 2022, highlighting the improvement in the Company's results.

FINANCIAL RESULTS

In 4Q23, **the financial result was an expense of R\$20.2 million**, 30% higher than 3Q23 and 23% higher than 4Q22.

The 4Q23 result was negatively impacted by R\$4.4 million due to the reclassification of “PIS/Cofins” expenses from January to September 2023, which were in Other Operating Expenses, to Financial expenses. Apart from this, the result would have been in line with the other quarters.

At the end of December 2023, the Company had R\$33.8 million in international suppliers and R\$27.3 million in foreign currency financing. The Company adopts the policy of contracting hedge instruments to protect its financing and suppliers in foreign currency.

BRL million	4Q23	3Q23	4Q22	4Q23 x 4Q22	4Q23 x 3Q23	2023	2022
Financial revenue	27.5	27.0	35.1	-21.8%	1.8%	107.3	148.6
Financial expenses	(47.6)	(42.4)	(51.6)	-7.6%	-12.2%	(189.2)	(209.6)
Net financial result	(20.2)	(15.5)	(16.4)	-22.7%	-30.4%	(81.9)	(61.0)

INDEBTEDNESS

Financial income in 4Q23 mainly reflects interest on resources invested in the period, in the amount of R\$14.9 million, active interest received in the amount of R\$6.7 million and R\$5.4 million in exchange rate variation/derivative operations.

Financial expenses basically consisted of: (i) interest expenses in 4Q23 in the amount of R\$30.8 million, (ii) derivative operations in the amount of R\$4.5 million – derivatives are basically swaps for exchange rate protection of debts in foreign currency, (iii) passive exchange variations of R\$1.3 million, and (iv) tax expenses in the amount of R\$6.4 million (includes R\$4.4 million from previous quarters).

INDEBTEDNESS

BRL million	Dec/23	Dec/22	Var. (%)
Gross Debt	1,249.7	1,338.9	-6.7%
(-) Cash and cash equivalents	323.2	203.5	58.8%
(-) Short-term investments	180.9	391.5	-53.8%
Net Debt	745.7	743.8	0.2%

Brisanet presented gross debt of R\$1.2 billion in December 2023, aimed at investing in the geographic expansion of its fiber optic network and 4G/5G operations. Gross debt is made up of loans and financing, debentures, lease obligations and derivative transactions.

Considering Cash and financial investments at the end of the period of R\$504.1 million, the Company presented a net debt of R\$745.7 million, compared to the net debt of R\$743.8 million at the end of 2022. Most of this resource is applied in instruments with liquidity of less than 90 days and with an average profitability over the period of 101.9% of the CDI (Interbank Certificate of Deposit).

The reduction in gross debt in relation to Dec/22 was mainly due to the amortization of loans and promissory notes due over the period.

The Company monitors its debt using the **net debt/EBITDA indicator**. **On December 31, 2023, the debt level was 1.29x**, the same level as at the end of the previous quarter.

The Company adopts the policy of contracting hedge instruments to protect financing carried out in foreign currency. As of December 31, 2023, total foreign currency financing (includes Loan 4131) represented around 2% of total gross debt.

The opening of loans and financing follows:

Modalidade	Taxas md ponderadas	Dec-2023	Dec-2022
Working capital	0.82% a.m.	11,425	17,485
Working capital	0.21% a.m. + CDI	85,395	134,998
Working capital	0.00% a.m. + TJLP	-	1,279
Working capital	0.47% a.m. + TLP	316	4,114
Working capital (Loan 4131)	0.19% a.m. + CDI	27,322	65,095
PPE financing (CDC)	1,18% a.m.	9,155	12,583
PPE financing (FINEM)	0.00% a.m. + TJLP	-	2,601
PPE financing (FINEM)	0.50% a.m. + TLP	17,024	36,074
Financing - TR	0.29% a.m. + TR	153,367	50,791
Financing for imports (foreign currency)	-	-	34,768
		304,004	359,788
Current		95,605	154,618
Non-current		208,399	205,170

On March 15, 2021, the Company issued debentures, not convertible into shares, in the amount of R\$500 million, which will be settled in semi-annual installments, with initial maturity in March 2025 and final maturity in March 2028. These debentures are subject to interest/remuneration equivalent to IPCA + 5.7694%. On December 31, 2023, the balance was R\$583.5 million.

CAPEX

On August 25, 2022, the Company issued debentures, not convertible into shares, in the total amount of R\$300 million, with a maturity period of 5 (five) years, therefore expiring on August 25, 2027. About These debentures bear interest at CDI +2.0% per year. On December 31, 2023, the balance was R\$311.8 million.

Considering financing, debentures, and leasing, around 60% of the Company's debt matures after 2026.

Also including debentures, the Company's debt is well balanced between IPCA (49%) and CDI (35%), pre-fixed (15%) and TJLP/TLP (Long-Term Interest Rate/ Long-Term Rate) (1%). Debt in foreign currency is fully protected and accounted for in CDI.

CAPEX

BRL million	2023	2022	Var. (%)
Capex			
Additions to PPE ¹	398.2	828.7	-52.0%
(-) PPE in progress / in Inventory	(35.7)	(128.9)	-72.3%
(-) Advances to Suppliers	140.3	(113.7)	-
(-) Imported equipment in transit	(15.6)	38.0	-
Additions to Intangible Assets	65.9	28.3	132.6%
Capex Adjusted - 'In Operations'	553.1	652.5	-15.2%

¹ See explanatory note # 9 and 10 of the Financial Statements of 12/31/2023

In 2023, Brisanet invested, when measured by additions to fixed assets and intangible assets, the amount of R\$464.1 million, compared to R\$857.0 million in 2022.

The Company has a 'stock' of equipment and constructions to be activated in the coming months' worth R\$459.0 million, recorded under 'fixed assets and imports in progress' (balance of R\$199.7 million) and 'fixed assets in warehouse' (balance of R\$259.3 million).

Of the R\$553.1 million in fixed/intangible additions already in operation, R\$39 million were maintenance capex, the remainder was applied to the Company's organic expansion, of which R\$300 million in FTTH, R\$132 million in 5G and R\$36 million in *backbone*.

NOTICES

NOTICES

The Financial Statements of 12/31/2023, reviewed by Ernst & Young Auditores Independentes S.S. Ltda., are available on our **website**.

INVESTOR RELATIONS

Tel. +55 88 2105-0288

E-mail: falecomri@grupobrisanet.com.br

Website: ri.brisanet.com.br/en

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 considering 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 nonaccounting 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.



ANNEX I – INCOME STATEMENT

	4Q23	3Q23	4Q22	2023	2022
Consolidated - In R\$ 000					
Net operating revenue	325,071	310,512	277,461	1,227,870	985,244
Cost of services	(178,535)	(167,058)	(149,013)	(657,557)	(572,834)
Gross profit	146,536	143,454	128,448	570,313	412,410
Operating expenses					
Administrative expenses	(30,677)	(28,437)	(26,015)	(115,524)	(110,263)
Selling expenses	(51,626)	(46,516)	(22,781)	(176,872)	(89,920)
Other operating revenue (expenses), net	3,322	(15,473)	(11,626)	(27,261)	(45,619)
Earnings before financial result and taxes	67,555	53,028	68,026	250,656	166,608
Financial revenues	27,455	26,959	35,121	107,261	148,609
Financial expenses	(47,617)	(42,422)	(51,559)	(189,177)	(209,625)
Net financial result	(20,162)	(15,463)	(16,438)	(81,916)	(61,016)
Income (Loss) before IR and CSLL	47,393	37,565	51,588	168,740	105,592
Income tax (IR) and social contribution (CSLL)	15,123	(5,834)	(21,127)	(5,391)	(44,888)
Income (Loss) for the period	62,516	31,731	30,461	163,349	60,704

* Adjusted to reflect the change in PCLD lines – from Other net operating income (expenses) to Selling Expenses – and in the Other Expenses line – Tax expenses classified as Administrative.

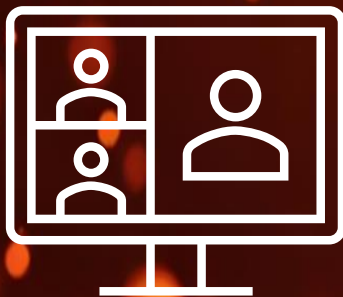
ANNEX II – BALANCE SHEET

Consolidated - In R\$ 000	<u>12/31/2023</u>	<u>12/31/2022</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	323,220	203,542
Short-term investments	180,867	391,540
Trade accounts receivables	163,105	140,822
Inventories	8,794	5,449
Taxes recoverable	35,893	38,642
Derivative operations	133	95
Prepaid expenses	2,059	1,400
Other assets	7,797	2,911
TOTAL CURRENT ASSETS	721,868	784,401
NON-CURRENT ASSETS		
Short-term investments	-	-
Accounts receivable	204	-
Taxes recoverable	44,287	59,761
Transactions with related parties	-	-
Court-related deposits	7,623	5,467
Derivative operations	1,476	2,364
Prepaid expenses	4,373	2,607
Deferred income and social contribution taxes	8,369	-
Other assets	38	38
Rights-of-use	43,839	36,493
Property, plant and equipment	2,090,472	1,956,020
Intangible assets	273,729	231,133
TOTAL NON-CURRENT ASSETS	2,474,410	2,293,883
TOTAL ASSETS	3,196,278	3,078,284
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Suppliers	95,844	66,003
Loans and financing	95,605	154,618
Debentures	19,194	23,593
Promissory note	-	72,350
Lease obligations	14,611	14,234
Labor and social obligations	53,439	46,377
Taxes to be collected	23,233	30,264
Tax installments	4,457	749
Derivatives Operations	5,542	3,382
Proposed Dividends	38,867	14,418
Other bills to pay	21,115	24,122
TOTAL CURRENT LIABILITIES	372,919	450,110
NON-CURRENT		
Loan and financing	208,399	205,170
Debentures	876,075	840,258
Lease obligations	31,932	24,636
Tax installments	16,512	4,401
Deferred income tax and social contribution	-	5,711
Derivatives Operations	-	3,121
Provision for contingency	11,543	1,883
Other bills to pay	170,840	164,367
TOTAL NON-CURRENT LIABILITIES	1,315,301	1,249,547
EQUITY		
Capital	1,281,606	1,281,606
Income reserve	232,659	106,775
Treasury shares	(9,758)	(9,758)
	1,504,507	1,378,623
Non-controlling interest	3,551	4
TOTAL EQUITY	1,508,058	1,378,627
TOTAL LIABILITIES AND EQUITY	3,196,278	3,078,284

ANNEX III – CASH FLOW STATEMENT

	2023	2022
Cash flow from operating activities		
Net income (loss) for the period	163,349	60,704
Adjustments to reconcile income (loss) for the period:		
Depreciation and amortization	329,346	269,151
Residual value upon write-off of PPE and intangible assets	4,899	2,194
Provision for loss on fixed assets	-	7,833
Provision for estimated doubtful accounts	66,455	30,667
Provision (reversal) for contingencies	11,155	1,604
Monetary and exchange variation	65,625	78,787
Derivative operations	111	4,151
Interest on leases	5,703	4,012
Interest on debentures	21,933	29,807
Interest on promissory note	1,271	1,627
Interest on loans and financing	24,766	52,851
Appropriation of funding costs	5,425	5,408
Short-term investment income	(10,124)	(69,122)
Deferred income and social contribution taxes	(14,079)	14,270
(Increase) decrease in assets		
Trade accounts receivable	(88,941)	(62,773)
Inventories	(3,345)	(1,736)
Taxes recoverable	18,223	(926)
Prepaid expenses	(2,425)	306
Court-related deposits	(2,156)	(3,325)
Other assets	(176)	10,020
Increase (decrease) in liabilities		
Suppliers	30,853	(120,029)
Labor and social obligations	7,062	4,595
Taxes payable	7,701	18,375
Taxes paid in installments	15,819	(1,722)
Provision for contingencies	(1,495)	(650)
Derivatives	(5,195)	-
Other accounts payable	3,407	22,676
Cash from (used in) operating activities	655,167	358,755
Interest paid	(124,015)	(90,046)
Income tax and social contribution paid	(14,732)	(13,023)
Net cash from (used in) operating activities	516,420	255,686
Cash flows from investing activities		
Short-term investments	196,048	(272,125)
Additions to Property, plant and equipment	(398,209)	(828,723)
Additions to intangible assets	(65,899)	(28,337)
Revenue on short-term investments	24,749	-
Revenue on sale of fixed and intangible assets	24,716	-
Contribution to Consortiums	-	1,181
Net cash from (used in) investing activities	(218,594)	(1,128,004)
Cash flows from financing activities		
Loans and financing raised	98,157	18,212
Amortization of principal of loans and financing	(153,509)	(250,783)
Raising debentures, net of funding costs	-	296,679
Promissory note capture	-	69,380
Promissory note raised	(64,000)	(6,000)
Lease paid	(49,327)	(42,129)
Acquisition of non-controlling interests	4,949	-
Dividend/Profits distributed	(14,418)	(533)
Treasury shares	-	(9,758)
Net cash from (used in) financing activities	(178,148)	75,068
Increase (Decrease) in cash and cash equivalents	119,678	(797,250)
Cash and cash equivalents at the beginning of the year	203,542	1,000,792
Cash and cash equivalents at the end of the year	323,220	203,542
Increase (decrease) in cash and cash equivalents	119,678	(797,250)

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EARNINGS CONFERENCE CALL

March 21, 2024

8 AM (EDT - NY Time) | 9 AM (BRT)

In Portuguese, with simultaneous translation into English

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