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1.0 Officers responsible for the information

CEO

José Roberto Nogueira

IR Officer

Luciana Paulo Ferreira

1.1 CEO's Signed Page

CEO

José Roberto Nogueira

The above qualified Chief Executive Officer states that the set of information below is a true, accurate and complete portrait of the issuer's economic and financial situation and of the risks inherent to its activities and the securities issued by it.

José Roberto Nogueira

1.2 – IR Officer Signed Page

IR Officer

Luciana Paulo Ferreira

The above qualified Investor Relations Officer states that the set of information below is a true, accurate and complete portrait of the issuer's economic and financial situation and of the risks inherent to its activities and the securities issued by it

Luciana Paulo Ferreira

2.1 / 2.2 - Independent Auditors

Our audited individual and consolidated financial statements as of and for the four-month periods ended (a) April 30, 2021 and 2020, and (b) as of and for the years ended December 31, 2020, 2019, and 2018 included elsewhere in this offering memorandum, have been audited by Ernst & Young Auditores Independentes S.S., independent auditors, as stated in their reports appearing herein.

With respect to our individual and consolidated interim financial information as of and for the three months ended March 31, 2021 and 2020, included in this offering memorandum, Ernst & Young Auditores Independentes S.S. reported they have applied limited procedures in accordance with professional standards for a review of such information. However, their report dated May 31, 2021, included in this offering memorandum, states that they did not audit and do not express an opinion on that interim financial information. Accordingly, the degree of reliance on such information should be restricted in light of the limited nature of the review procedures applied.

3.1 – Financial Information

3.2 – Non-GAAP measures

(a) value of non-GAAP measures

EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin

EBITDA (earnings before interest, taxes, depreciation and amortization) is a non-GAAP measure prepared by us in accordance with CVM Instruction No. 527, dated October 4, 2012, or CVM Instruction No. 527, reconciled with our financial statements. We calculate EBITDA as profit adjusted by net Financial income (loss), by income tax and social contribution on profit and by depreciation and amortization expenses.

We calculate Adjusted EBITDA as EBITDA *minus* for (i) indirect costs of customer activation and (ii) salaries and wages of customer activation.

We calculate EBITDA Margin as EBITDA divided by net operating revenue

We calculate Adjusted EBITDA Margin as Adjusted EBITDA *divided* by net operating revenue.

EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin are not measures of profitability and/or financial performance recognized by accounting practices adopted in Brazil, or BRGAAP, or by the IFRS issued by the IASB and should not be considered as alternatives to net profit, as an indicator of operating performance, as alternatives to cash flows, as liquidity indicator or as a basis for dividend distribution. Although EBITDA has a standard meaning in accordance with article 3, item I, of CVM Instruction No. 527, we cannot guarantee that other companies, including privately-held companies, will adopt such meaning considered as standard. Therefore, if the standard meaning established by CVM Instruction No. 527 is not adopted by other companies, the EBITDA and Adjusted EBITDA disclosed by us may not be comparable to the EBITDA and Adjusted EBITDA prepared by other companies. EBITDA Margin is a non-GAAP measure prepared by us and corresponds to EBITDA divided by net operating revenue. EBITDA Margin is not a recognized measure under BRGAAP or IFRS, it does not have a standard meaning and may not be comparable to the EBITDA Margin prepared by other companies. EBITDA Margin should not be considered in isolation or as a substitute for our net profit, operating profit, or operating cash flow, for our basis for dividend distribution or liquidity indicator, operating performance, or payment capacity.

EBITDA (earnings before interest, taxes, depreciation and amortization) is a non-GAAP measure prepared by us in accordance with CVM Instruction No. 527, dated October 4, 2012, or CVM Instruction No. 527, reconciled with our financial statements. We calculate EBITDA as profit adjusted by net Financial income (loss), by income tax and social contribution on profit and by depreciation and amortization expenses.

We calculate EBITDA Margin as EBITDA *divided* by net operating revenue.

We calculate Adjusted EBITDA as EBITDA *minus* for (i) indirect costs of customer activation and (ii) salaries and wages of customer activation.

We calculate Adjusted EBITDA Margin as Adjusted EBITDA *divided* by net operating revenue.

EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin are not measures of profitability and/or financial performance recognized by accounting practices adopted in Brazil, or BRGAAP, or by the IFRS issued by the IASB and should not be considered as alternatives to net profit, as an indicator of operating performance, as alternatives to cash flows, as liquidity indicator or as a basis for dividend distribution. Although EBITDA has a standard meaning in accordance with article 3, item I, of CVM Instruction No. 527, we cannot guarantee that other companies, including privately-held companies, will adopt such meaning considered as standard. Therefore, if the standard meaning established by CVM Instruction No. 527 is not adopted by other companies, the EBITDA and Adjusted EBITDA disclosed by us may not be comparable to the EBITDA and Adjusted EBITDA prepared by other companies. EBITDA Margin is a non-GAAP measure prepared by us and corresponds to EBITDA divided by net operating revenue. EBITDA Margin is not a recognized measure under BRGAAP or IFRS, it does not have a standard meaning and may not be comparable

to the EBITDA Margin prepared by other companies. EBITDA Margin should not be considered in isolation or as a substitute for our net profit, operating profit, or operating cash flow, for our basis for dividend distribution or liquidity indicator, operating performance, or payment capacity.

In the table below, we present, in Brazilian *reais*, a reconciliation of our EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin for the for the four-month period ended March 31, 2021 and 2020 and for the years ended December 31, 2020, 2019 and 2018:

Non-GAAP measures	For the four-month period ended April 30,		For the year ended December 31,		
	2021	2020	2020	2019 (restated)	2018 (restated)
(R\$ thousand, except %)					
EBITDA	75,517	37,890	173,474	136,589	83,797
Adjusted EBITDA	93,183	47,320	208,085	150,772	95,977
EBITDA Margin	34.5%	28.9%	36.8%	46.6%	39.0%
Adjusted EBITDA Margin	42.6%	36.0%	44.1%	51.5%	44.7%

Gross Debt, Net Debt and Net Debt/EBITDA

Gross Debt

Gross Debt is a non-GAAP measure prepared by us and corresponds to the sum of our (1) loans and financing (current and non-current); (2) debentures (current and non-current); (3) derivative operations assets and liabilities, net (current and non-current); and (4) lease obligations (current and non-current). Gross Debt is not a recognized measure under BRGAAP or IFRS, it does not have a standard meaning and may not be comparable to the Gross Debt prepared by other companies. We believe Gross Debt is useful as a measure to monitor compliance with the obligations we assume with financial institutions net of our derivatives.

Net Debt

Net Debt is a non-GAAP measure prepared by us and corresponds to our Gross Debt minus (i) our cash and cash equivalents (current); and (ii) short-term investments (current). Net Debt is not a recognized measure under BRGAAP or IFRS, it does not have a standard meaning and may not be comparable to the Net Debt prepared by other companies. Net Debt is useful in assessing our financial position, degree of financial leverage, as well as in assisting managerial decisions related to the management of cash flow, investments, and capital structure.

Net Debt/ EBITDA

Net Debt/EBITDA is a non-GAAP measure prepared by us and corresponds to Net Debt as of the applicable period divided by EBITDA for the 12-month period ended April 30, 2021, and/or years ended December 31, 2020, 2019 and 2018, as applicable. Net Debt/EBITDA is not a recognized measure under BRGAAP or IFRS, it does not have a standard meaning and may not be comparable to the Net Debt/EBITDA prepared by other companies. Net Debt/EBITDA is useful in assessing our degree of financial leverage in relation to profit adjusted by net Financial income (loss), by income tax and social contribution on profit and by depreciation and amortization expenses, as well as in assisting managerial decisions related to the management of cash flow, investments, and capital structure.

The table below presents reconciliations of these indicators with our interim financial statements for the four-month periods ended April 30, 2021, and 2020, and for the fiscal years ended December 31, 2020, 2019 and 2018:

(R\$ thousand, except %)	As of April 30,	As of December 31,		
	2021	2020	2019 (restated)	2018 (restated)
Gross Debt	1,161,799	673,454	274,800	133,960
Net Debt	625,988	492,685	231,321	121,934
(Net Debt / EBITDA)¹ (x)	3.0	2.8	1.7	1.5

¹ Ebitda calculated considering the results of the last twelve months for the period ended April 30, 2021.

(b) reconciliation of the disclosed financial statements and the audited financial statements

EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin

In the table below, we present, in Brazilian reais, a reconciliation of our EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin for the for the four-month period ended March 31, 2021 and 2020 and for the years ended December 31, 2020, 2019 and 2018:

Calculation of EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin	For the four-month period ended April 30,		For the year ended December 31,		
	2021	2020	2020	2019 (restated)	2018 (restated)
(R\$ thousand, except %)					
Net income (loss) of the period /year	6,262	(7,430)	29,123	51,080	25,228
(+) Financial income	23,701	19,621	42,112	18,510	17,999
(+) Depreciation and amortization	42,906	24,874	87,618	48,021	27,327
(+) Income tax and social contribution	2,648	825	14,621	18,978	13,243
EBITDA	75,517	37,890	173,474	136,589	83,797
(+) Indirect costs of customer activation ⁽¹⁾	6,672	3,329	3,636	3,214	3,633
(+) Salaries and wages of customer activation ⁽²⁾	10,994	6,101	30,975	10,969	8,547
Adjusted EBITDA	93,183	47,320	208,085	150,772	95,977
Net operating revenue	218,983	131,311	471,774	292,962	214,859
EBITDA Margin	34.5%	28.9%	36.8%	46.6%	39.0%
Adjusted EBITDA Margin	42.6%	36.0%	44.1%	51.5%	44.7%

(1) Refers to costs relating to equipment and accessories necessary to connect a customer to our network. We capitalize these costs as property, plant, and equipment assets commencing in July 2021, consistent with accounting market practice

(2) Refers to salaries and wages of employees responsible for the installation of equipment and accessories mentioned in note 1 above. We capitalize these costs as property, plant, and equipment assets commencing in July 2021, consistent with accounting market practice

Gross Debt, Net Debt and Net Debt/EBITDA

The table below presents reconciliations of these indicators with our interim financial statements for the four-month periods ended April 30, 2021, and 2020, and for the fiscal years ended December 31, 2020, 2019 and 2018:

(R\$ thousand, except %)	As of April 30,	As of and for the year ended December 31,		
	2021	2020	2019 (restated)	2018 (restated)
Loans and financing - current	287,529	251,877	104,747	60,553
Debentures current	334	-	-	-
Lease obligations - current	16,605	5,562	2,267	-
Derivative operations - current	(3,628)	(3,550)	-	-
Debentures - non-current	467,354	-	-	-
Loans and financing - non-current	371,882	399,870	160,236	73,407
Derivative operations - non-current	(6,014)	(8,217)	-	-
Lease obligations - non-current	27,737	27,912	7,550	-
Gross Debt	1,161,799	673,454	274,800	133,960
(-)Cash and cash equivalents	(453,476)	(171,104)	(38,810)	(12,026)
(-)Short-term investments - current	(82,335)	(9,665)	(4,669)	-
(=) Net Debt	625,988	492,685	231,321	121,934
EBITDA ⁽¹⁾	211,101	173,474	136,589	83,797
Net Debt / EBITDA¹	3.0	2.8	1.7	1.5

¹ Ebitda calculated considering the results of the last twelve months for the period ended April 30, 2021.

(c) the reason why such a measurement is more appropriate for the correct understanding of its financial condition and the result of its operations

EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin

We use Net Debt, and Net Debt/EBITDA as we believe they are useful for assessing our financial position, degree of financial leverage, as well as in assisting managerial decisions related to the management of cash flow, investments, and capital structure. Net Debt and Net Debt/EBITDA are not a recognized measures under BRGAAP or IFRS, they do not have a standard meaning and may not be comparable to the Net Debt and Net Debt/EBITDA prepared by other companies.

EBITDA Margin is a non-GAAP measure prepared by us and corresponds to EBITDA divided by net operating revenue. EBITDA Margin is not a recognized measure under BRGAAP or IFRS, it does not have a standard meaning and may not be comparable to the EBITDA Margin prepared by other companies. EBITDA Margin should not be considered in isolation or as a substitute for our net profit, operating profit, or operating cash flow, for our basis for dividend distribution or liquidity indicator, operating performance, or payment capacity.

Gross Debt, Net Debt and Net Debt/EBITDA

Gross Debt

Gross Debt is a non-GAAP measure prepared by us and corresponds to the sum of our (1) loans and financing (current and non-current); (2) debentures (current and non-current); (3) derivative operations assets and liabilities, net (current and non-current); and (4) lease obligations (current and non-current). Gross Debt is not a recognized measure under BRGAAP or IFRS, it does not have a standard meaning and may not be comparable to the Gross Debt prepared by other companies. We

believe Gross Debt is useful as a measure to monitor compliance with the obligations we assume with financial institutions net of our derivatives.

Net Debt

Net Debt is a non-GAAP measure prepared by us and corresponds to our Gross Debt minus (i) our cash and cash equivalents (current); and (ii) short-term investments (current). Net Debt is not a recognized measure under BRGAAP or IFRS, it does not have a standard meaning and may not be comparable to the Net Debt prepared by other companies. Net Debt is useful in assessing our financial position, degree of financial leverage, as well as in assisting managerial decisions related to the management of cash flow, investments, and capital structure.

Net Debt/ EBITDA

Net Debt/EBITDA is a non-GAAP measure prepared by us and corresponds to Net Debt as of the applicable period divided by EBITDA for the 12-month period ended April 30, 2021, and/or years ended December 31, 2020, 2019 and 2018, as applicable. Net Debt/EBITDA is not a recognized measure under BRGAAP or IFRS, it does not have a standard meaning and may not be comparable to the Net Debt/EBITDA prepared by other companies. Net Debt/EBITDA is useful in assessing our degree of financial leverage in relation to profit adjusted by net Financial income (loss), by income tax and social contribution on profit and by depreciation and amortization expenses, as well as in assisting managerial decisions related to the management of cash flow, investments, and capital structure. The Company calculates Net Debt/EBITDA as an additional performance measure and for management analysis of comparability with other companies operating in the same sector.

3.3 - Events subsequent to the last financial statements

Events subsequent to the financial information disclosed in relation to the four-month period ended April 30, 2021

Capital Increase

On June 21, 2021 the Company carried out a capital increase, through the incorporation of an advance for future capital increase, in the amount of R\$5,650 thousand, proportionally distributed among the shareholders. The subscribed and paid-in capital increased to R\$71,859 thousand, represented by 71,859,213 shares.

Distribution of dividends

In June 2021, the Company distributed dividends, in the amount of R\$500 thousand.

3.4 - Results Allocation Policy

	2020	2019	2018
a. rules on profit retention	<p>As of December 31, 2020, the Company adopted as its profit retention policy the provisions contained in its bylaws and in the Brazilian Corporation Law, authorizing the general meeting to, by management's proposal, resolve to retain part of the net income for the year provided for in a capital budget previously approved by the general meeting.</p> <p>Additionally, any retention of profits for the year by the Company must be accompanied by a proposed capital budget previously approved by the board of directors.</p> <p>On December 31, 2020, the Company held, in addition to the mandatory reserves provided for in the legislation, a profit retention reserve in the amount of R\$18,020,000.00.</p>	<p>During fiscal year 2019, the Company was a limited liability company under the Brazilian Civil Code, and adopted as profit retention rules the provisions contained in its articles of incorporation, authorizing the partners to resolve on the allocation of the Company's results.</p> <p>As of December 31, 2019, the Company held, in addition to the mandatory reserves provided for in legislation, a profit retention reserve in the amount of R\$31,861,000.00.</p>	<p>During fiscal year 2018, the Company was a limited liability company under the Brazilian Civil Code, and adopted as profit retention rules the provisions contained in its articles of incorporation, authorizing the partners to resolve on the allocation of the Company's results.</p> <p>As of December 31, 2018, the Company held, in addition to the mandatory reserves provided for in the legislation, a profit retention reserve in the amount of R\$21,630,000.00.</p>
a.i. profit retention amounts	<p>In the fiscal year ending December 31, 2020, the Company withheld from its net income the amount of R\$29,123,000.00, based on a capital budget approved by its general meeting, of which (i) R\$1,456,000.00 were destined to the legal reserve referred to in article 193 of the Corporation Law; (ii) R\$18,020,000.00 were allocated to the Company's profit reserve; and (iii) R\$9,651,000.00 were allocated to the shareholders as dividends, of which R\$277,000.00 were the minimum mandatory dividends and R\$9,374,000.00 additional dividends.</p>	<p>In the fiscal year ending December 31, 2019, the Company made withholdings from its net income in the amount of R\$51,072,000.00, of which (i) R\$31,861,000.00 for profit withholdings and (ii) R\$19,211,000.00 in dividends to shareholders.</p>	<p>In the fiscal year ended December 31, 2018, the Company made withholdings from its net income in the amount of R\$25,227,000.00, of which (i) R\$21,630,000.00 for profit withholdings and (ii) R\$3,597,000.00 in dividends to shareholders.</p>
a.ii. percentages in relation to total reported profits	<p>In the fiscal year ending December 31, 2020, the percentages of the withholdings in relation to the total declared profit were as follows: (i) 5.0% were allocated to the legal reserve referred to in article 193 of the Corporation Law; (ii) 61.9% were allocated to the</p>	<p>For the fiscal year ended December 31, 2019, the percentages of withholdings in relation to total reported earnings were as follows, being (i) 62.4% for profit withholdings and (ii) 37.4% in dividends to shareholders.</p>	<p>For the fiscal year ended December 31, 2018, the percentages of withholdings in relation to total declared profit were as follows, being (i) 85.7% for profit withholdings and (ii) 14.3% in dividends to shareholders.</p>

	2020	2019	2018
	Company's profit reserve; and (iii) 33.1% were allocated to shareholders in the form of dividends being 1.0% in minimum mandatory dividends, as per the Company's bylaws this fiscal year, and 32.2% in additional dividends.		
b. rules on dividend distribution	On December 31, 2020, the Company's bylaws provided that the shareholders would be entitled to receive as mandatory dividend, that year, an amount equivalent to at least 1% of the annual net income.	As of December 31, 2019, the Company was incorporated under the form of a limited liability company and adopted as its profit retention practice the provisions of its articles of incorporation, the Civil Code and the Brazilian Corporation Law, applicable suppletively to the Company, which provides for the distribution of ascertained profits, proportionally or disproportionately to the interest of the partners in the Company's capital stock, with none of the partners being excluded from the distribution.	As of December 31, 2018, the Company was incorporated under the form of a limited liability company and adopted as its profit retention practice the provisions of its articles of incorporation, the Civil Code and the Brazilian Corporation Law, applicable suppletively to the Company, which provides for the distribution of ascertained profits, proportionally or disproportionately to the interest of the partners in the Company's capital stock, no partner being excluded from the distribution.
c. periodicity of dividend distributions	As of December 31, 2020, the Company did not have a specific policy regarding the allocation of results. Without prejudice to this policy, the board of directors could declare interim dividends, quarterly or over longer periods, from retained earnings or profit reserves, determined in annual or half-yearly financial statements, which would be considered an anticipation of the mandatory dividend provided for in the bylaws. The board of directors could also determine the preparation of monthly or quarterly balance sheets and declare interim dividends based on the profits then determined, subject to legal limitations.	As of December 31, 2019, the Company's Articles of Incorporation provided that the balance sheet shall be raised annually, and the financial statements required by law shall be prepared. The Articles of Incorporation provided that the ascertained profits and losses of the fiscal year shall be distributed, proportionally or disproportionately, to the shareholders' interest in the capital stock of the Company, and no shareholder shall be excluded from the distribution. Without prejudice to this, the Company may draw up interim balance sheets at any date during the fiscal year and distribute dividends based on the results obtained.	As of December 31, 2018, the Company's Articles of Incorporation provided that the balance sheet shall be raised annually, and the financial statements required by law shall be prepared. The Articles of Incorporation provided that the ascertained profits and losses of the fiscal year shall be distributed, proportionally or disproportionately, to the shareholders' interest in the Company's capital stock, and no shareholder shall be excluded from the distribution. Without prejudice to this, the Company may draw up interim balance sheets at any date during the fiscal year and distribute dividends based on the results obtained.
d. any restrictions to the distribution of dividends imposed by legislation or special regulations applicable to the issuer, as	Except for the provisions of the Brazilian Corporation Law and the Company's bylaws, the Company had no restrictions on the distribution of dividends imposed by legislation or regulation, by contracts or by judicial, administrative or arbitration decisions.	During fiscal year 2019, the Company was a limited liability company under the Brazilian Civil Code, and adopted as profit distribution rules the provisions contained in its articles of incorporation, authorizing the partners to resolve on the allocation of the Company's results.	During fiscal year 2018, the Company was a limited liability company under the Brazilian Civil Code, and adopted as profit distribution rules the provisions contained in its articles of incorporation, authorizing the partners to resolve on the allocation of the Company's results.

	2020	2019	2018
well as contracts, judicial, administrative or arbitration decisions			
e. policy for allocation of results	As of December 31, 2020, the Company had no specific policy dealing with the allocation of results.	As of December 31, 2019, the Company had no specific policy dealing with the allocation of results.	As of December 31, 2018, the Company had no specific policy dealing with the allocation of results.

3.5 - Dividend distribution and retention of net income

(Reais)	Last Accounting Information (04/30/2021)	Fiscal Year ended 12/31/2020	Fiscal Year ended 12/31/2019	Fiscal Year ended 12/31/2018
Adjusted net income	6,262,000.00	27,671,000.00	51,072,000.00	25,227,000.00
Dividend distributed in relation to adjusted net income (%)	-	34,877670	37,615523	14.258533
Rate of return in relation to the issuer's equity (%)	-	7,587443	17,833372	5.862890
Total distributed dividend	-	9,651,000.00	19,211,000.00	3,597,000.00
Retained net income	-	18,020,000.00	31,861,000.00	21,630,000.00
Withholding approval date	-	05/28/2021	-	-

	Last Accounting Information (04/30/2021)		Fiscal Year ended 12/31/2020		Fiscal Year ended 12/31/2019		Fiscal Year ended 12/31/2018	
	Amount	Dividend payment	Amount	Dividend payment	Amount	Dividend payment	Amount	Dividend payment
Retained net income								
Mandatory Dividend								
Ordinary	-	-	9,651	11/09/2020	19,211	09/26/2019	3,597	10/24/2018
Interest on Own Capital								
Ordinary	-	-	-	-	-	-	-	-

3.6 - Declaration of dividends to retained earnings or reserves

No dividends have been declared from retained earnings or reserves in the last three fiscal years.

3.7 - Indebtedness level

Fiscal Year	Sum of current and non-current liabilities	Index Type	Indebtedness Ratio	Description and reason for using another index
04/30/2021	1,452,208,000.00	Indebtedness Ratio	11.022201	Not applicable
12/31/2020	891,053,000.00	Indebtedness Ratio	7.005299	Not applicable

3.8 - Loans and financing, debentures

Last Accounting Information (04/30/2021)						
Bond Type	Type of Guarantee	Less than one year	One to three years	Three to five years	More than five years	Total
Loans and Financing	Real Guarantee	279,329,000.00	252,567,000.00	77,635,000.00	5,821,000.00	615,352,000.00
Loans and Financing/Debentures	Unsecured	8,535,000.00	23,857,000.00	154,556,000.00	324,800,000.00	511,747,000.00
Lease obligations / Derivative transactions	Other Type of Guarantee or Privilege	12,976,000.00	13,082,000.00	6,736,000.00	1,905,000.00	34,700,000.00
Total		300,840,000.00	289,506,000.00	238,927,000.00	332,526,000.00	1,161,799,000.00
Observation						
The balances presented above refer to the loans and financing and debentures line items presented in the Company's consolidated financial statements for the four-month period ended April 30, 2021.						
The Other Guarantee or Privilege line consists of lease obligations and derivative transactions - no guarantees.						

Fiscal Year ended 12/31/2020						
Bond Type	Type of Guarantee	Less than one year	One to three years	Três a cinco anos	More than five years	Total
Loans and Financing	Real Guarantee	247.544.000,00	250.956.000,00	82.608.000,00	6.329.000,00	587.437.000,00
Loans and Financing/Debentures	Unsecured	4.333.000,00	37.525.000,00	22.452.000,00	-	64.310.000,00
Lease obligations / Derivative transactions	Other Type of Guarantee or Privilege	2.012.000,00	7.114.000,00	9.763.000,00	2.818.000,00	21.707.000,00
Total		253.889.000,00	295.595.000,00	114.823.000,00	9.147.000,00	673.454.000,00
Observation						
The balances presented above refer to the loans and financing and debentures line items presented in the Company's consolidated financial statements for the four-month period ended April 30, 2021.						
The Other Guarantee or Privilege line consists of lease obligations and derivative transactions - no guarantees.						

3.9 – Other outstanding information

Financial information for the quarter ended March 31, 2021

The table below presents the reconciliation between the Company's EBITDA and EBITDA Margin for the three-month period ending March 31, 2021 and 2020 :

Calculation of EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin (R\$ million, except %)	Three-month period ended March 31	
	2021	2020
Net income (loss) for the period / year	(7.2)	(18.8)
(+) Financial income	30.1	17.8
(+) Depreciation and amortization	31.8	18.2
(+/-) Income tax and social contribution	3.6	3.4
EBITDA	58.3	20.6
(+) Indirect costs of customer activation ¹	3.0	1.6
(+) Salary and wages of customer activation ²	9.4	4.3
Adjusted EBITDA	70.7	26.5
Net operating revenue	164.1	98.0
EBITDA Margin	35.5%	21.0%
Adjusted EBITDA Margin	43.1%	27.0%

(1) Refers to costs relating to equipment and accessories necessary to connect a customer to our network. We capitalize these costs as property, plant, and equipment assets commencing in July 2021, consistent with accounting market practice

(2) Refers to salaries and wages of employees responsible for the installation of equipment and accessories mentioned in note 1 above. We capitalize these costs as property, plant, and equipment assets commencing in July 2021, consistent with accounting market practice

The table below presents a reconciliation of gross debt and net debt to the Company's interim accounting information for the three-month period ended March 31, 2021 and 2020 and the Company's financial statements for the fiscal years ended December 31, 2020, 2019 and 2018.

(R\$ million, except %)	As of March 31	As of December 31,		
	2021	2020	2019 (restated)	2018 (restated)
Loans and financing - current	286.0	251.9	104.7	60.6
Loans and financing – non-current	391.1	399.9	160.2	73.4
Derivative operations - current	(3.5)	(3.6)	-	-
Lease obligations - current	16.4	5.6	2.3	-
Derivative operations - non-current	(9.6)	(8.2)	-	-
Lease obligations - non-current	27.4	27.9	7.6	-
Gross Debt	707.8	673.5	274.8	134.0
(-)Cash and cash equivalents	57.4	(171.1)	(38.8)	(12.0)
(-)Short-term investments - current	45.5	(9.7)	(4.7)	-
(=) Net Debt	604.9	492.7	231.3	122.0
EBITDA	211.1	173.4	136.6	83.7
Net Debt / EBITDA¹	2.9	2.8	1.7	1.5

(1) For March 31 we considered the EBITDA of the last twelve months.

Additional Information

Since the issue of the interim financial statements for the four-month period ended April 30, 2021, the following recent event has occurred:

Stock split of the shares issued by the Company

In an Extraordinary General Meeting of the Company held on July 6, 2021, it was approved the split of the shares issued by the Company, without changing the amount of the Company's capital stock, with the resulting replacement of each nominative common share without par value currently issued by the Company by five shares issued by the Company, all nominative common shares without par value, in accordance with article 12 of Law 6404 of December 15, 1976, as amended. Thus, the Company's capital stock previously divided into 71,859,213 shares is now divided into 359,296,065 shares.

For more information about stock splits, see item 17.3 below.

4.1 – Description of the risk factors

An investment in our common shares involves significant risks. You should carefully consider all of the information set forth in this offering memorandum, including the risks described below, before making any investment decision.

Our business, reputation, financial condition, results of operations and/or prospects could be adversely affected if any of the risks below occurs and, as a result, the market price of our common shares could decline and/or you could lose all or part of your investment. The risks described below are those that we currently believe may adversely affect us. Additional risks and uncertainties not currently known to us, or that we currently believe to be immaterial, may also have a material adverse effect on us in the future. Accordingly, our future results may differ significantly from our historical performance as described in this offering memorandum.

For the purposes of this section, the indication that a risk, uncertainty or problem may or will have an “adverse effect on us” or will “adversely affect us” means that the risk, uncertainty or problem could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and/or the liquidity or trading price of our common shares, except as otherwise indicated or as the context may otherwise require. You should view similar expressions in this section as having a similar meaning.

(a) Risks Related to Our Business and Industry

We may not be able to implement our organic growth strategy, which could negatively impact our business and financial results.

Throughout our history, our growth strategy has been based on the geographic expansion of connectivity services, operations and customer services network, as well as the introduction of new products. We expand connectivity services through optical fiber in the northeast region of Brazil, either through direct investment or a franchise system, by means of our subsidiary Agility Telecom. In the past, due to the implementation of this strategy, we were able to obtain sustainable growth in terms of customers with growing results. We cannot provide assurance that we will be able to maintain a sustained growth in the future.

The telecommunications sector is going through a growth and consolidation process, and in this process, we have competitors with significant financial resources at their disposal. During the sector’s consolidation and growth process, there may be an increase in competition within our market, and we may be unable to respond adequately to the price pressures resulting from competition, adversely affecting our organic growth strategy, financial condition and results of operations.

We depend on our ability to develop new products and services internally and to adapt to technological changes.

We fundamentally depend on technology and systems for our operations. Our future performance depends, in part, on predicting and adapting in a timely manner to technological changes.

If our products, services and technologies are outdated in relation to our competitors, our revenues may be reduced, and we may need to invest in new technologies. The telecommunications market is characterized by constant technological advances and this innovation process is subject to risks and errors, such as: (i) missing the ideal time to adopt new technologies, generating loss of revenue; (ii) additional costs and expenses related to generation

of inventory with low turnover; (iii) research expenses that may not result in new products; and (iv) dispersion of efforts, causing momentary reductions in our results of operations.

There can be no assurance that we will continue to develop or that we will have access to new technologies that are capable of maintaining our current customer base or attracting new customers, or that we will be successful in incorporating these technologies into the products and services we currently offer. Additionally, we may not be able to develop solutions in a timely manner and at economically viable prices or we may not be able to recover the expenses and investments we may incur in connection with the research and development of products or services, which may adversely affect our business.

Therefore, if we are not successful in anticipating new technological trends, or in incorporating new technologies, our business and financial condition can be adversely affected.

We may not be able to adequately manage the growth of our operations, which could adversely affect the hiring of personnel, our internal control procedures and the expansion of our systems and networks.

If we fail to preserve our corporate culture and values, our ability to recruit, train and develop personnel and effectively implement our strategic plans can be impaired. We provide assurance guarantee that our qualitative or quantitative estimates, are correct, and that we have adequately estimated the costs and risks associated with our expansion, including into new markets. Furthermore, we cannot provide assurance that our platforms, systems, products, services, procedures and controls, as well as our employees and current and future relationships with third parties, will be adequate to sustain our growth.

In addition, we can and may enter into new lines of business, which may involve complexities associated with new products, services and regulations, which could put pressure on our management, and on our operating and financial resources in the future. If we are unable to successfully manage our expansion, our results of operations may be adversely affected.

Moreover, we may not be able to grow our operating structure and personnel at the same rate of growth and, therefore, we may not obtain the expected results. The implementation of our growth strategy has always depended and will continue to depend, among other things, on an efficient internal control environment, adherence to regulatory standards, substantial investments in systems, and in the allocation, expansion and adaptation of human, administrative, technical, operational and financial resources. These resources may not be available, or we may not be able to invest in internal control systems to manage the expansion of resources at the pace necessary to maintain growth, which could adversely affect our results of operations.

Our operations rely on our own telecommunications network, for which we are responsible in terms of maintenance and repairs. Any failure of these networks may cause delays or interruptions in service, which may reduce or impair our ability to adequately provide services to our customers.

Damage and/or failures in our network and backup systems may result in delays or interruptions in the services provided and impact our ability to offer customers adequate services through our telecommunications networks. Some of the risks to our telecommunications networks and infrastructure include: (i) physical damage to access lines; (ii) electricity spikes and blackouts; (iii) hardware and software defects; (iv) failures for reasons beyond our scope; (v) security flaws; and (vi) natural disasters, including fire, explosion, storms or any other unexpected events. Any damage or failures in the system may cause delays or interruptions in service, which may reduce or impair our ability to properly provide services to our customers, which may reduce our operating

revenues, and additionally, may cause us to incur in additional expenses. Additionally, the occurrence of any of these events may subject us to fines and other sanctions imposed by ANATEL, affecting our business and results of operations, in addition to the obligation to grant customers the appropriate discounts in case of unavailability or degradation of the services provided.

In various situations, we enter into agreements for the use of the telecommunications network of other operators, under the assignment of use of dark optical fiber regime. As the networks subject to these agreements start to be used to provide our activities and the maintenance of these networks is the responsibility of the contracting party, if such maintenance is not carried out on terms favorable to us and our business, our results of operations and strategic planning may be affected.

As of the date of this offering memorandum, we granted guarantees for the benefit of certain companies under common control.

As of the date of this offering memorandum, we acted as guarantors in respect of certain financing agreements with certain financial institutions, entered into by certain companies under common control (Nossa Fruta Brasil Indústria de Alimentos Ltda., Agility Segurança Ltda., Agility Serviços de Telecomunicações Ltda. and Agritec Semiárido Ltda.). These companies are directly or indirectly controlled by Mr. José Roberto Nogueira (our controlling shareholder and CEO) and perform activities unrelated to the sector of activity of our economic group. As of April 30, 2021, the aggregate outstanding amount of these financing agreements for which we acted as guarantors was R\$25.3 million.

The granting of guarantees, by us or our subsidiaries, for the benefit of companies under common control with us may not be aligned with our best interests, and may expose us to risks that are different than our corporate purpose, our activities and even other risks otherwise described in this offering memorandum. In addition, the granting of such guarantees may also lead to situations of potential conflict of interest between the parties, considering that they may involve interests that are not consistent with our corporate interests and may raise questions about potential non-compliance with the Brazilian Corporations Law in connection with potential abuse of power by our controlling shareholder.

If these conflicts of interest arise, our existing corporate governance mechanisms may be insufficient, which would have an adverse effect on our business, reputation, financial condition and results, as well as our shareholders..

The unaudited financial statements of certain companies under common control with us have not been subject to examination or review by independent auditors and may not be in line with accounting practices adopted in Brazil.

As of the date of this offering memorandum, we acted as guarantors in respect of certain financing agreements with certain financial institutions, entered into by certain companies under common control (Nossa Fruta Brasil Indústria de Alimentos Ltda., Agility Segurança Ltda., Agility Serviços de Telecomunicações Ltda. and Agritec Semiárido Ltda.). These companies are directly or indirectly controlled by Mr. José Roberto Nogueira, our controlling shareholder and CEO.

We monitor financial condition of these companies by reviewing their unaudited financial statements, which may not be prepared in accordance with accounting practices adopted in Brazil or subject to examination or review by independent auditors.

Therefore, we cannot provide assurance that these unaudited financial statements (i) were prepared on a basis consistent with our financial statements; (ii) were prepared in accordance with accounting practices adopted in Brazil; or (iii) correctly reflect the financial and accounting aspects of the entities to which they refer.

We may face situations of potential conflict of interest in negotiations with related parties.

As of the date of this offering memorandum, we are party and/or guarantor in certain related party transactions including, but not limited to, fleet management agreements, asset management agreements, bank credit notes (cédula de crédito bancário) and payments agreements (contrato de intermediação de pagamentos). In the course of our business, we may enter into new transactions with related parties, pursuant to our related party transactions policy.

As of the date of this offering memorandum, Mr. Francisco Estevam Sobrinho, Mr. Pedro Sales, Mrs. Gabriela Queiroz and Mr. José Roberto Nogueira, our controlling shareholders, are also controlling shareholders of Imobiliária Pau D'Arco Ltda. and JPMF Monitoramento e Locação de Bens Ltda., respectively. These companies own properties leased to us, mainly for the construction of transmission towers, representing approximately 5.5% of the total properties leased by us as of April 30, 2021. The amounts involved in these lease agreements represented R\$0.2 million relating to right of use and lease liability, in the four months ended April 30, 2021. We may not be able to renew these lease agreements under satisfactory conditions or at all, and we may be subject to situations of conflict of interest, which may adversely and materially affect our operations and results.

Through Brisanet Serviços, we are a party to a vehicle lease agreement entered into with S&L Locação de Veículos Ltda., and to a service agreement for the provision of information captured and transmitted by means of a mobile phone signal (contrato de prestação de serviço de disponibilização de informações captadas e transmitidas por meio de sinal de telefonia móvel), as well as to an electronic equipment lease agreement for data collection by GPS lease agreement (locação de equipamentos eletrônicos para a coleta de dados por GPS), entered into with Agility Segurança Eletrônica Ltda. Both agreements aim to assist us and our subsidiaries in the exercise of our corporate purposes, monitoring and collecting the information necessary for our activities.

Agreements with related parties can create situations of potential conflict of interest between the parties, considering that they may involve interests that are not aligned with our interests. If these situations of conflict of interest arise, our existing governance mechanisms to deal with these situations may be insufficient, which may adversely affect our business, activities, reputation, financial condition and results, as well as our shareholders. For more information about related party transactions, see "Related Party Transactions."

Certain key inputs are subject to risks related to their import, and we purchase other key inputs from a limited number of domestic suppliers, which may limit our ability to acquire such inputs in a timely and cost-effective manner.

The high growth of data and broadband markets in particular, as well as the impacts of the COVID-19 pandemic on the production and sale of essential equipment for the provision of such services, such as data transmission equipment and modems, may result in a limited supply of such equipment. Additionally, we may experience price increases for essential equipment in amounts higher than those expected according to the readjustment rates set forth in the respective agreements, including due to the COVID-19 pandemic, and we may not be able to acquire such

inputs or to pass on the increases to our customers and, consequently, we will have to absorb such costs, which may adversely affect our results and cash flow.

In addition, restrictions on the number of manufacturers imposed by the Brazilian federal government for certain inputs, particularly data transmission equipment and modems, and the geographic locations of international manufacturers of these inputs, present certain risks, including:

- vulnerability to currency fluctuations in cases where inputs are imported and paid for in U.S. dollars, euros or other foreign currencies;
- difficulties in managing inventory due to an inability to accurately predict domestic availability and the price of certain inputs;
- delays in the delivery of such inputs; and
- the imposition of customs duties or other duties on key imported inputs.

If any of these risks materialize, they could result in our inability to provide services to customers in a timely manner or affect the prices of our services, which could have an adverse effect on our business, financial condition and results of operations.

If we are unable to correctly define the price of fixed price agreements entered into with our customers, our profitability can be adversely affected.

In the context of our operations, we may enter into fixed price agreements with our customers, assuming the risk in the event of an increase in the costs involved in providing our services. If we do not accurately estimate future salary adjustments, exchange rates or other costs, as well as the time required to complete the services, our results of operations and financial condition can be adversely affected.

Due to several factors that can affect the costs that typically make up price spreadsheets, such as salaries, electricity, social charges, rents, software costs determined in foreign currency and the high demand for information technology professionals, we may experience significant variations in these cost components. Our customers may not accept these price variations, and therefore our financial result may be adversely impacted.

The lack of availability of financing for our investment program may affect our competitive strength, business, financial condition and results of operations.

Our funding and the refinancing of existing loans is fundamental for our current operations, for the implementation of our strategy and our growth. However, global market and economic conditions have been, and are expected to continue to be, tumultuous and volatile.

Due to the great need for capital in the telecommunications sector, in order to make the necessary investments for the modernization, expansion and maintenance of our network, in addition to our own resources, we also use third-party resources, which are obtained through loans and financing. There are no assurances that we will be able to obtain the necessary resources or that we will be able to obtain these resources at acceptable costs to carry out all of our investment programs or, even if we are able to obtain these resources, that we will be able to develop or adopt new technologies in a timely manner to maintain our competitiveness, which may affect our business, financial condition and results of operations.

Debt markets have recently been impacted by significant downturns in the financial services sector and the repricing of the cost of credit, among other factors. These events negatively affected economic conditions in general. In particular, the cost of raising funds in the debt markets increased substantially, while the availability of funds in these markets decreased significantly. Furthermore, as a result of concerns about the stability of financial markets in general and the solvency of counterparties, the cost of funding in credit markets has increased as many lenders have raised interest rates, adopted stricter lending standards and reduced their volume and, in some cases, stopped offering financing on reasonable commercial terms.

Maintaining an adequate level of liquidity is fundamental for our business, as it prevents a shortage of cash from causing difficulties in honoring our obligations, including to customers.

If, for any reason, there is a liquidity and/or cash flow issue, leading to a mismatch or discrepancy between assets and liabilities, we may not be able to meet our obligations.

In addition, our Net Debt/EBITDA for the twelve months ended April 30, 2021, was 3.0x and for the year ended December 31, 2020, 2.8x. If we incur additional indebtedness, the risks associated with our financial leverage, such as the possibility that we may not be able to generate sufficient cash through our subsidiaries to pay the principal amount, interest and other charges related to the debt, may increase, which may cause a material adverse effect on our results and business.

Historically, we have not monitored the impacts of inflation, of the changes in the prices of the main inputs and products and of the exchange and interest rates on our operating and financial results.

As per the practices adopted by our management in the previous years, we have not monitored the impacts of inflation, of the changes in the prices of the main inputs and products and of the exchange and interest rates on our operating and financial results. Therefore, we cannot ensure that the appropriate measures to offset or mitigate any variations in these components were duly taken by us, which could cause a material adverse effect on our results of operations or financial condition.

The extent of the pandemic declared by the World Health Organization due to the dissemination of the COVID-19 virus, the perception of its effects, and how the pandemic will impact our business depend on future developments, which are highly uncertain and unpredictable, and may result in a material adverse effect on our business, financial condition, results of operations and cash flow.

Outbreaks or potential outbreaks of disease could have an adverse effect on our operations. Historically, some regional or global epidemics and outbreaks, such as the ones caused by the Zika virus, the Ebola virus, the H5N5 virus (popularly known as bird flu), foot-and-mouth disease, the H1N1 virus (influenza A, popularly known as swine flu), Middle Eastern Respiratory Syndrome, or MERS, and Severe Acute Respiratory Syndrome, or SARS, have affected certain sectors of the economy in countries where these diseases have spread. On March 11, 2020, the World Health Organization, or WHO, declared a pandemic due to the global spread of COVID-19, a disease caused by the new coronavirus (Sars-Cov-2). In practice, this declaration meant the recognition by the WHO that the virus had spread to several continents with sustained transmission between people. This spread has generated significant macroeconomic uncertainties, volatility and disruption. In response, many governments have implemented policies aimed at preventing or slowing the spread of the disease, such as restricting free movement and social isolation, and these measures can remain in effect for a significant and uncertain period.

The COVID-19 pandemic demanded restrictive measures by world government authorities, aiming to protect the population, resulting in restrictions on the flow of people (including quarantine and lockdown, and limitations on travel and the use of public transport), in the prolonged closure of workplaces, supply chain disruptions, closure of businesses and widespread reduction in consumption. In Brazil, states and municipalities, including the locations where we operate, have adopted guidelines established by the Ministry of Health (Ministério da Saúde) to control the spread of COVID-19, such as restrictions on free movement of people and imposition of social isolation, which resulted in closure and restrictions on the operations of stores, restaurants, hotels, shopping malls, high traffic areas, parks and other public spaces.

In early 2021, a new variant of the COVID-19 virus began to circulate in Brazil, resulting in an increase in the number of hospitalizations and deaths. On March 11, 2021, Brazil was considered the epicenter of the COVID-19 pandemic in terms of the number of confirmed cases and deaths, and on April 30, 2021, Brazil recorded 403,781 deaths due to COVID-19. Brazilian public authorities, including the authorities of the states and municipalities in which we operate, are reinstating restrictive measures, such as restrictions on movement, social isolation, quarantines and even lockdowns. We cannot provide assurance that these measures, as well as future measures that may be necessary due to a potential worsening of the COVID-19 pandemic, will not have a material adverse effect on our business.

The dissemination of COVID-19 led us to modify some of our business practices, such as the inclusion of sanitary measures recommended by the WHO, hygiene practices for workplaces and employees, implementation of a home office system, in addition to the cancellation of physical participation in meetings, events and conferences. We may take other additional actions, as required by government authorities or as determined by our management, in the best interest of our employees, customers and business partners. We cannot provide assurance that these measures will be sufficient to mitigate the risks posed by the pandemic or that they will be deemed sufficient by the relevant government authorities. Additionally, as a result of an eventual economic slowdown in Brazil resulting from measures taken in response to the COVID-19 pandemic, our customers and suppliers may request the renegotiation of existing agreements, with a possible increase in defaults which may, therefore, adversely affect our results of operations and financial condition.

The extent to which the COVID-19 pandemic will affect our business, financial condition, results of operations or cash flows will depend on future developments, which are highly uncertain and unpredictable including, but not limited to, the duration and geographic distribution of the outbreak, its severity, the actions to contain the virus or minimize its impact, and how quickly and to what extent normal economic and operating conditions can be resumed. Even after the COVID-19 pandemic is contained, our business may be adversely and materially impacted due to the global or Brazilian economic impact, including recession, economic slowdown or increase in unemployment rates, which may affect the purchasing power of our customers..

Additionally, we cannot provide assurance that other regional and/or global outbreaks will not happen. In addition, new waves of COVID-19 have already started to emerge in some regions and may continue to spread. We cannot provide assurance that we will be able to take the necessary measures to prevent a negative impact on our business of equal or even greater proportion than those caused by the COVID-19 pandemic in the event of new regional and/or global outbreaks or even in case new COVID-19 waves occur on a large scale.

Any outbreak of a disease that affects the behavior of the population or that requires public policies to restrict the movement of people and/or social contact may have an adverse impact on

our business, as well as on the Brazilian economy. Disease outbreaks may also make it impossible for our employees and customers to head to our facilities (including for prevention or large-scale contamination), which can hamper the regular development of our business.

As there are no comparable recent events that can provide us with guidance as to the effect of a severe global pandemic, the ultimate impact of the COVID-19 pandemic is uncertain, even considering the risks above, and subject to changes that we are unable to foresee. Finally, the impact of the COVID-19 pandemic may also precipitate or aggravate the other risks described above.

We may not be able to make acquisitions at the desired time or under the price and other terms desired. Additionally, we may not be able to successfully integrate these acquisitions into our business, and such acquisitions may not bring the results that we expect and/or may expose us to certain unforeseen risks.

We may acquire other related businesses within the scope of our inorganic growth plan. We cannot provide assurance that we will be successful in identifying, evaluating, carrying out and integrating acquisitions at the desired time and/or under the price, terms and/or conditions desired.

The success of our growth and operations depends, in part, on our ability to satisfactorily identify, negotiate and integrate acquisition or investment opportunities. The negotiation and conclusion of potential acquisitions or investments, as well as the integration of acquired companies or assets, may result in substantial deviation and demand a considerable effort from our administrative resources.

Some of these acquisitions are subject to conditions precedent, including regulatory and creditor approvals, compliance with which is not always within our control. The impossibility of satisfying the conditions precedent, or the fulfillment of measures imposed by regulatory bodies, may affect our operations and the synergies expected from the acquisitions. The Brazilian Antitrust Authority (Conselho Administrativo de Defesa Econômica), or CADE, may determine that a potential acquisition and/or association may negatively affect competitive conditions in the markets where we operate. In these cases, CADE may reject transactions that we may carry out or approve them with restrictions that are contrary to our interests. Any of these decisions may adversely affect our results of operations and the market value of our common shares.

Also, a potential acquisition and/or association involving the transfer of a controlling stake, merger, incorporation, spin-off, transformation and/or capital reduction of companies providing telecommunications services, may also depend on prior approval by ANATEL, pursuant to Law No. 9,472/1997, or the Telecommunications Law, or LGT, and ANATEL's current regulation, especially ANATEL Resolution No. 101/1999 and ANATEL Resolution No. 720/2020, or the Grants Regulation (Regulamento Geral de Outorgas). The Grants Regulation establishes that a transaction that may characterize a transfer of control must first be submitted to ANATEL, in order to establish, under the terms of ANATEL Resolution No. 101/1999, (i) whether the parties involved in the transaction meet the conditions set forth in article 88 of Law No. 12,529/2011; or (ii) whether the transaction involves a concessionaire, licensee or authorization holder whose concession of services results from a bidding process. If ANATEL rejects the approval of a potential transaction, our growth strategy and business could be impaired, which could have an adverse effect on our results of operations and financial capacity. Transactions subject to ANATEL's approval can be quite varied, since the concept of control adopted by ANATEL Resolution No. 101/1999 is broad and includes any form of direct and indirect interference, in fact or by law, of a legal entity in the

business conducted by a telecommunications provider. Therefore, ANATEL may consider that there is a change of control in acquisition transactions, including any acquisition of a direct or indirect minority stake in a target company, which may imply greater complexity for the implementation of our acquisition strategy.

In addition, we may not be able to identify new opportunities that are attractive due to unattractive conditions and prices, to the performance of our main competitors (including due to industry consolidation) and regulatory restrictions, among other factors.

Additionally, cash generation from operating activities may not be sufficient to support our expansion plans, requiring us to incur additional debt or issue new securities to finance our non-organic growth. If we are unable to obtain financing, or if we obtain it under unfavorable conditions, we may need to revise our business and inorganic growth plans, adversely affecting our results of operations and financial conditions, as well as the market price of our common shares.

Moreover, we may not be able to satisfactorily integrate the operations arising from future acquisitions, which, consequently, will harm any synergies and benefits that could be generated by these acquisitions, including the increase of our revenues, or the reduction of expected costs, therefore having a negative impact on our results and on the market value of our common shares. As an example, we may face difficulties integrating:

- other employees who are not familiarized with our operations;
- new suppliers;
- other customers, who may choose to migrate to other companies in the sector;
- different information, complaint processing and record storage systems; and
- accounting policies, including those that require a high degree of judgment or complex valuation processes, such as goodwill accounting in a business combination, intangible assets, and share-based compensation.

compensation.

Due to all of the aforementioned matters, we may not be able to successfully implement our acquisitions and partnerships strategy.

Also, new acquisitions may subject us to certain unforeseen risks, including the possibility of:

- overestimation of the value of the business to be acquired, especially if these businesses do not provide the expected results and, therefore, the investments do not provide the expected return;
- unexpected or unidentified liabilities and/or contingencies in the due diligence conducted on the acquired businesses;
- as successor to the businesses of these institutions that are the object of acquisition, we may be held responsible for their liabilities, including those whose triggering events occurred before the transaction, as well as being subject to risks related to the acts of previous managers and responsible for potential liabilities for acts that took place prior to the transaction;

- entering into corporate documents in acquisitions that, due to the passage of time, may contain terms and conditions that are not compatible with our strategic redirections, which may result in future losses related to the companies' operations;
- not having exhaustively mapped, or inability to obtain the regulatory authorizations necessary for the operations of the companies we have acquired or are in the process of acquiring, which could subject us to administrative or pecuniary sanctions;
- not having monitored the full extent of risks related to the adherence to corporate integrity rules (compliance, anti-corruption and others) by the companies we have acquired or are in the process of acquiring.

If the risks set out above materialize, our financial capacity and reputation may be adversely affected.

Finally, due to our acquisitions and organic growth, our consolidated financial statements and other accounting information included in this offering memorandum may not be comparable to financial statements or accounting information for prior years or periods, which may affect the ability of our investors to identify future trends and potential negative prospects.

To the extent that future results of acquisitions are not in line with our expectations, we may suffer a material adverse effect.

We may not be able to comply with the financial indexes or other covenants established in the financial agreements that comprise our current indebtedness.

As of April 30, 2021 and December 31, 2020, we recorded a total of R\$1,127.1 million and R\$651.8 million, respectively, in (current and noncurrent) loans, financing and debentures, and some of the agreements in connection with these debts establish commitments to maintain certain financial indexes. Our growth depends on relevant investments financed, in part, by loans and financing from third parties. These commitments may affect our ability to react to changes in the economy or industry or the ability to seize new profitable business opportunities.

We are subject to covenants established in certain financial agreements that limit our ability to obtain new financing or refinance existing indebtedness. In addition, the agreements have restrictions on new funding under certain conditions, such as in the event that such funding makes it impossible for us to maintain certain contractually established financial indexes.

Therefore, we may not be able to contract new debts to finance our expansion strategy or any other capital needs without the prior authorization of our current creditors or we may be required to prepay certain loans and financing currently contracted, which may affect our ability to grow.

If we are unable (i) to comply with these covenants due to adverse conditions in our business environment, (ii) to obtain waivers or the necessary approvals from our creditors in relation to contracts we may breach; or (iii) do not have sufficient resources to pay our debts in a timely manner, our financial agreements may be early terminated, and may trigger cross-default and cross-acceleration of other obligations, pursuant to the terms and conditions of other agreements, which may affect our ability to fulfill our commitments and have a material adverse effect on our business and financial condition.

For more information about the Company's financial contracts, including financial and operational covenants, see section 10.1 below.

Our growing indebtedness and degree of leverage could have a material adverse effect and limit our ability to obtain additional resources to finance our operations, which may limit our ability to react to changes in the economy and may adversely affect us.

Our degree of leverage, expressed as the indebtedness ratio of the sum of our current and non-current liabilities divided by our shareholders' equity, has shown significant growth in recent years (11.0x on April 30, 2021, 7.0x on December 31, 2020, 3.3x on December 31, 2019 and 3.1x on December 31, 2018). The growth in our indebtedness and the increase in financial expenses relating to our indebtedness may adversely affect our business, financial condition and results of operations.

The ability to pay and refinance our indebtedness and to finance our planned investments and our development will depend on the ability of our business to generate revenue and results in the future. Therefore, we may not be able to implement our growth strategy, in whole or in part, due to limitations in raising additional funds, adversely impacting our business, financial condition and results of operations.

Furthermore, we cannot guarantee that our activities will generate sufficient operating cash flow or that we will be able to access financing of a reasonable size and with favorable rates to allow the payment of our existing indebtedness or the financing or refinancing of other cash requirements. We may incur additional indebtedness from time to time to finance acquisitions, investments or strategic associations, or for working capital, subject to restrictions imposed by our existing indebtedness.

Our indebtedness level can result in negative consequences, such as:

- the need to use a greater portion of our operating cash flows to make the corresponding payments, reducing the cash available to finance our working capital and investments;
- increase our vulnerability to adverse economic or industry conditions;
- limit our flexibility in planning or reacting to changes in our business or industry;
- limit our ability to raise new resources in the future or increase our capital costs;
- restrict the possibilities of making strategic acquisitions or exploring new business opportunities; and
- place us at a competitive disadvantage in relation to our competitors that have a lower indebtedness levels.

If we are unable to refinance our short-term indebtedness or if the cash flow from our operations does not grow as expected, or if such cash flow significantly decreases, we may not be able to meet our obligations.

Our inventory may become obsolete, or may be damaged or stolen, which could adversely affect our operations.

We use our warehouses to store products that must be delivered to our customers and/or used in the maintenance of our business. If the handling of these products is inadequate, our inventory may be damaged or stolen, causing stock losses or compromising quality. A security breach can increase the risks of theft or burglary of our stocks and shipments, which will require replacement

with other products. In the event of any of the aforementioned or similar events, our operations may be affected, adversely affecting our results of operations and our financial condition.

Our performance is strongly related to the performance of members of our senior management and, therefore, the loss of members of our senior management or our inability to identify, attract, hire, train and retain key personnel may have a material adverse effect on our activities, financial condition and results of operations.

There is no assurance that our qualified managers and employees, whose performance is strongly related to our success, will continue to work for us in the future, considering that none of these individuals is subject to a long-term employment agreement or a non-compete agreement.

In addition, we cannot provide assurance that we will be successful in identifying, attracting, hiring, training and retaining qualified personnel to integrate our senior management and other key personnel. Additionally, the hiring, training and integration of a new member of senior management, whether an internal or external one, can be time-consuming and unsuccessful. Therefore, the loss of any of the members of our senior management and other key personnel and our inability to hire professionals with the same experience and qualifications may have an adverse effect on our activities, financial condition and results of operations.

We may be unable or may fail to protect our intellectual property rights, which could have an adverse effect on our results of operations.

The success of our business depends on our ability to protect our current and future intellectual property assets, such as trademarks and domain names, among other intellectual property rights.

Events such as the definitive rejection of our trademark registration applications with the National Industrial Property Institute (Instituto Nacional da Propriedade Industrial), or INPI, any unauthorized or improper use of our trademarks, or even the possible recognition of administrative nullity of trademark registrations may decrease the value of our intellectual property assets, adversely affecting our business and/or reputation.

Additionally, we may not be able to renew the registration of our trademarks in a timely manner or our competitors may contest the use of any of our registered or future assets for which we may request registration or licenses. In addition, third parties may claim that our products or services infringe their intellectual property rights. In these cases, legal actions may be necessary to guarantee our intellectual property rights. Any dispute or litigation related to intellectual property assets can be costly and time-consuming due to the uncertainty of litigation on the matter. We may also be required to change, in whole or in part, some of our trademarks which, as the case may be, infringe the intellectual property rights of third parties, and may be required to pay significant fines, royalties or licensing fees for the use of patents or copyrights of third parties that may be charged or claimed as indemnity.

On November 14, 2017, we filed a registration application for the trademark “Brisanet” (registration No. 913730769) with the INPI. However, a third-party company opposed our application, claiming, in general, that our trademark was a reproduction with addition (reprodução com adição) of a trademark that was already being used in the market, namely “Brisa”. Due to such opposition, on June 16, 2020, the INPI rejected the application for registration of our trademark, on the grounds that the trademark reproduces a distinctive element of the company name “Brisa”, which cannot be registered in accordance with item V of article 124 of Law No. 9,279/1996 (Lei de Propriedade Industrial), or Industrial Property Law.

Any discussion about our right to use and exploit trademarks may adversely affect our reputation, negatively impacting our results of operations. We may even be forced to change our trademark “Brisanet” and, consequently, incur marketing costs for the promotion of a new brand that is not known to our customers or the market. Furthermore, such changes may require management’s attention and/or lead to additional expenses, including legal expenses, aspects that may materially and adversely affect our financial condition and results of operations.

We face operating risks that can adversely affect our results of operations.

We depend on sophisticated information and processing systems to operate and any failures and/or interruptions in these systems may adversely affect our business, financial condition and results of operations. We are subject to claims for damages, contractual fines for interruption of services or non-compliance with the minimum Service Level Agreement, or SLA, set forth in the agreements entered into with our customers, quality problems, vandalism or random interruptions in the network infrastructure and point of access and security problems (information theft, information leaks, data integrity), among others, in service contracts, mainly regarding data networks for companies, which, if verified, may adversely affect our business, financial condition and results of operations..

Our internal controls structures, as well as our corporate governance structures, were implemented recently in order to comply with the Novo Mercado regulations and other rules applicable to publicly held companies, and, therefore, failures in our risk management systems, policies and procedures and internal reporting may expose us to unexpected or unforeseen risks, which could adversely affect our business.

The policies and procedures to identify, analyze, quantify, assess, monitor and manage risks and our internal controls may be insufficient to verify possible violations. Many of the risk management methods we adopt are based on historical market behavior or statistics derived from historical models and may not predict future exposures or may not be sufficient against unknown risks, which may be significantly greater than those indicated by the historical measures.

Other risk management methods adopted by us depend on the evaluation of information relating to markets, customers or other matters available to the public that may not be accurate, complete, updated or adequately evaluated.

We recently implemented our current internal controls structure and updated our corporate governance practices. Such structures may not be enough to avoid failures in the internal control mechanisms of our group companies, risk management, transactions we carry out and our computerized environment, which may expose us to risks that could adversely affect our business.

Furthermore, we do not have, as of the date of this offering memorandum, a system that automatically combines and consolidates the individual balance sheets of our group companies, which may create greater risk of errors in the data consolidation process and may generate failures in the information provided. The information on which we rely, or from which we feed or maintain historical and statistical models, may be incomplete or incorrect, which can have a material adverse effect on our business.

Judicial or administrative decisions unfavorable to us and/or our managers and/or our subsidiaries, or the impossibility of making court related deposits or providing guarantees in current and future legal or administrative proceedings, may adversely affect our results

of operations, and differences in interpretation of legislation between us, our subsidiaries and the competent authorities may have material adverse effects on us and our activities.

We, our managers and subsidiaries are and may be, in the future, defendants in several legal, administrative and arbitration proceedings including, but not limited to civil, tax, labor and criminal matters, including as a result of a current complaint.

Unfavorable decisions or agreements against us, our managers and subsidiaries may adversely affect our business, financial condition and reputation, including the loss of rights to contract with the public administration, to receive tax incentives or benefits or any financing and resources from the public administration or the right to exploit the telecommunications services. Furthermore, we cannot provide assurance that the provisions we made, given the subjective aspects and critical judgments exercised by our management in determining the probability of loss in each lawsuit, is correct and sufficient to cover the total costs arising from the legal or administrative proceedings. Additionally, we may be subject to contingencies for other reasons that require us to spend significant amounts.

It is also possible that we do not have the necessary resources to make court related deposits, provide or offer guarantees in legal or administrative proceedings involving substantial amounts. Difficulty in obtaining the resources necessary to make these deposits or to provide or offer these guarantees will not suspend the collection of amounts arising from any judicial decisions and may have an adverse effect on our business, financial condition and results of operations.

In addition, our inability to make deposits or to provide or offer guarantees may lead to the attachment of any of our assets, including financial assets and revenues, and may even hinder our capacity to obtain certificates of good standing from tax authorities, which can have an adverse effect on our operations and the development of our business.

Judicial and administrative decisions unfavorable to us and/or our managers, especially in cases involving material amounts and related proceedings that reach substantial amounts or that prevent us from carrying out our business as initially planned may have an adverse effect on our results, business, financial condition and market value of our common shares.

For more information about our legal proceedings, see “Business—Legal and Administrative Proceedings.”

We may not be able to fully implement our business strategy, which could adversely affect our financial results.

We cannot provide assurance that any of our objectives and strategies will be fully achieved. For example, as we seek to expand our activities to other regions of Brazil, we may not be able to replicate our business structure in order to meet the demands of different markets. In this scenario, our effective productivity, investments, operating costs and business strategy may prove to be substantially less favorable than we had estimated. We may experience difficulties, in particular, regarding financial, demographic, competition and/or technology matters, among others, which may adversely affect our financial condition and results of operations.

Unauthorized use of our telecommunications network may adversely affect our costs and results of operations.

Unauthorized or improper use of our network by the public may have a material adverse effect on our costs and results of operations, considering that operators must bear the cost of services provided to fraudulent users. We record losses in our revenues arising from the costs of services

provided to fraudulent users and indemnifications for damages suffered by fraud victims. In addition, we incur costs associated with the unauthorized and/or misuse of our telecommunications network, including administrative and capital costs associated with the implementation and monitoring of anti-fraud systems and policies. Therefore, unauthorized use of our network may adversely affect our operating costs and results of operations.

The majority of our assets and operations are not insured. Uninsured damages, not covered by the insurance we contracted or for which it is not possible to contract insurance, may result in losses, adversely affecting our business.

The majority of our assets and operations are not covered by insurance policies, including business interruptions or loss of profits, and consequently losses arising from technical problems.

Therefore, the occurrence of any uninsured events, not covered under the terms of the policies contracted by us (such as events resulting from acts of war, terrorism, accidents, seizures or similar events), or the occurrence of claims that exceed the insured amounts, may cause significant damage to our operations. Insurance companies may reduce or question coverage or increase their premiums in the event of new claims. If there is a significant increase in insurance premiums, operating expenses will also increase, adversely affecting our results of operations.

If such uninsured risks materialize, our business and financial results may be adversely affected. Furthermore, there is no assurance that in cases for which we have contracted insurance, the coverage will be sufficient to cover all the potential risks involved. If the actual losses incurred by us exceed the insured amount, we may be required to bear substantial losses, which will have an adverse effect on our operations and financial condition.

We may not be able to maintain all licenses and authorizations required for our operations, which may lead to the permanent interruption or cancellation of our operations, and the application of fines, which can adversely affect our results of operations.

We depend on several registrations with public administration entities at the federal, state and municipal levels, and on licenses, grants, registrations, fire department inspection records (autos de vistoria do corpo de bombeiros) and licenses issued by the respective municipalities for our operations. Operating licenses, as well as environmental licenses, when applicable, grants, registrations and enrollments, in various locations, have an expiration date and must be renewed from time to time, with or without the payment of renewal fees. The maintenance of licenses for the provision of telecommunications services depends on continuous compliance with the regulations issued by ANATEL and any non-compliance with the regulations will be determined through a prior specific administrative proceeding. As of April 30, 2021, a 13% of our establishments and equipment were in default with the operating permits and 53% of our establishments and equipment were in default with the fire department inspection records.

Pursuant to Law No. 9,472/1997, which establishes the organization of telecommunications services, authorization for telecommunications services can only be terminated by invalidation (cassação), forfeiture (caducidade), loss of the right (decadência), renunciation or annulment, as provided by law. When there is loss of the conditions essential to the issuance or maintenance of the authorization, ANATEL may invalidate the authorization. In the event of serious infringements, irregular transfer of authorization or repeated non-compliance with obligations, the grant may be terminated by means of a decree of forfeiture (caducidade). The loss of the right (decadência) will be decreed if, for reasons of exceptional public importance, the regulation comes to prohibit the type of activity authorized or comes to suppress its exploitation by the private sector. As for renunciation, it is a unilateral, irrevocable and irreversible formal act, by which the service provider

expresses its disinterest in the authorization. Finally, an annulment will only be decreed, judicially or administratively, in case of irremediable irregularity of the act that issued the authorization.

Due to several factors, including our failure to timely submit the applicable requests and the difficulties and delays of some administrative bodies, we may not be able to obtain all necessary licenses, grants, enrolments, permits, registrations and authorizations, or we may not be able to renew them in a timely manner.

In addition to the requirements to obtain operating and fire department licenses, we also need to regularize the constructed areas of the properties occupied by us. In the event that there are constructed areas without the prior authorization of the competent municipality, or if they are in disagreement with the respective approved projects, we and the properties we occupy may be subject to risks and liabilities if these areas are not apt for regularization and come to be inspected by the responsible bodies. Any irregularities in the constructed area before the municipality, including the failure to issue the respective occupancy permit, or Habite-se, may: (i) prevent the registration of the construction and the registration of agreements in the respective land registry records (matrículas de imóveis) of third-party properties occupied by us; (ii) make it impossible to issue operating licenses and other licenses necessary for the operation of the properties; (iii) cause the refusal to contract or renew property insurance; (iv) cause the imposition of fines by the public administration, and, in the worst case, and (v) give rise to the interdiction of properties, which may culminate in an order for demolition of irregularly constructed areas, which may adversely affect the activities and the results of operations of the real estate properties and, consequently, our equity and profitability.

In addition, we may be subject to the regulation and control of other national and international public authorities, as applicable, in addition to those we currently believe to be the only competent ones, and cannot provide assurance that such authorities will not adopt a different understanding as to the need to obtain other licenses, grants, registrations, enrolments, permits and authorizations.

Failure to obtain or timely renew, delays, including due to the impacts of the COVID-19 pandemic, suspension or revocation of these licenses, grants, registrations, enrolments, authorizations and permits, for any reason, including by action of the Public Prosecutor's Office (Ministério Público), may lead to the permanent interruption or cancellation of our operations, as well as to the application of fines, which may adversely affect our reputation, activities, business, financial condition and results of operations, in addition to the obligation to repair any damage caused.

We may not be able to maintain or renew our lease agreements, or enter into lease agreements under favorable conditions, which could adversely affect our results of operations.

We maintain a large part of our operating activities in leased properties. A portion of these lease agreements is currently in force for an indefinite period, considering that the lease term set forth in the agreements has expired, and the renewal has not been formalized through a new lease agreement and/or amendment.

If the term of a lease agreement has expired, the lease is presumed to be extended for an indefinite period if (i) there is no automatic renewal clause of the contractual term for a specified period; and (ii) the lessee remains in possession of the property for more than 30 days without opposition from the lessor.

If the lease agreement is in force for an indefinite period, the respective lessor may, at its sole discretion, terminate the agreement at any time, in which case the lessee must vacate the leased property, within 30 days, unless the respective lease agreement stipulates a longer term. Our businesses may be adversely affected if we are unable to maintain or renew the lease agreements of these properties under favorable conditions and in line with our strategy or if we have to vacate these properties.

In relation to properties leased for commercial purposes, Law No. 8,245/1991, which deals with the lease of urban properties, provides that the lessee will be entitled to the compulsory renewal of the agreement by filing a renewal lawsuit as long as, cumulatively: (i) the agreement has been entered into in writing and with a fixed term; (ii) the term of the agreement is at least five uninterrupted years, which may result from the sum of contractual terms; (iii) the lessee is pursuing its activity, in the same field, for a minimum and uninterrupted period of three years; and (iv) the renewal lawsuit is filed within the statute of limitations of one year to six months prior to the expiration date of the current lease agreement.

Part of the commercial lease agreements of the properties we occupy for the exercise of our activities were entered into for periods of less than five years or are already in force for an indefinite period, as they have expired, and we have not entered into a new agreement or amendment with the respective lessors to formalize the renewal of the contractual term. In these cases, we will not have the prerogative to compulsorily renew the lease agreement by filing a renewal lawsuit, so that the renewal of the lease terms will depend on negotiation with the respective lessors, and it is not possible to provide assurance that they will occur on terms and conditions favorable to us.

The strategic location of the properties we lease is fundamental for the development of our business and, as a result, we may be adversely affected if: (i) a significant number of our lease agreements are terminated or are not renewed on terms favorable to us; or (ii) we are unable to enter into lease agreements for new properties in strategic locations or if these lease agreements are not entered into on satisfactory terms. We may also face competition for commercial spaces, and consequently, the loss of any of our strategic locations may adversely affect our results of operations and financial condition.

Furthermore, if the properties occupied by us are sold to third parties during the term of the agreement, the purchaser will not be obliged to respect the terms and conditions of the lease agreement unless, cumulatively: (i) the lease is for a specified period; (ii) the lease agreement has a clause safeguarding the term of the lease in case of sale of the property (cláusula de vigência); and (iii) the agreement is duly registered with the competent Land Registry Office (Cartório de Registro de Imóveis). If these requirements are not met, the purchaser may request the vacancy of the leased property within 90 days, as of the receipt by the lessee of notification in this regard.

Our lease agreements are not registered in with the respective Land Registry Office records, therefore, if the lessor sells the leased properties and the purchaser has no intention to maintain the lease agreement, we may need to vacate it.

In the event the leased property is offered for sale during the term of the lease, if the lessee does not exercise its preemptive right to acquire it, the leased property may be sold to a third party. If the lessee has its preemptive right infringed and has registered the lease agreement in the records of the leased property at the respective Land Registry Office, at least 30 days prior to the sale, it may only acquire the leased property, upon judicial deposit of the purchase price and other

expenses related to the sale, requesting the adjudication of the property within six months from the date of registration of the respective deed in the name of the third party at the competent Land Registry Office. If the lease agreement is not registered in the property's respective Land Registry Office records, the lessee may not request the adjudication of the property if its preemptive right is infringed, in which case the lessee will have to discuss in court any losses and damages arising from the sale of the property in disregard of its preemptive right.

In addition, according to Law No. 8,245/1991, either party may request a rent review after three years counting from the starting date of the lease or from the date of the last renegotiation. A significant increase in rent could adversely affect our financial position and results of operations.

Moreover, if we decide to terminate any lease agreement before the end of the lease term, we may be required to pay a contractual penalty to the lessor in amounts that vary according to each lease agreement. The value of such penalties and their total amount may adversely affect us.

Finally, there is no assurance that we will be able to lease the properties that are of interest to us. Therefore, considering that the location of the properties represents an important factor in our commercial strategy, if we are not able to enter into new lease agreements under satisfactory conditions, our business may be materially and adversely and negatively affected.

The properties occupied by us may be expropriated, which could adversely affect our results of operations.

The properties occupied by us, including the properties we own, are subject to expropriation, in part or in whole, by unilateral decision of the Brazilian federal government, in order to meet utility and public interest purposes, which may adversely affect our business, results of operations and financial condition, as we may have to vacate these properties. The indemnity amount arising from the expropriation, to be determined by an expert, may be lower than the market value of the property and may not consider any improvements we have made in these properties.

We are subject to risks related to liens and encumbrances on the properties we occupy and may be adversely affected in the event of expropriation for payment of debts or fulfillment of obligations.

Part of the properties occupied by us is subject to liens and encumbrances such as mortgages, deeds of assignment of trust, attachments, seizures and installment payments of real estate debts, among others. In the event of default on obligations, the respective creditors may enforce these guarantees. The properties may be auctioned to third parties in an extrajudicial auction or be consolidated in the name of the creditors. If we are unable to negotiate new lease agreements with the acquirers that govern the occupation of the respective properties for the regular exercise of our activities, we may be required to vacate the properties within 30 days, which may adversely affect our operations.

We are subject to risks associated with non-compliance with the General Data Protection Law and may be adversely affected by the application of fines and other types of sanctions.

Law No. 13,709/2018 (General Data Protection Law), or the LGPD, regulates practices related to the processing of personal data in Brazil, including in digital media, through a system of rules that impacts all sectors of the economy and establishes, among other provisions, the rights of the holders of personal data, the cases in which the processing of personal data is allowed (legal bases), the obligations and requirements relating to security incidents involving personal data, leaks, data transfer and sharing, as well as provides sanctions for non-compliance with its

provisions, which range from a simple warning and obligation to delete personal data processed in an irregular manner, to the imposition of fines.

The LGPD also authorized the creation of the National Data Protection Authority (Autoridade Nacional de Proteção de Dados), or the ANPD, the authority responsible for preparing guidelines and applying the administrative sanctions established in the LGPD. The LGPD came into force on September 18, 2020, except for its administrative sanctions (articles 52, 53 and 54), which will only come into force on August 1, 2021, pursuant to Law No. 14,010/2020.

Failure to comply with any provisions set forth in the LGPD prior to the entry into force of its administrative sanctions entails the following risks: (i) the filing of legal, individual or collective lawsuits seeking compensation for damages arising from violations, based not only on the LGPD, but also, in the sparse and sectorial legislation on data protection in force, such as the Brazilian Consumer Code (Código de Defesa do Consumidor) and Law No. 12,965/2014, or the Brazilian Internet Bill of Rights (Marco Civil da Internet); and (ii) the application of the penalties established in the Brazilian Consumer Code and the Brazilian Internet Bill of Rights by some consumer protection agencies, as they have already acted in this regard even before the entry into force of the LGPD, especially in cases of security incidents that result in improper access to personal data.

Furthermore, upon the entry into force of the LGPD's administrative sanctions, if we are not in compliance with its provisions, we may be subject to the following penalties, individually or cumulatively: (i) warning, with indication of the deadline for the adoption of corrective measures; (ii) duty to report incidents; (iii) temporary blocking and/or deletion of personal data; (iv) fine equivalent to as much as 2% of the company, group or conglomerate's revenues in Brazil for the past year, net of taxes, up to R\$50.0 million per offense; (v) partial suspension of operation of the database involved in the offense for a period of no more than six months, extendable for an equal period; and (vi) full or partial prohibition from engaging in data processing-related activities. Therefore, any failure we may experience in protecting personal data and complying with applicable data protection rules may result in significant fines, disclosure of the incident to the market, removal of personal data from our database and suspension of operations, which may materially and adversely affect our reputation and results of operations.

As of the date of this offering memorandum, our activities are not yet fully adapted to the provisions of the LGPD. Therefore, we will have to adapt our business practices to the provisions of the LGPD, and if we are unable to do so, we will be subject, among others, to cyber security incidents, which may result in fines in high amounts, disclosure of the incident to the market, deletion of personal data from our database, and even the suspension of our personal data processing activities, which may prevent us from regularly carrying out our activities and, therefore, adversely and materially affect our reputation, results and, consequently, the price of our common shares.

Interruptions or failures in information systems or cyber security incidents, including attacks on the infrastructure necessary to maintain IT systems, can materially and adversely affect us.

Our operations depend on the functionality, availability, integrity and operational stability of our information systems, including the point-of-sale system, logistics and communication systems, and other various applications used to generate commercial and financial performance reports. Consequently, we rely on our information technology systems to process, transmit and store

information and personal electronic data, as well as to communicate with customers and suppliers.

Interruptions or failures in our information technology systems, such as, in the calculation and accounting of earnings, due to accidents, malfunctions or malicious acts, may impact our corporate, commercial and operational functioning, which may adversely affect our business and results of operations, in addition to adversely affecting our reputation and reliability in the market.

We will be adversely affected if these systems are interrupted, damaged by unforeseen events or if they present failures over a long period, including due to the actions of third parties, natural disasters, cyber-attacks, telecommunications issues and viruses, among other factors. Failure in these systems can adversely affect the availability and accuracy of our transactions processing, accounting, business and financial reporting, as well as our ability to manage our business and properly project results of operations and cash requirements. If we are not able to make the repairs in time and if this eventual interruption is prolonged and causes the unavailability of the systems and/or information, our operations and operational and financial controls may be harmed, which may adversely affect our results of operations.

Additionally, we may lose commercial information and personal data, be subject to personal data breaches or be unable to carry out commercial transactions and, therefore, fail to earn sales revenue, which may adversely and materially affect us. Currently, we do not have insurance to protect us from possible information technology security incidents, so that our results of operations may be adversely affected in the event of any incident involving our information technology systems.

Significant or repeated interruptions in any of these systems may prevent customers from accessing our products and services and cause such customers to choose to use services provided by our competitors. Technology systems are subject to constant updates and if we are unable to update them, for any reason, including technical and financial issues, among others, our operations may be harmed. Any of these events could adversely affect our business and results. In addition, we face risks associated with cyber security and unauthorized access to our systems, including by hackers or due to failures/ vulnerabilities in our electronic security controls.

Potential information technology security incidents may result in misappropriation of our exclusive or confidential information and/or personal data from our customers, as well as leaks of data relating to our operations and/or customers, which may materially and adversely affect our reputation.

We are subject to laws and regulations that may require us to notify security incidents to regulatory bodies, customers or employees, and may require us to reimburse and/or indemnify third parties as a result of damages caused by violations of our security system. These situations can significantly increase our operating costs.

Security failures that lead to the loss of data and information may prevent the proper development of our activities and interfere with the fulfillment of our legal obligations, such as, for example, the retention period of connection and access records, as applicable to our activities as a connection or application provider, required by the Brazilian Internet Bill of Rights.

Any failures in storing or complying with the period required by law to keep these records may make it difficult or impossible to defend our and third parties' interests in any legal or administrative proceedings.

Therefore, the success of our business significantly depends on the performance of information technology systems, so that any failure to prevent violations that affect the confidentiality, integrity or availability of information and/or personal data stored and processed by us, including not carrying out vulnerability tests of our systems, could harm our reputation and, also, substantially affect our business and results of operations.

We are subject to labor rules and to strict compliance with Brazilian labor legislation. In addition, a significant stoppage or strike by our workforce can affect our operations.

We depend on the use of our workforce in our activities. Most workers are represented by unions, and their employment contracts are regulated by collective labor agreements and conventions. New collective agreements may have shorter terms than those previously executed and, if it is not possible to negotiate collective agreements on terms acceptable to us, we may have to bear a significant increase in labor costs, deterioration of relations with workers, decrease in the pace of work or work stoppage, which can have a material adverse effect on our financial condition and results of operations. Moreover, strikes and other work stoppages or interruptions at any of our facilities, or related labor movements at any of our third-party suppliers, may have a material adverse effect on our operations and business.

Additionally, under existing labor laws and regulations, it is our duty to provide and ensure the proper use of safety equipment for our employees and other individuals carrying out activities in our workplaces. In case we fail to provide all necessary safety equipment or ensure its proper use, we may be liable for any accidents that may occur in our workplaces. Any accident in the workplace may expose us to the payment of damages, fines and penalties. In addition, any change in current safety regulations may subject us to additional obligations and lead to increased expenses related to safety equipment and procedures. For example, changes that impose a reduced working hours due to safety reasons can result in reduced productivity, forcing us to hire additional employees. Likewise, legal provisions requiring the installation or purchase of additional safety equipment can increase our labor costs and adversely affect our results of operations.

The Company's employees are represented by labor unions and are protected by collective bargaining or similar labor agreements that are subject to periodic renegotiation within the time limits established by law. Strikes and other work stoppages or interruptions at any of its facilities, or related labor movements at any of the Company's third-party suppliers, could have a material adverse effect on its operations and its business.

Our governance, risk management and compliance processes are being implemented in order to adapt to the rules of the Novo Mercado, therefore, we may not be able to detect behavior contrary to applicable laws and regulations and to our standards of ethics and conduct, which may cause material adverse effects on our business, financial condition, results of operations and market price of our common shares.

Our mechanisms to combat and prevent corruption, as well as our internal controls for risk management and compliance, are still being implemented and are not fully implemented as of the date of this offering memorandum. Once implemented, they may not be sufficient to ensure that all members of our management, employees, suppliers, business partners and third parties who act on our behalf will always act in strict compliance with internal policies, laws and regulations aimed at preventing and combating corruption to which we are subject.

Any investigation of misconduct by us and/or non-compliance with anti-corruption laws in Brazil and abroad may damage our reputation and subject us to fines, as well as other applicable

penalties. We are also exposed to the risk of members of our management team, employees or representatives taking measures that violate anti-corruption laws and regulations applicable in Brazil.

Among others, we are subject to the following rules: Decree-Law No. 2,848/1940, Law No. 8,137/1990, Law No. 8,429/1992, or the Brazilian Administrative Improbability Law, Law No. 8,666/1993, or the Bidding Law, Law No. 9,613/1998, Law No. 12,846/2013, or the Anticorruption Law, Decree No. 8,420/2015, Decree No. 3,678/2000, Decree No. 4,410/2002, Decree No. 5,687/2006, the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of the Organization for Economic Cooperation and Development, or the OECD, the guidelines issued by the Brazilian Comptroller General (Controladoria Geral da União), as well as other related rules. The mechanisms for preventing and combating corruption, as well as our internal controls may not be able to prevent, identify, analyze, quantify, assess or monitor (i) violations of the Brazilian Administrative Improbability Law, the Anticorruption Law or similar laws, (ii) occurrences of fraudulent and dishonest behavior by our shareholders, managers, employees or representatives acting in our name, interest or benefit (exclusive or not), (iii) all risks that our risk management policy currently identifies and/or predict new risks, or (iv) other occurrences of behavior inconsistent with ethical principles, which may adversely affect our reputation, business, financial condition and results of operations, as well as the price of our common shares.

Additionally, the structure of our risk management, compliance processes and internal controls was approved by our board of directors on November 9, 2020, in the context of preparatory activities for our initial public offering and admission of our common shares for trading on the Novo Mercado segment. The validity of these approvals is subject to the entry into force of the Novo Mercado Participation Agreement (Contrato de Participação do Novo Mercado), to be executed between us and the B3. Our risk management and internal controls areas may not be able to identify risks and manage them, which can damage our reputation.

The Anticorruption Law imposes strict liability on companies for acts of corruption, fraud or manipulation of public bids and government contracts, and interference with investigations or inspections by government authorities. Companies held liable under the Anticorruption Law may be subject to fines of up to 20% of their gross revenue in the year prior to the commencement of the administrative proceeding or, if the annual gross revenue cannot be estimated, the fines may vary between R\$6,000.00 and R\$60,000,000.00.

Under the Brazilian Administrative Improbability Law, we and our managers are subject to the sanctions of forfeiture of assets or amounts unlawfully added to our equity, full compensation for damage, suspension of political rights from eight to ten years, payment of a civil fine of up to three times the amount of the equity increase and prohibition to, directly or indirectly, contract with the public administration or to receive tax benefits or incentives, even through a controlled subsidiary, for ten years, among other sanctions.

In addition, we may not be able to prevent or detect violations of our internal policies, such as our code of conduct. Our internal controls, risk management and compliance processes may not be able to prevent, mitigate or detect violations of anticorruption laws or other applicable laws and regulations, in the civil, administrative or criminal spheres, occurrences of fraudulent and dishonest behavior that is practiced in our name, interest or benefit (exclusive or not), including by managers, employees, contracted individuals and legal entities and other agents/third parties who may represent or act in our name, interest or benefit (exclusive or not), and other behaviors inconsistent with our ethical and moral principles.

The current or former existence of investigations, inquiries or proceedings of an administrative or legal nature related to the violation of any of these laws, against us, our managers, employees, suppliers, business partners or third parties acting on our behalf may result in: (i) fines and indemnifications in the administrative, civil and criminal spheres; (ii) loss of operating licenses, with our consequent secondary or joint and several liability; (iii) prohibition or suspension of our activities; (iv) loss of rights to contract with the public administration, to receive tax incentives or benefits or any financing and resources from the public administration; (v) publication of the condemnatory decision; (vi) seizure of illegally obtained goods or benefits and/or (vii) our dissolution. Any of these consequences may have a material adverse effect on us.

In this regard, Brisanet Serviços de Telecomunicações S.A., or Brisanet Serviços, our subsidiary, and Mr. João Paulo Estevam, a member of our board of directors, are parties to an administrative impropriety proceeding (No. 0002726-04.2013.8.06.0145), which investigates alleged irregularity in a bidding process for the provision of internet services to the city of Pereiro, state of Ceará. Any unfavorable final decision may subject Brisanet Serviços and Mr. João Paulo to the sanctions established in the Brazilian Administrative Improbability Law, namely, fines, prohibition from contracting with the public administration or receiving tax benefits or incentives.

We may also be jointly and severally liable for the payment of fines and full compensation for damages caused due to practices contrary to the Anticorruption Law by our parent companies, subsidiaries, affiliates or consortia or by third parties, within the scope of the respective agreements we have entered into, which could materially and adversely affect our reputation, business, financial condition and results of operations or the market price of our common shares.

The risk arising from the negative perception of our name due to involvement in any of the cases mentioned above by customers, counterparties, shareholders, investors, regulators and the public in general, can originate from several factors, including those related to non-compliance with legal obligations, inappropriate business practices related to customers, products and services, relationships with partners with questionable ethical posture, employee misconduct, information leakage, anti-competitive practices, and failures in our risk management process, among others. Our reputation can also be indirectly affected by illegal actions taken by third parties, business partners or customers indiretamente por ações ilícitas praticadas por terceiros, parceiros de negócios ou clientes.

Raising funds through the offering of shares, or securities convertible into shares, may dilute our shareholders' equity interest, as well as the economic value of their investment.

In the future, we may raise funds through the public or private issuance of shares, debt securities or other securities, convertible or not into shares. The raising of funds through the issuance of shares or securities convertible into shares may be carried out, under the terms of the Brazilian Corporations Law, excluding shareholders' preemptive right and may, therefore, dilute their equity interest in our shares, which may result in proportionately lower earnings and less decision-making powers. Additionally, if we offer preemptive rights, investors may not consider the issuance price advantageous and may not subscribe the shares or securities convertible into shares subject of the offering, which can also lead to their dilution.

Additionally, shareholders may suffer from the price change of shares issued by us, and immediate and substantial dilution of their investments, in case we need to raise additional funds in the future for our activities through public or private offerings of new shares or securities convertible into or exchangeable for shares. We may also issue new common shares, or securities convertible into or exchangeable for common shares, for lower prices than the book

value of these common shares on the date in question. These issuances may result in changes in the price of our common shares and the dilution of investors' equity stake in our share capital, in addition to having an adverse effect on the price of our securities.

We may not pay dividends or interest on shareholders' equity to holders of our common shares.

Our net income for the current year may be capitalized, used to offset losses or otherwise retained, as provided for in the Brazilian Corporations Law, and may not be available for the payment of dividends or interest on shareholders' equity.

In addition, the Brazilian Corporations Law allows a publicly-held company not to make the mandatory distribution of dividends in a given year, if the board of directors informs the shareholders that the distribution would be incompatible with our financial condition. In this case, the holders of our common shares may not receive dividends or interest on shareholders' equity, adversely affecting the price and liquidity of our common shares.

Additionally, the income tax exemption on the distribution of dividends and the taxes currently levied on the payment of interest on shareholders' equity as set forth under current legislation may be revised and both the dividends received and those distributed may be subject to taxation and/or, in the case of the interest on shareholders' equity, may be subject to increased taxation in the future, thereby impacting the net amount to be received by our shareholders.

Furthermore, some financial contracts in which we and our subsidiaries are party have covenants that may limit or restrict the distribution of dividends to ours and our subsidiaries' shareholders.

Finally, dividends can also be significantly reduced depending on the behavior of market variables, such as interest rates in the Brazilian market.

We cannot assure that we will be able to comply the minimum free float of our common shares within the period established by B3.

On June 1, 2021 and July 8, 2021, we requested B3 a waiver for the requirement established in article 10 of the Novo Mercado regulations, referring to the obligation to maintain a minimum free float of 25% of our common shares for the proper listing of our shares on the Novo Mercado segment, which was partially granted by B3 on July 16, 2021.

We cannot assure that we will be able to comply with the minimum free float of our common shares within the period established by B3. Failure to restore the minimum free float may result in the application of penalties, fines or sanctions, including the imposition of a public tender offer. Such penalties may negatively affect our business and image, and may eventually lead to our suspension or compulsory withdrawal from the Novo Mercado segment.

In addition, the free float percentage below the minimum free float of our common shares required by the Novo Mercado regulations may reduce the liquidity of our common shares in the secondary market.

(b) Risks related to the Company's direct and indirect controlling shareholders

The interests of our current controlling shareholders may conflict with the interests of our minority shareholders.

Our current controlling shareholders entered into a shareholders' agreement and have the power to, among other matters, elect the majority of the members of our board of directors and determine the result of any resolution to be approved by our shareholders, including transactions with related parties, corporate reorganizations, acquisitions and disposals of assets and the amount and

timing of distribution of dividends or capital compensations that exceed the mandatory minimum dividend, under the terms of the Brazilian Corporations Law. Our controlling shareholders may be interested in carrying out acquisitions, disposals of assets or partnerships, seeking financing or carrying out similar transactions that may conflict with the interests of our investors. This control limits the power of minority shareholders to influence corporate matters and, therefore, the interests of controlling shareholders may conflict with the interests of minority shareholders. Additionally, any changes in our controlling stake could materially affect our management, business, results of operations and financial condition. Finally, if we are no longer controlled by our current controlling shareholder, a new controlling shareholders may have interests and projects that are different from current ones and equally conflicting with the interests of the other shareholders.

For more information on the Company's controlling group, as well as on the terms and conditions provided for in the shareholders' agreement, see item 15.5 below.

The exercise of controlling power by a new shareholder or group of controlling shareholders may be subject to ANATEL's prior consent, cross-accelerate our debts and compliance with Federal Decree No. 2,617/1998.

In the event a controlling shareholder ceases to own a controlling interest or that new controlling shareholders emerge for purposes of ANATEL Resolution No. 101/1999 and the applicable law, the underlying transactions will be subject to ANATEL's prior consent or to restrictions provided by law or sector-specific regulation, besides the cross-acceleration our debts, including first issuance of debentures by our subsidiary, Brisagnet Serviços de Telecomunicações S.A. According to ANATEL, control means the power to direct the activities or operation of a company, directly or indirectly, internally or externally, in fact or by law, individually or through an agreement. Therefore, a transaction that results in a partial or total assignment of the controlling stake of a telecommunications service provider's share capital will be considered a change of control and will be subject to the prior consent of ANATEL.

ANATEL Resolution No. 101/1999, established that rights to elect a member of our board or to veto matters relating to our operations, among others, may only be exercised upon prior approval by ANATEL, to the extent that such rights are equivalent to those of the controlling shareholder, which may be denied if such shareholder does not meet the legal requirements applicable to this condition. The Grants Regulation determines that the following situations are subject to ANATEL's prior consent (i) when the parties involved in the transaction meet the conditions set forth in article 88 of Law No. 12,529/2011; or (ii) when the transaction involves a holder of a concession, permission or authorization whose granting of services results from a bidding procedure.

In this regard, in the event of the acquisition of any political rights linked to the shares of our initial public offering, such as the right to participate or appoint a person to be a member of our board of directors, board of executive officers or body with equivalent attribution and statutory voting and/or veto rights in any matter or resolution, except for the rights already granted by law, must comply with the rules issued by ANATEL that regulate the transfer of control of a telecommunications service provider.

Regardless of the potential need to submit an acquisition of control to ANATEL, the acquisition of political rights that may constitute control for purposes of the telecommunications sector will be subject to certain restrictions. The new direct or indirect controller may not (i) directly or indirectly provide Switched Fixed Telephone Service (Serviço Telefônico Fixo Comutado), or STFC, in the same modality and area of operation as us, as determined by article 10-E of ANATEL Resolution

No. 426/2005, which approved the STFC Regulation, and must update the grants within a period of 18 months; (ii) directly or indirectly, or through a company under common control, control or hold a stake equal to or greater than 30% of the voting capital stock in concessionaires and licensees of radio, sound and image broadcasting and of programmers and producers headquartered in Brazil, as determined by article 5, paragraph 1, of Law No. 12,485/2011 (Lei do Serviço de Acesso Condicionado), or the Service of Conditional Access Law.

Additionally, any change in the corporate structure must comply with the share capital composition restrictions applicable to companies that provide telecommunications services, as set forth in Federal Decree No. 2,617/1998, which establishes that concessions, permissions and authorizations for exploration of collective interest telecommunications services may be granted or issued only to companies incorporated under Brazilian law, headquartered and managed in Brazil, in which the majority of shares or shares with voting rights belong to natural persons residing in Brazil or to companies incorporated under Brazilian law and headquartered and managed in Brazil.

From a regulatory standpoint, any failure to comply with the duties arising from the applicable laws and regulations will subject perpetrators to the following sanctions, applicable by ANATEL, without prejudice to civil and criminal sanctions: (i) warning; (ii) fine; (iii) temporary suspension; (iv) forfeiture; and (v) declaration of lack of good standing. Pursuant to ANATEL Resolution No. 589/2012, which approves the Regulation for the Application of Administrative Sanctions (Regulamento de Aplicação de Sanções Administrativas), in addition to the sanctions provided for in the Telecommunications Law, ANATEL may also apply sanctions obliging the violating entity to perform or not to perform certain acts. Specifically in cases of overlapping STFC's grants or cross-ownership, provided in the Service of Conditional Access Law, in case of lack of regularization, ANATEL may declare the forfeiture, or other sanctions provided for in the applicable rules.

Finally, the eventual withdrawal of our controlling shareholder or the entry of new controlling shareholder(s) may give rise to the cross-acceleration of some of our debts that have restrictions regarding changes of control and judicial reorganization, among others, including first issuance of debentures by our subsidiary, Brisanet Serviços de Telecomunicações S.A. Any breach of the terms of such contracts may result in the decision of the respective creditors to declare the cross-acceleration of the outstanding balance of the respective debts and/or result in the default and/or early maturity of other financial contracts (cross default and/or cross acceleration), which may affect our ability to honor our commitments and have a material adverse impact on our business and financial condition.

(c) Risks related to the Company's shareholders

The Company believes that it is not exposed to any risks where the source of the risk is its shareholders.

(d) Risks related to the Company's subsidiaries and affiliates

We are largely dependent on the results of our subsidiaries, which may not be distributed.

We are a holding company and, therefore, depend on the results of our subsidiaries. As such, our ability to distribute dividends and interest on shareholders' equity and to meet our financial obligations depends, to a large extent, on the cash flow and profits of our subsidiaries, as well as the distribution of these profits in the form of dividends or interest in shareholders' equity.

In addition, some of our and our subsidiaries financial contracts have covenants that limit the distribution of the dividends to be paid to our shareholders to 30% of our profit, which may have an adverse impact on our results.

We cannot assure that any of these resources will be made available or that they will be sufficient for the payment of our obligations and for the distribution of dividends to our shareholders. Any adverse change in the financial condition or results of operations of our subsidiaries can affect our business, financial condition or results of operations.

For more information about the covenants related to the distribution of dividends of the Company and its subsidiaries, see item 10.1 below..

A liquidation process involving us, our subsidiaries and/or other companies in our economic group may be conducted on a consolidated basis.

The Brazilian judiciary may decide that a liquidation process involving us, our subsidiaries and/or other companies in our economic group should consider that we, our subsidiaries and/or other companies in our economic group are a single company. If this happens, our shareholders may be adversely affected by our loss of value in case our assets are allocated to pay creditors of our subsidiaries and of other companies of our economic group.

We could be harmed if Agility Telecom franchisees are unable to integrate with Agility Telecom's operational and commercial management platform and are unable to fulfill their contractual obligations to Agility Telecom.

Agility Telecom is our wholly-owned subsidiary, and its corporate purpose is to franchise telecommunications and technology services. In the franchise process, franchisees, who are small local internet providers, after the execution of the agreement, have a deadline to adapt their customer base to our operational and commercial management systems, migrating to our systems. In addition, in order to remain a franchisee, there are certain contractual, labor, tax, regulatory and performance obligations that they must fulfill. We cannot provide assurance that franchisees will be able to migrate their systems to ours and that they will be able to meet these obligations. If franchisees are unable to migrate their customer base or if we have to disqualify franchisees due to non-compliance with their obligations, our results of operations, financial conditions and strategic planning may be affected.

(e) Risks related to the Company suppliers

We rely on key suppliers to obtain technology items, equipment, services and content, and difficulties in maintaining the supply of essential products and services for the development of our activities may adversely affect our business.

We rely on key suppliers for technology, equipment, services and content. Any difficulty in obtaining or maintaining the supply of such products, services or content as a result of low supply, excessive demand from global telecommunications companies, discontinuation of operations of one or more major suppliers, restriction on the use of specific technology, supply issues and/or delay in scheduled deliveries due to adverse situations, including pandemics, such as COVID-19, renewal of existing supply contracts under favorable conditions, changes in the prices of such items, among others, may compromise our expansion plans, or jeopardize the continuity of our services.

Some equipment suppliers in the telecommunications sector, are headquartered in other countries, therefore, we are subject to economic or political issues in those countries, which can affect supply continuity. Furthermore, we may not be successful in maintaining existing agreements with certain programming content providers, which may affect pay TV services and, consequently, result in the cancellation of certain subscribers who wish to have access to such specific content.

We also hired the use of dark fiber optic networks owned by other telecommunications operators, and the fulfillment of the underlying agreements may affect our operating conditions and continuity of the services we provide, especially fixed internet, and may compromise our results and expansion plans.

Any of these factors may affect the continuity of the services we provide, adversely affecting our business, financial condition and results of operations.

We may not be able to fully pass on to customers the cost increases we incur, including by our suppliers.

Our costs and investments are affected by the price paid for products and services offered by suppliers, among other factors. Revenues from agreements entered into with customers are not necessarily adjusted by the same rates by which agreements with suppliers are adjusted. If costs increase and we are unable to pass on these increases to our customers, we will have to bear these costs, which can adversely affect our results and cash flow.

Any conflicts arising with electricity distributors in infrastructure sharing agreements may adversely affect our business.

Providers of public electricity services, telecommunications services of collective interest or pipeline transport services for oil, oil derivatives and natural gas, are entitled to share the infrastructure of another agent in any of the mentioned sectors, in a non-discriminatory manner and to fair and reasonable prices and conditions, as established by Joint Resolution No. 1/1999, between the Brazilian Electricity Agency (Agência Nacional de Energia Elétrica), or ANEEL, ANATEL and the National Agency of Petroleum, Natural Gas and Biofuels (Agência Nacional do Petróleo, Gás Natural e Biocombustíveis), or ANP. In this regard, we are party to infrastructure sharing agreements with companies in the electricity sector, for the installation of the equipment necessary for the transmission of our data, on poles of the electricity distribution system. The effectiveness of infrastructure sharing agreements is subject to approval by the regulatory agency of the sector in which the holder of the shared infrastructure operates. Furthermore, Joint Resolution No. 4/2014 enacted by ANEEL and ANATEL, establishes the reference price of the fixing point for the sharing of poles between electricity distributors and telecommunications service providers. Any conflicts between the companies involved, such as in relation to the reference price charged for each fixing point, may decrease the quantity and quality of the services we provide, affecting our business, financial condition and results of operations. These conflicts may be submitted for the consideration of the regulatory agencies, which does not release the agents from fully complying with the agreements in force, under the terms of Joint Resolution No. 2/ 2001 enacted by ANEEL, ANATEL and ANP. The termination, extinction or modification of infrastructure sharing agreements with companies in the electricity sector may adversely affect our operating performance and competitive capacity.

We and our subsidiaries can be held jointly and severally liable for environmental damages caused by our suppliers.

There is strict civil liability for environmental damages that is joint and several in nature. This means that the obligation to repair damages can be attributed to all those who, directly or indirectly, contributed to the occurrence of the environmental damage regardless of fault. Therefore, if outsourced companies that provide services for us (such as vegetation clearing and waste management) do not meet the requirements of environmental legislation, we may be held jointly or severally liable for any damage caused by them. Therefore, we may be included as defendants in environmental proceedings regarding third-party misconduct and may be required to pay judgements and be subject to other penalties, including measures to recover environmental damage, which can adversely affect our results and activities. If we are liable for environmental damage, our results, image and reputation may be adversely affected.

We rely on third parties to manufacture and supply the materials we use to provide our services and develop our business.

We rely on certain suppliers of equipment and services, especially telecommunications network equipment and appliances, to provide our services, as well as to execute and develop our business. These suppliers may delay delivery, change prices and limit supply as a result of issues related to their business, over which we have no control. If these suppliers are unable to deliver equipment and services on a regular basis, we may face problems with the continuity of our business activities, which can have an adverse effect on our business and results of operations.

We are subject to interruptions in the operations of our suppliers, including industrial accidents, environmental events, interruptions in logistics or information systems, loss or impairment of large manufacturing sites or distribution issues, product quality control issues, safety concerns, licensing requirements and other regulatory or governmental issues, as well as natural disasters, pandemics, such as the current COVID-19 pandemic, border disputes and other external factors over which we have no control, which may adversely affect our business, sales and results of operations.

If any of our suppliers suffer prolonged interruptions in manufacturing or transportation for any reason, including due to public health conditions such as the recent COVID-19 pandemic, and is unable to supply the products in the quantity, quality and within the timeframe that they normally do, and if we are unable to replace the supplier on acceptable terms or at all, we may not be able to maintain our usual level of sales in the product category affected by the lack of supply, which could have a material adverse effect on our business and results of operations.

We cannot provide assurance that our suppliers will not have issues related to working conditions, or relating to compliance with environmental and safety standards, or that they will not use irregular practices. If any of our suppliers engage in irregular practices, including but not limited to the aforementioned ones, our reputation and brand may be harmed.

We may be held liable for tax, labor and social security obligations of third-party suppliers or service providers.

Under Brazilian law, if third party suppliers or service providers fail to comply with their obligations under tax, labor and social security laws, we may be jointly and severally or secondarily liable for such non-compliance, resulting in fines and other penalties that may adversely affect us, including our reputation, by inclusion in employers' lists of the Labor Secretariat (Secretaria do Trabalho), provided for in article 2 of Interministerial Ordinance (Portaria Interministerial) MTPS/MMIRFG No. 4/2016, which may affect our reputation and ability to obtain new financing. We may also be

liable for damages within our facilities involving third-party employees, which can adversely affect our reputation and business.

(f) Risks related to the Company customers

We are subject to credit risk related to our customers.

Our operations and business depend significantly on our customers' ability to pay for the services contracted and to comply with their obligations with us. ANATEL regulations do not allow us to implement certain policies that could reduce customers' default, such as restricting or limiting the services provided to the customer based on their default history. If we are unable to implement policies to limit customers defaults or allow us to accept new customers based on their history, we will remain subject to defaults and the existence of debts that are difficult to settle, which may materially and adversely affect our financial condition and results of operations. On December 31, 2020, the default rate of our customers was 58%.

In the event of recurring default by one or more customers or by one or more groups of customers, we may suffer an adverse effect on our business, financial condition, results of operations and cash flows. As of April 30, 2021, the balance in receivables accounts was R\$75.6 million, of which 48% were defaulted.

The situations that can lead to payment interruption by these customers or groups of customers include termination of agreements due to mergers or acquisitions of corporate customers, financial difficulties in a customer's business, termination of agreements, judicial or extrajudicial reorganization, bankruptcy, increased unemployment rates, decreased income, and others, including unjustified default. Any increase in expected losses on our trade receivables due to interruption of customer payments would have an adverse effect on our financial condition and results of operations.

In addition, if we fail to properly conduct a credit analysis or monitoring of the financial condition of our customers we may be unable to identify such customers in advance, and our provisions for doubtful accounts may be insufficient, causing a material adverse effect on our financial condition.

For more information about the changes in the existing balances in accounts receivable in the Company's financial statements as of April 30, 2021 and in the last three fiscal years, see item 10.1 below.

We may experience a reduction of our customer base and high customer turnover, which can increase our operating costs and reduce our revenues.

The customer acquisition rate can be negatively affected by total market penetration and product lifecycles. The Brazilian telecommunications market is facing significant changes in its outlook. Several factors in addition to competitive pressures may influence the subscriber acquisition rate and our turnover rate, including network coverage, lack of reliable service and economic conditions in Brazil, which can have a material adverse effect on us.

Our investments are based on demand analysis that may be inaccurate due to economic volatility and may result in revenues below the estimated amount.

Any significant variation in the Brazilian economic scenario may affect demand and, therefore, our analysis may prove to be inaccurate. For example, economic crises can restrict credit to the public, and uncertainties related to employment rates can result in delays in the decision to purchase new products or services (such as broadband). As a result, it is possible that, based on

demand analysis, we will make higher investments than necessary, considering the effective demand at the respective time, which may affect our cash flow. Likewise, improvements in economic conditions without investment can have the opposite effect. For example, an increase in demand that is not accompanied by investments in infrastructure may result in the degradation of the quality of our services, causing a material adverse effect on us.

Some of the long-term agreement we entered into with our customers contain provisions that allow unilateral termination by the customers.

Most of the service provision agreements with our customers contain requirements for service level and performance, including requirements related to the quality of services and the time required to complete them. If we do not consistently comply with a customer's service requirements and/or there are failures in the course of the services, the agreements may (i) be unilaterally terminated by the customer, (ii) be renewed under conditions disadvantageous to us, or (iii) not be renewed, causing a material adverse effect on our business.

Failure to anticipate and inadequate responses to changes in customers' habits can adversely affect our sales.

We cannot provide assurance that we will always be able to offer our customers the products and services they are looking for. We are subject to changes in consumption habits and demand for products and services by our customers, so we have to constantly adapt ourselves to their preferences. As a result, we may not be able to anticipate or adequately respond to changes in customer habits, which can negatively impact our sales.

Our investments are based on projections of demands that may be inaccurate due to economic volatility and may result in revenues below the estimated amount.

Any variation in relation to projections, such as a significant variation in the Brazilian economic scenario, may affect demand and, therefore, our projections may be inaccurate. For example, economic crises can restrict credit to the public, and uncertainties related to employment rates can delay the decision to purchase new products or services (such as broadband). As a result, based on demand projections, we may make investments that are higher than necessary, given the effective demand at the respective time, which can affect our cash flow. In addition, improvements in economic conditions can have the opposite effect. For example, an increase in demand that is not accompanied by investments in infrastructure may result in the loss of the opportunity to increase our revenue or result in the degradation of the quality of our services, causing a material adverse effect on us.

We are subject to risks inherent to agreements entered into with the public administration.

As of April 30, 2021, approximately 1.5% of our net operating revenue were related to agreements with the public administration. The bidding procedures that precede such agreements, the legality and regularity of such bidding procedures or administrative proceedings that preceded the execution of public agreements, under the legal regime of Law No. 13,303/2016 (Lei das Estatais), or Law of State-Owned Companies, may be affected by technical factors related to opportunity, convenience, availability and requirements for participation, and by political factors, which may affect our results and business.

When directly contracting with the public administration through non-requirement or waiver of a bidding process without the analysis of the relevant formalities (for example, justification of the hiring without bidding by the contracting public entity), we may be subject, in addition to the

penalties indicated above, to the criminal liability of individuals who are proven to have contributed to the consummation of the illegality and benefited from the illegal waiver or non-requirement of bidding (article 337-E of Law-Decree No. 2,848/1940, as amended by the Law of State-Owned Companies). In this situation, the penalty applicable is imprisonment, from four to eight years, and payment of a fine (article 337-E, sole paragraph, of Law-Decree No. 2,848/1940, as amended by the Law of State-Owned Companies).

We are also subject to the impacts of unilateral termination, default and/or non-performance by the public administration, under the terms of the Law of State-Owned Companies. If there is a unilateral termination in any of our agreements, we will have to bear losses related to the initial costs incurred in the agreements, in addition to possible sanctions. Also, the default or the non-performance, even if partial, of any agreements executed with public entities may subject us to the imposition of several penalties. The imposition of any sanctions may result in expenses, reputational damages and administrative and judicial discussions with the sanctioning entities. If we are prevented from contracting with the public administration or declared disreputable, our ability to obtain and renew agreements with the public administration will be considerably or totally impaired.

(g) Risks related to the economic sectors in which the Company operates

The telecommunications sector is subject to frequent technological changes. Our capacity to remain competitive depends on our ability to implement new technologies that could affect our business.

Companies operating in the telecommunications sector must adapt to rapid technological changes. Technological changes can make our equipment, services and technology obsolete or inefficient, which can affect our competitiveness and force us to increase our investments in order to remain competitive.

There is an expectation that the evolution to 5G and the Internet of Things, or IoT, will bring changes to the telecommunications sector, with the creation of new products, services and business models, and that it will also stimulate the emergence of new industries. It is possible that this technology will be quickly implemented in the market at reasonable costs, and therefore may create a direct competition to the fixed broadband technology offered by us.

It is also possible that the expansion of 5G technology will lead to an increase in the offer of fiber optic infrastructure by other operators, which may also increase our competition, which could have an adverse affect on our business and financial condition.

The telecommunications market and our subscriber base may be adversely affected by changes in the Brazilian economy that negatively affect the purchasing power of the general public.

Our subscriber base may be affected by changes in telecommunications legislation and economic and financial conditions in Brazil, such as the purchasing power of the general public, and the availability, quality and cost of competing services.

In these cases, subscribers, especially residential, may adopt measures that will lead to changes in their habits and reduce the use of telecommunications services, adversely affecting our business, financial condition and results of operations.

Strong competition in the sector may reduce our market share and impair our economic and financial performance.

The opening of the Brazilian market to competition in telecommunications services and the gradual reduction in the use of traditional telecommunications services negatively affected the historical margins of the sector. Currently, in the regions we operate, we face competition from companies such as TIM, Claro, Vivo and Oi which are significantly larger, have more resources and higher market share than us.

An increase in competition may increase the disconnection rate of customers and impair our market share and margins. In order to be competitive, we depend on a successful marketing strategy, the quality of the service offered, the perception by customers of our differentials, financial capacity to carry on with our investment plan, to anticipate and quickly react to competitive factors that affect the industry, including new services, changes in customer preferences, demographic trends, economic conditions, pricing strategies and competitors' discounts.

In order to face the competition, we may incur higher costs with marketing, advertising, investments to maintain current services, and investments in new technologies, technological upgrades, and customer service and/or aggregate services that seek to provide value and differentiation for customers.

Our inability to effectively compete may reduce our market share, adversely and materially affecting our operating revenue and profitability.

Competition may intensify due to the entry of new companies in the market, the consolidation of the sector and the rapid development of new technologies, products and services.

Our ability to compete in the telecommunications industry depends on the successful marketing of our services, the retention of our customers and our financial and other resources (including access to capital) in comparison to our competitors and our capability to anticipate and respond to competitive factors affecting the industry, including the introduction of new services, changes in customers preferences, regulatory changes, demographic trends, economic conditions and price discount strategies used by competitors, as well as further industry consolidation. It is not possible to foresee exactly what factors will impact our competitiveness, such as the growing need for promotions, discounts and other marketing initiatives, or what investments we will require in order to develop and provide the necessary technologies, products and services. These factors can adversely affect our market share and margins.

Additionally, the intensification of competition, especially in the region where we operate, may result in a reduction in our growth rate, lower prices, an increase in customer turnover, a decrease in our subscriber base, an increase in expenses and losses of key professionals to competitors and/or to other market segments, that may have an adverse effect on our activities, results and financial condition.

Extensive government regulation of the telecommunications sector may limit, in certain cases, our flexibility to respond to market conditions, competition, changes in our cost structure or may impact our rates.

Our business is subject to extensive government regulation, including regulatory changes that may occur during the term of our authorizations to provide telecommunications services. Through

our subsidiaries, we have concessions for the exploitation of STFC, Multimedia Communications Services (Serviços de Comunicação Multimídia), or SCM, Service of Conditioned Access (Serviço de Acesso Condicionado), or SEAC, and Private Limited Service (Serviço Limitado Privado), or SLP, and we act as an Accredited Virtual Network (Credenciada de Rede Virtual), through representation of Telefônica Brasil S.A. (Origin Provider) in the provision of the Personal Mobile Service (Serviço Móvel Pessoal), or SMP. ANATEL, which is the main regulator of the telecommunications sector in Brazil, regulates, among other things:

- sector policies and regulations;
- licensing;
- fees and rates;
- competition, including our ability to grow through acquisitions of other telecommunications companies;
- technical services and quality standards;
- interconnection; and
- universal service obligations, specifically with respect to telecommunications concessionaires.

The Brazilian regulatory framework for telecommunications is constantly evolving. The interpretation and application of regulations, the assessment of compliance with regulations and the flexibility of regulatory authorities are uncertain. We operate under authorizations and a concession from the Brazilian federal government, and our ability to maintain these authorizations and concession is a condition for our success. However, due to the changing nature of our regulatory framework, we cannot provide assurance that ANATEL will not negatively modify the terms of the licenses. Under our terms of operation, we must meet specific requirements and maintain minimum standards of quality, coverage and service. Failure to comply with these requirements may result in the imposition of penalties and/or other regulatory sanctions, including the termination of our authorizations to operate. Any partial or total revocation of any of our licenses would have a material adverse effect on our business, financial condition, revenues, results of operations and prospects.

In recent years, ANATEL has been reviewing and introducing regulatory changes, especially with regards to competition and discipline measures on the provision of wholesale products made available among telecommunications operators. Asymmetric measures of competition may include regulations aimed at rebalancing markets in which a market participant has market power over other competitors, which may result in the imposition of additional obligations on us, which may impact the way we currently conduct our business.

Changes to industry competition rules or the introduction of asymmetric regulatory measures that change market operating conditions may have a material adverse effect on our business, financial condition, revenues, results of operations and prospects.

The market prices of some of our services may decrease in the future, which may result in lower revenues and margins.

In order to retain customers and revenue, we may often have to reduce prices in response to market conditions and trends, mainly due to competition. As the prices of some of the services

decrease, our results of operations may be adversely affected, causing a material adverse effect on us.

(h) Risks related to the regulation of the sectors in which the Company operates

The telecommunications industry is highly regulated. Changes in laws and regulations may materially and adversely affect our results.

The telecommunications sector is highly regulated by ANATEL, which is the federal agency responsible for regulating and inspecting the provision of telecommunications services, as provided for in the Telecommunications Law.

ANATEL, among other activities, establishes the rules relating to the grant, offer, form of contracting, conditions of service provision, interruptions and suspensions and termination of agreements relating to telecommunications services, whether executed with the general public or between telecommunications operators, as well as competition between operators.

ANATEL is responsible, among other activities established by the Telecommunications Law, for:

- implementing the sector's domestic policy and sector regulation;
- issuing rules on the granting, provision and use of telecommunications services under the public regime;
- issuing acts granting and extinguishing the right to exploit the service in the public regime;
- exercising, in relation to telecommunications, the legal competences regarding control, prevention and punishment of violations of the economic order, except those belonging to CADE;
- collecting and allocating telecommunications' resources;
- regulating fees and prices;
- setting service and equipment standards;
- setting technical quality standards;
- establishing measures that provide quality standards compatible with users' requirements;
- issuing rules and standards that ensure compatibility, integrated operation and interconnection between networks; and
- supervising universalization obligations.

Therefore, our results of operations, revenues and financial condition could be adversely affected by the actions of the Brazilian authorities, including, in particular, the following:

- introduction of new or more stringent operational requirements;
- grant of new licenses to operate telecommunication services in our areas of operation;
- delays in ratifying agreements; and
- antitrust limitations imposed by ANATEL, within the scope of its competence in matters of control, prevention and punishment of violations of the economic order, and by CADE.

Changes in legislation, new concessions, authorizations or licenses or the imposition of additional costs, among other factors, could adversely affect our business, financial condition and results of operations.

The existence of extensive regulation on the activities provided by us and our subsidiaries may limit our flexibility to respond to market conditions, competition and changes in our cost structure.

The companies we control operate under the regime of authorization by the Brazilian federal government and, therefore, in light of the regulatory framework, potential investors cannot be assured that ANATEL will not modify the terms of the provision of our services. Through our subsidiaries, we have concessions issued by ANATEL for the exploitation of STFC, SCM, SEAC and SLP, as well as acting as a Virtual Network Accredited in the provision of SMP. In addition, we are required to comply with certain requirements and maintain minimum standards of quality, coverage and service. Failure to comply with these requirements may result in the imposition of fines or other administrative sanctions, including the termination of our operations or the extinction of grants, including forfeiture. A partial or full revocation would have a material adverse effect on our business, financial condition, revenues, results of operations and prospects.

Changes in the rules governing the telecommunications sector in Brazil, including changes in the criteria for remunerating the use of networks, registering stations, obtaining grants and transferring corporate control can materially and adversely affect our business, financial condition and results of operations.

It is not possible to predict whether the current regulatory regime will remain in force or if any future changes in regulation will have an adverse effect on our results of operations.

Inspections by ANATEL and failure to comply with the regulations applicable to the provision of telecommunications services may adversely affect us, our results and financial condition.

We are subject to inspections by ANATEL with respect to compliance with the regulations applicable to the telecommunications services offered by us, including payment of fees and public prices. Breaches of regulatory obligations and quality indicators can impact the quality of our services, and subject us to sanctions that may be imposed by ANATEL, which may adversely affect our results and financial condition. All telecommunications services offered by us are also subject to regulations issued by ANATEL and duties provided for in the respective authorizations, in particular with regards to the quality of services and users' rights.

If our controlled subsidiaries are unable to satisfactorily comply with the service obligations under the respective authorization, ANATEL may initiate an administrative sanctioning proceeding related to this non-compliance.

Any failure to comply with the regulations and obligations applicable to the provision of telecommunications services may result in the application of fines by ANATEL, as well as the following penalties, without prejudice to civil and criminal sanctions, in accordance with the Telecommunications Law: (i) warning; (ii) fine; (iii) temporary suspension; (iv) forfeiture; and (v) declaration of lack of good standing, which, together or individually, can have a material and adverse effect on the conduct of our business, results of operations and financial condition.

In case of non-compliance with the applicable legislation and regulation, the authorizations for the provision of telecommunications services may be extinguished, by (i) revocation, when there is a loss of the essential conditions for maintenance of the authorization; (ii) forfeiture, in case of serious violations, irregular transfer of authorization or repeated non-compliance with obligations;

or (iii) loss of the right, if the rules come to prohibit the type of activity authorized due to reasons of exceptional public importance.

The ability of our controlled subsidiaries to comply with these obligations and goals may be impaired by factors beyond our control and we cannot provide assurance that they will meet these goals and obligations or that they will not be fined in the future or will not suffer more severe penalties. These regulatory developments or eventual failure to comply with them may have a material adverse effect on our business, financial condition and results of operations.

We and our subsidiaries cannot provide assurance that we will be able to fully comply with each of the applicable laws, regulations and authorizations or that we will be able to comply with future changes in the laws and regulations to which we are subject. These regulatory developments or any failure to comply with them could have a material adverse effect on our business, financial condition and results of operations.

Changes in regulation may adversely affect the businesses of telecommunications providers.

Changes in the model for providing telecommunications services, such as the end of basic monthly subscription charges, may be applied by ANATEL. Therefore, we are unable to predict when and if these regulatory changes will be implemented, and all the impacts these changes can have on our activities, which may be adversely affected.

If we and our subsidiaries are no longer considered small service providers for the purposes of ANATEL regulations, we may be subject to additional regulatory obligations and requirements

Pursuant to article 4, item XV, of the Plan of Competition Targets (Plano Geral de Metas de Competição), or PGMC, approved by ANATEL Resolution No. 600/2012, and amended by ANATEL Resolution No. 694/2018, telecommunications service providers will be considered small service providers (prestadoras de pequeno porte), or PPP, when they belong to economic groups that have a domestic market share of less than 5% in each retail market they operate. In order to make this standard effective and provide legal certainty to providers falling, or not, under the concept of PPP, as opposed to the concept of groups with Significant Market Power (Poder de Mercado Significativo), or PMS, Act No. 6,539/2019 declared that the telecommunications service providers belonging to the economic groups of (i) Telefônica, (ii) Telecom Américas, (iii) Telecom Itália, (iv) Oi and (v) Sky /AT&T are not considered PPPs. By exclusion, all providers not belonging to the five economic groups above are considered PPPs, including us. Published in October 2019, Act No. 6,539/2019 has a minimum period of review of two years after its publication but so far, ANATEL has not stated when it intends to request a revision of PPPs.

Accordingly, under the terms of ANATEL regulations, PPPs are subject to a more simplified regime of regulatory obligations, although several obligations are maintained and shared between PPPs and providers that do not fit into this concept. To qualify as a PMS, the following criteria must be analyzed: (i) market share; (ii) ability to exploit economies of scale in the relevant market; (iii) ability to exploit economies of scope in the relevant market; (iv) control over infrastructure whose duplication is not economically viable; and (v) simultaneous performance in the wholesale and retail markets.

Based on the identification of groups with SMP, ANATEL determines the incidence of asymmetric regulatory measures, which consist of obligations that must be fulfilled by groups with SMP in order to minimize the likelihood of exercising market power and encourage and promote free

competition in the sector. These asymmetric regulatory measures fall into the following categories: (i) transparency; (ii) isonomic and non-discriminatory treatment; (iii) price control measures for wholesale; (iv) obligation to access and supply specific network resources; (v) obligations to offer wholesale products under the conditions specified by ANATEL; (vi) obligations to correct specific market failures or to comply with the legal or regulatory order in force; and (vii) accounting, functional or structural separation. Only providers belonging to economic groups that are not PPPs are subject to asymmetric regulatory measures.

Among other specific obligations for each relevant wholesale market, groups with SMP must prepare Product Reference Offers (Ofertas de Referência dos Produtos) for approval by ANATEL, which consist of an equal and non-discriminatory public offering that establishes conditions for contracting products in the wholesale market. The applicable asymmetric regulatory measures are from the categories of transparency and isonomic and non-discriminatory treatment, combined with price control measures for wholesale products.

If we are considered to belong to an economic group with SMP and, therefore, no longer a PPP, - either by changes in ANATEL's regulations or by means of corporate reorganization, through which we become part of any of the economic groups whose companies are not considered PPPs, we will be subject to additional regulatory obligations, such as the obligations described above, which may impact the way we conduct our business through our subsidiaries.

We are subject to the penalties and cases of early extinction established in the Bidding Law, as we have entered into agreements with the public administration which may affect our reputation and results of operations.

We have entered into agreements with various entities of the public administration, for the provision of telecommunications services, through our subsidiaries. The agreements were entered through electronic bidding processes, on-site biddings processes or waiver of bidding, and most of them have a 12 month term. The agreements are mainly governed by the Bidding Law, which establishes general rules on bidding and administrative agreements pertaining to constructions, services, purchases, disposals and leases within the scope of powers belonging to the federal government, the states, the federal district and municipalities.

In case of non-compliance with the rules applicable to agreements with the public administration, or in case of breach of contractual obligations and provisions, our subsidiaries may be subject to the following penalties, the application of which must be preceded by an administrative proceeding in which they may exercise their right to defense, pursuant to article 87 of the Bidding Law: (i) warning; (ii) fine, as provided for in the agreement; (iii) temporary suspension of participation in bidding procedures and debarment from contracting with the public administration, for a period of up to two years; (iv) declaration of unfitness to bid or contract with the public administration while the reasons for the sanction persists or until rehabilitation before the authority that applied the sanction.

Agreements with the public administration are also subject to external control exercised by the competent Court of Auditors (Tribunal de Contas), whether at the federal, state or city levels, which may assess the legality and regularity of expenditure and execution, pursuant to article 113 of the Bidding Law.

Among others, the following constitute grounds for unilateral termination of administrative agreements governed by the Bidding Law, pursuant to article 78: (i) non-compliance, or irregular compliance, with contractual clauses, specifications, projects and deadlines; (ii) the total or partial

subcontracting of its object, the association of the contracted party with others, the assignment or transfer, in whole or in part, as well as the incorporation, spin-off or merger, not admitted in the public notice (edital) and in the agreement; (iii) transformation or changes in the purpose or structure of the company that impairs the performance of the contract; and (iv) total or partial interruption of the product supply.

Considering that the Bidding Law establishes general rules, the states and municipalities are also competent to enact their own laws to regulate the bidding and administrative agreements that are executed within their jurisdiction. Therefore, we may also be subject to other rules provided for in state and municipal legislation regarding agreements entered into with the public administration.

Any penalties, termination or early termination of these agreements may have a material adverse effect on our reputation and on the way we conduct our business through our subsidiaries with the public administration entities, as well as on our financial condition and results of operations.

In April 2021, Law No. 14,133/2021, or New Bidding Law, was published and, therefore, the penalties applicable under the Bidding Law will undergo changes, with the entry into force of the new law. The New Bidding Law will be mandatory only after two years from the date of its publication, but public entities are allowed to adopt it before such deadline, replacing the Bidding Law - which will define the possible set of penalties to which the contracted companies will be subject in the event of non-compliance with new agreements, depending on the legal regime applicable to such agreements.

Regarding penalties, the New Bidding Law provides that the fine will be calculated according to the public notice (edital) or the agreement and may not be less than 0.5% or more than 30% of the amounts involved in the agreement. In addition, the New Bidding Law provides that the sanction of debarment from bidding and contracting will be restricted to the federative entity of the direct and indirect public administration that has applied the sanction and its maximum term will not exceed three years. In the case of declaration of lack of good standing, the New Bidding Law provides that the sanction will prevent the person from bidding or contracting with all federal entities of the direct and indirect public administration for a period of at least three years and a maximum of six years.

Any increase in taxes applicable to the telecommunications sector in Brazil and potential reductions or cancellations of current tax benefits may adversely affect our results.

A potential increase in the tax burden, including by the potential loss or reduction of tax incentives or benefits applicable to us and/or our subsidiaries currently in force, may adversely affect our profitability. An increase in taxes levied on the telecommunications sector normally results in higher rates for our final customers, resulting in a reduction of the services we sell and provide and, consequently, in lower revenues. Lower revenues result in lower profit margins on the services we provide. We cannot provide assurance that the Brazilian federal government, or state and municipal governments will not create new taxes or increase the current tax rates levied on our activities within their tax jurisdiction, nor that they will maintain tax benefits currently in force.

Changes in Brazilian tax legislation and conflicts in its interpretation may adversely affect us, increasing our tax burden.

Brazilian tax legislation is regularly amended by the federal, state and municipal governments. These amendments include the creation of new taxes, changes in rates and, at times, the creation of temporary taxes intended for certain specific governmental purposes, as well as changes in the interpretation of the legislation by Brazilian courts. These measures may result in an increase

in our and our customers' and suppliers' tax burden, which, consequently, will affect our profitability and the prices of services provided in the sector in which we operate. We cannot guarantee that, in the face of changes that increase our tax burden, we will be able to maintain the prices of our services, our projected cash flow or profitability, which could adversely affect our business.

In addition, we may be subject to inspections by the Brazilian Federal Revenue Service from time to time. As a result of these inspections, tax positions may be questioned by tax authorities, which can lead to tax proceedings. We cannot provide assurance that the provisions we made for these proceedings will be sufficient, that there will be no identification of additional tax exposure or that it will not be necessary to establish additional tax reserves for any tax exposure. Any increase in the amount of taxation as a result of challenges to our tax positions may adversely affect our business, results of operations and financial condition.

Any lawsuits related to tax matters, including before the Administrative Council for Tax Appeals (Conselho Administrativo de Recursos Fiscais), or CARF, may adversely affect us.

Currently, the Brazilian congress is analyzing proposals for the implementation of a tax reform, which sets forth, among other things, the extinction of the some federal taxes – Tax Over Industrialized Products (Imposto sobre Produtos Industrializados), social integration program contribution (Programa de Integração Social) and social security contribution (Contribuição para o Financiamento da Seguridade Social), or COFINS, Value-Added Tax (Imposto sobre Circulação de Mercadorias e Serviços), or ICMS, which is a state tax, and Taxes Over Services (Imposto sobre Serviços), or ISS tax, which is municipal – to create a single new Tax on Operations with Goods and Services (Imposto sobre Operações com Bens e Serviços), or IBS, which would be levied on consumption.

This tax reform may also bring changes regarding current income tax exemption on distribution of dividends. The implementation of this tax reform, however, will require changes in the law through a bill to be voted by the Brazilian congress, which, in our view and considering the specific context of the discussions, is not imminent as of the date of this offering memorandum. We have no assurance that the current tax exemption on dividends distributed by Brazilian companies will remain in force in the future. Nevertheless, any potential taxation imposed on dividends would come into effect only in the year following the enactment of the relevant law.

The COVID-19 pandemic and the enactment of a state of calamity can have far-reaching socioeconomic impacts, including a possible drop in tax revenues in the country and an increase in demand for public expenditure in key sectors. In this scenario, the federal, state and municipal governments may promote legislative changes to impose, even if temporarily, more onerous tax treatment on our activities, and these measures may adversely affect our business and results of operations.

We cannot provide assurance that the Brazilian government will not implement a tax reform or changes in applicable laws and regulations, changing the tax system to which we are currently subject, and that any tax incentives or benefits currently in force will be maintained or renewed under favorable conditions for us or our subsidiaries. If these changes directly or indirectly increase our tax burden, our gross margin may decrease and, consequently, adversely affect our business and results of operations.

We, Brisnet Serviços, Universo Serviços de Telecomunicações Ltda. and our subsidiaries are beneficiaries of federal and state tax incentives, and the cancellation, reduction or non-renewal of these benefits may adversely affect our results.

We currently provide internal communication services in the states of Ceará and Paraíba, which are subject to a reduction of up to 75% of the ICMS tax rate, considering the tax benefits granted by these states upon the execution of a Special Taxation Regime (Regime Especial de Tributação). Tax benefits, authorized by the ICMS Agreement No. 19/2018 (Convênio CONFAZ ICMS nº 19/2018), and regulated by Ceará State Decree No. 33,327/2019 and Paraíba State Decree No. 39,992/2019, have a term that may vary in each state and may be renewed upon request by us and/or our subsidiaries. The enjoyment of these benefits is subject to compliance by Brisnet Serviços and Universo Serviços de Telecomunicações Ltda., or Universo Serviços, with certain requirements set forth in the legislation. Brisnet Serviços and Universo Serviços are currently in compliance with these requirements. On December 31, 2020, we had obtained a total credit of R\$33.8 million, in connection with the ICMS benefit, which corresponds to 115.9% of our net profit in the year ended December 31, 2020.

Furthermore, Brisnet Serviços and Universo Serviços are subject to the tax benefit of the Superintendence for the Development of the Northeast (Superintendência do Desenvolvimento do Nordeste), or SUDENE, granted by the Brazilian federal government through Provisional Measure No. 2,199-14/2001, and regulated by Decree No. 4,213/2002, which entitles us to a 75% reduction in income tax and additional amounts calculated based on our operating profit, provided that certain requirements imposed by law are met. We currently meet all requirements, and the existing tax benefit is valid until December 31, 2028. On December 31, 2020, we had obtained a total credit of R\$0.8 million, in connection with the SUDENE income tax benefit, which corresponds to 2.8% of our net profit in the year ended December 31, 2020.

We cannot ensure that (i) the tax incentive programs we currently benefit from will be effectively continued, partially or fully, until the end of their term or that we will be able to renew them, under favorable conditions, after they expire, (ii) we will obtain new tax benefits after the expiry of this term, (iii) no new taxes will be created or the rates of existing taxes levied on the products we sell will not be increased, or (iv) we will be able to comply with all obligations established by the instruments that formalize these tax benefits.

Furthermore, we cannot provide assurance that the tax benefits mentioned above will be continued or that they will not be reduced or contested, in which case the reduction or revocation of the tax benefit may result in an adverse impact on Brisnet Serviços' and Universo Serviços' business, financial condition, cash flows and results of operations.

We cannot provide assurance that we will continue to operate in states that grant tax incentives if we are unable to meet existing requirements under the various tax incentive programs or that these tax incentives will not have their legality challenged administratively or judicially by third parties, including the Public Prosecutor's Office, other states or new governors of the states in question. A challenge to our tax benefits raised by third parties can result in the cancellation of incentives and the obligation to retroactively pay the total amount we benefited from, up to the decision date, subject to the statute of limitations.

Extensive government regulation of the telecommunications industry may limit our flexibility to respond to market conditions, competition and changes in our cost structure or impact our rates.

The extensive regulation and conditions imposed by regulatory bodies in the telecommunications sector may limit our flexibility to respond to market conditions, competition and changes in our cost structure.

Any regulatory bodies that have jurisdiction over our business may implement or change regulations or take other actions that could adversely affect our and our subsidiaries' operations. In 2020, regulatory innovations were introduced, including the publication of the Licensing Regulation (Regulamento Geral de Licenciamento), approved by Anatel Resolution No. 719/2020, and of the Grants Regulation. Changes in the rules governing the telecommunications sector in Brazil, including changes in the criteria for remuneration for the use of networks, registration of stations, obtaining grants and transfer of corporate control may materially and adversely affect our business, financial condition and results of operations.

ANATEL is responsible, among other activities established by the Telecommunications Law, for:

- implementing the sector's domestic policy and sector regulation;
- issuing rules on granting, provision and use of telecommunications services under the public regime;
- issuing acts granting and extinguishing the right to exploit the service in the public regime;
- exercising, in relation to telecommunications, legal competences regarding control, prevention and punishment of violations of the economic order, except those belonging to CADE;
- collecting and allocating telecommunications' resources;
- regulating fees and rates;
- setting service and equipment standards;
- setting technical quality standards;
- establishing measures that provide quality standards compatible with users' requirements;
- issuing rules and standards that ensure compatibility, integrated operation and interconnection between networks; and
- supervising universalization duties.

Therefore, our results of operations, revenues and financial condition could be adversely affected by the actions of the Brazilian authorities, including, in particular, the following:

- introduction of new or more stringent operational requirements;
- grant of new licenses to operate telecommunication services in our areas of operation;
- delays in ratifying agreements; and
- antitrust limitations imposed by ANATEL, within the scope of its competence in matters of control, prevention and punishment of violations of the economic order, and by CADE.

The telecommunications regulatory framework in Brazil is continually changing. We cannot anticipate changes and adjustments to the regulations defined by the regulatory bodies, in the evolving process of the telecommunications sector.

The companies we control operate under the regime authorization by the Brazilian federal government and, therefore, in light of the regulatory framework, potential investors cannot be assured that ANATEL will not modify the terms of the provisions of our services. In addition, we are required to comply with certain requirements and maintain minimum standards of quality, coverage and service. Failure to comply with these requirements may result in the imposition of fines or other administrative sanctions, including the termination of our operations or the extinction of grants, including forfeiture. A partial or full revocation would have a material adverse effect on our business, financial condition, revenues, results of operations and prospects.

Changes in the rules governing the telecommunications sector in Brazil, including changes in the criteria for remunerating the use of networks, registering stations, obtaining grants and transferring corporate control can significantly and adversely affect our business, financial condition and results of operations.

It is not possible to predict whether the current regulatory regime will remain in force or if any future changes in regulation will have an adverse effect on our results of operations.

Our results may be adversely affected by changes in accounting practices adopted in Brazil, as well as in international financial reporting standards.

Accounting practices adopted in Brazil are issued by the CPC and the IFRS are issued by IASB. The CPC and the IASB have calendars for approving accounting pronouncements and IFRS, which may change at any time and over which we have no interference. Therefore, we are unable to predict which and when new accounting pronouncements or new IFRS will be approved and if they can, in any way, impact our future financial statements. There is a risk that future financial statements may be changed due to new accounting pronouncements by the CPC and regulated by CVM, as well as IFRS issued by the IASB, which can affect our future financial statements.

Companies in the telecommunications sector, including us, may be fined or unable to expand their networks on energy concessionaire poles due to restrictions related to fixing points.

ANEEL Resolution No. 797/2017 and ABNT NBR Resolution No. 15214/2015 establish the limit of up to six fixing points for the installation of network cables on electricity poles in Brazil, in order to avoid overloading and risks to the public of cables falling over access ways. The uncoordinated and irregular growth of telecommunications operators' networks in recent years, especially in metropolitan regions, has caused an excess of poles. With the recent improvement in the governance of energy concessionaires, in the search for greater control over the regularity of the network and the drop in revenues due to rental fees of fixation points, telecommunications operators may be fined or even have their operations interrupted in areas that are irregular or pending approval by the concessionaire. We cannot provide assurance that we will be able to fully expand the networks established in our investment plan. Our results and revenues may be adversely affected due to the costs of assessments and regularization of networks with energy concessionaires.

Our sales may be suspended due to quality issues with our services.

ANATEL and other judicial and administrative entities have the authority to suspend the sale of services and products offered by our controlled subsidiaries in order to improve the general quality of telecommunications services. Sales suspensions generally apply to services that have received complaints from consumers and consumer protection organizations.

In case there is an increase in consumer complaints in the future, the sale of one or more services may be suspended until a plan is developed and approved by ANATEL, which can significantly affect our business and results of operations.

In relation to the fixed broadband service, provided by means of authorization from the SCM, our controlled companies, as they fall under the current PPP concept established by the PGMC, are not subject to measurement and inspection of quality indexes established in the RQUAL, nor in the Quality Management Regulation (Regulamento de Gestão da Qualidade) approved by ANATEL Resolution No. 574/2011.

ANATEL has a specific channel for complaints against providers available to consumers, based on various attributes, including “Quality, Operation and Repair”. On this attribute, according to May 25, 2021 data from the ANATEL Consumer (Anatel Consumidor) system (available at: <https://apps.anatel.gov.br/AnatelConsumidor/>), 6.9% of consumers reopened complaints in relation to Brisanet Serviços.

(i) Risks related to the foreign countries in which the Company operates

Not applicable, since the Company has no operations in foreign countries.

(j) Risks related to socio-environmental issues

The telecommunications industry, of which we are a part of, is subject to environmental regulation. If we do not comply with the applicable regulations or become subject to stricter regulation, our business can be adversely affected.

The activities we carry out are subject to environmental regulation at the federal, state and municipal levels, involving, among other matters, issues related to environmental licensing (when applicable), vegetation clearing and solid waste management. New laws or regulations enacted or implemented may adversely affect our business, results of operations and financial condition.

In order to develop our activities in certain locations, we may have to obtain and periodically renew environmental licenses and authorizations, either by ourselves or through outsourced companies specialized in the preparation and implementation of projects to build the structure we need to develop our activities. In the event of violation or non-compliance with laws, regulations, licenses, authorizations and respective technical conditions, when applicable, environmental legislation establishes administrative sanctions by the competent environmental bodies, such as fines, cancellation of licenses, suspension of activities and revocation of authorizations, criminal sanctions, in addition to the obligation to repair or compensate any environmental damage caused in the civil sphere. Any of these events may adversely affect our business, results of operations and financial condition, in addition to causing adverse effects on our image and reputation.

At the criminal level, responsibility for damages caused to the environment in Brazil is based on Law No. 9,605/98, or Environmental Crimes Law. In addition to establishing the conduct and activities harmful to the environment and applicable sanctions, the law stipulates specific rules and circumstances for the application of penalties for environmental crimes, adapting the rules of criminal law to the requirements for the protection of the environment. Criminal liability is subjective, personal and non-transferable and, unlike civil liability, it depends on wilful intent and/or culpability to apply.

Violation of the Environmental Crimes Law can constitute an environmental crime, affecting individuals such as managers, officers, members of the board of directors and technical bodies,

auditors, agents or representatives and the legal entity itself. The legal entity can be punished with the imposition of a criminal fine or the following restrictive rights (i) partial or total suspension of the activity; (ii) temporary interdiction of the establishment, work or activity and (iii) prohibition from contracting with the public administration and obtaining subsidies, benefits or donations from it. Individuals can be punished with imprisonment and/or fine.

The responsibility of the legal entity does not exclude the responsibility of individuals, either as perpetrators, co-perpetrators or participants, and liability is often extended to certain acts by members of legal entities who took part in the decision-making or omitted to do so, when they could avoid the losses arising from these decisions. Consequently, criminal liability for environmental damages is comprehensive, with the possibility that, through the commitment of a single criminal act, various subjects, including members of our management, can be held liable.

Furthermore, the law provides for the possibility of disregarding the legal personality of the entity that causes environmental damage, whenever the legal personality is an obstacle to the reimbursement of damages caused to the environment.

Law No. 12,305/2010, established the National Solid Waste Policy (Política Nacional de Resíduos Sólidos) with principles, objectives and instruments, as well as guidelines on integrated management and solid waste management. Hiring third parties to carry out any of the management steps of the solid waste generated by us does not exempt us from liability, especially at the civil level (duty to repair and indemnify), if these service providers cause damage to the environment and/or to third parties in the exercise of their activities.

Failure to comply with waste management rules, of any nature, including failure to prepare and implement a Solid Waste Management Plan (Plano de Gerenciamento de Resíduos Sólidos), or PGRS, may expose us to administrative, civil and criminal sanctions.

Our liability for environmental infractions, damages and crimes may adversely affect our image, operations and financial condition.

Furthermore, the Public Prosecutor's Office and regulatory bodies may inspect and institute administrative procedures to investigate any irregularities that may be attributed to our activities. In such cases, generic consent decrees (Termos de Ajustamento de Condutas), or TACs, or consent orders (Termos de Compromisso), or TCs, may be entered into between us and the respective authorities, establishing specific obligations, which may result in the disbursement of additional amounts by us. Due to the nature of an extrajudicial enforceable instrument, if we are in total or partial non-compliance with the terms agreed to in these TACs or TCs, we may be subject to risks and penalties, such as fines, enforcement of the obligations undertaken, and the settlement of disputes before the courts.

Finally, the government may issue new stricter rules or seek more restrictive interpretations of existing laws and regulations, which may imply additional expenses for us, in order to adapt our activities to these rules. We cannot provide assurance that we will be able to timely obtain, maintain or renew our environmental licenses and authorizations, as applicable, nor that environmental legislation will not become increasingly restrictive and complex, which may require us to make additional investments to improve and adapt our activities. Expenditures to comply with current and future laws and regulations, in addition to delays or denials in issuing environmental licenses or waivers, may harm our activities, results of operations or financial condition.

We may be subject to the preparation of a PGRS and Civil Construction Plan.

With regard to the regulation of solid waste, we may be subject to the preparation of a PGRS, as outlined by the National Solid Waste Policy, and/or a Civil Construction Waste Management Plan (Plano de Gerenciamento de Resíduos de Construção Civil), or PGRCC, due to the nature, composition or volume of waste we produce. In the implementation of the PGRS and PGRCC, even if the services of collection, storage, transport, transshipment, treatment or final disposal of solid waste or tailings are outsourced, we are not exempt from liability for damages that may be caused by inadequate management of the respective waste or tailings.

According to Law No. 12,305/2010, the inadequate disposal of waste, as well as accidents resulting from the transport of such waste, can be a contamination factor in soil and groundwater, and can lead to the application of sanctions in the administrative and criminal spheres. The administrative penalties applicable for the inadequate disposal of solid, liquid and gaseous waste, which may or may not effectively cause pollution, include, among others, an embargo on the activity or construction, and fines of up to R\$50.0 million. Additionally, the violation of the PGRS and PGRCC, as they can cause damage to the environment, may adversely affect our reputation.

Growing concerns about climate change can lead to additional regulatory measures, which can result in increased costs for us.

More restrictive environmental regulations may result in the imposition of costs associated with emissions of Greenhouse Gases, or GHG, either through the requirements of environmental agencies or through other measures of a regulatory and environmental nature. Due to concerns about the risk of climate change, a number of countries, including Brazil, have adopted or are considering adopting regulatory frameworks that, among other rules, aim to reduce GHG emissions. GHG regulations may increase our costs to comply with environmental legislation, which can affect our financial condition and results of operations.

Any failure to obtain, timely renew or the cancellation of environmental licenses, registrations, grants, authorizations, approvals and consents of an environmental nature may materially affect our results and reputation.

Difficulties in obtaining or failure to obtain the necessary licenses, registrations, grants, authorizations, approvals and consents, as applicable, may delay or prevent the full functioning of our activities. The lack (due to the failure to obtain or timely renew due the cancellation) of any license or the partial or total non-compliance with the environmental technical regulations and conditions, may have an adverse effect on our activities, as well as the imposition of penalties in the administrative and criminal spheres, without prejudice to the need to compensate the damages caused in the civil sphere, situations in which our results and reputation may be adversely affected. We cannot provide assurance that we have or will have all the environmental licenses applicable to our activities.

With regard to the physical facilities necessary for our activities (whether service points, presence points or data centers), any significant interruption, partial or total closure or malfunction due to the management of any contaminated areas, or any other reason, such as natural disasters, fires, systemic failures, accidents or other unforeseen causes may prevent us from continuing to provide our services to certain groups of customers, which may, in turn, and depending on the volume of affected customers, materially affect our results. In these cases, our financial condition and results of operations, as well as our image, may be adversely affected.

(k) Risks related to macroeconomic factors

The outbreak of communicable diseases worldwide, such as COVID-19, may lead to increased volatility in the global capital markets and result in negative pressure on the world economy and the Brazilian economy, and the Company's business.

Outbreaks of diseases affecting people's behavior, such as COVID-19, Zika, Ebola, avian flu, foot-and-mouth disease, swine flu, Middle East Respiratory Syndrome or MERS, and Severe Acute Respiratory Syndrome or SARS, could have a material adverse impact on the global capital markets, global industries, the world and Brazilian economy, the Company's results and its shares.

On March 11, 2020, the WHO declared a pandemic due to COVID-19, leaving it up to member countries to establish best practices for preventive actions and treatment for those infected. As a consequence, the outbreak of COVID-19 has resulted in restrictive measures regarding the flow of people imposed by the governments of several countries in light of the wide and widespread spread of the virus, including quarantine and lockdown around the world. As a consequence of these measures, countries have imposed restrictions on travel and public transportation, prolonged closures of workplaces, interruptions in the supply chain, trade closures and a reduction in consumption by the general population, which may result in volatility in the price of raw materials and other inputs, factors that together have a material adverse effect on the global economy and the Brazilian economy.

These measures coupled with the uncertainties caused by the COVID-19 pandemic had an adverse impact on the global economy and capital markets, including Brazil, including causing six circuit-breakers on B3 in eight trading sessions during the month of March 2020. The prices of most assets traded on B3 were adversely affected due to the pandemic of COVID-19. Similar impacts may occur again, causing oscillation of the assets traded on B3.

Any material change in the Brazilian financial markets or economy as a result of these global events may diminish the interest of domestic and foreign investors in securities of Brazilian issuers, including securities issued by the Company, which may adversely affect the market price of such securities and may also make it more difficult for the Company to access the capital markets and finance its operations in the future on acceptable terms.

Finally, the impact of these outbreaks can also precipitate or aggravate the other risks described in this section 4.1.

Potential fluctuations in interest rates may have an adverse effect on our financial condition and results of operations.

We and our subsidiaries are exposed to losses arising from adverse changes in interest rates, mainly from debts indexed to the Brazilian Interbank Deposit Rate (Certificado de Depósito Interbancário), or CDI, and long-term interest rate as determined by the Central Bank (Taxa de Juros de Longo Prazo), or TJLP. This risk is predominantly connected to loans and financings that we and our subsidiaries contract with financial institutions to meet our needs for cash for investments and growth.

Some of our liabilities are indexed to floating interest rates, creating exposure to market fluctuations. On April 30, 2021, we had R\$659.4 million in loans and financings (current and non-current), of which approximately 50.4% were indexed to CDI and TJLP rates. Should these

indexes and interest rates rise, they may adversely affect our financial condition and results of operations.

Continued uncertainty in global capital markets and global economy may adversely affect our financial results.

Continued uncertainty in global capital markets and economy, including in the context of COVID-19, could adversely affect our financial results. An extended period of economic decline may have a material adverse effect on our results of operations and financial condition and aggravate some of the other risks described in this offering memorandum.

The market value of securities issued by Brazilian companies is influenced, in different degrees, by economic and market conditions in other countries, including developed and emerging economies. Investor reaction to developments in these other countries may have an adverse effect on the market value of Brazilian companies' securities, in particular those traded on stock exchanges. Share prices on the B3, for example, have historically been affected by fluctuations in U.S. interest rates, as well as variations in the main U.S. stock indexes. Developments in other countries and capital markets may reduce investors' interest in Brazilian companies' securities, including securities issued by us, and may, moreover, hinder or totally obstruct our access to capital markets and financing of operations in the future on acceptable terms.

Our results of operations and financial condition may be adversely affected, due, among others, to the following global economic conditions, in the event:

- customers cancel, postpone or waive purchases of our services;
- customers are not able to timely comply with their payment obligations toward us;
- demand and prices for our services are reduced due to our competitors' actions or otherwise;
- key suppliers that we rely on are unwilling or unable to provide the materials we need for our network in a timely manner or on terms that we deem acceptable; or
- financial counterparties, insurance providers or other contractual counterparties may not comply, or do not comply, with contractual obligations to us.

The relative volatility and lack of liquidity of the Brazilian securities market may substantially limit the ability of investors to sell our common shares at the price and time they desire.

Investing in securities traded in emerging markets, such as Brazil, often involves greater risk compared to other markets. The Brazilian securities market is substantially smaller, less liquid, more volatile and more concentrated than the main international securities markets.

Uncertainty over the implementation of political or regulatory changes by the Brazilian government creates instability in the Brazilian economy, increasing the volatility of its securities market. These uncertainties, the recession in Brazil with a slow recovery period and other future developments in the Brazilian economy may adversely affect our activities and, consequently, our results of operations, and may also adversely affect the trading price of our common shares.

Therefore, we cannot ensure the liquidity of our common shares, which may considerably limit the ability of our current and/or future shareholders to sell their common shares at the desired price and time.

Inflation and the measures of the Brazilian federal government to combat inflation may adversely affect our business, operations and financial condition.

Brazil has experienced extremely high rates of inflation in the past. During this period, the Brazilian economy was adversely affected by measures adopted by the federal government in order to control inflation or even by fear and speculation about potential government measures to be adopted. This scenario contributed directly to the economic uncertainty existing in Brazil and to the increase in volatility in the Brazilian securities market.

The federal government has adopted measures to control inflation, which have often included the maintenance of a restrictive monetary policy, with a history of high interest rates, which can restrict the availability of credit and reduce economic growth. As a consequence, the official interest rates in Brazil suffered significant variation for the years ended December 31, 2016, 2017, 2018, 2019 and 2020, varying from 13.65% per year, 6.90% per year, 6.40% per year, 5.50% and 2.00% per year, respectively, as established by the Monetary Policy Committee of the Central Bank of Brazil (Comitê de Política Monetária do Banco Central do Brasil), or COPOM.

In this regard, Brazil continues to be subject to an increase in inflation as a result of measures by the Brazilian federal government, including through the reduction or increase of interest rates and intervention in the foreign exchange market and actions to adjust or fix the value of the real. In the event Brazil experiences high inflation rates again, we may not be able to readjust the prices we charge our customers to offset the effects of rising inflation on our cost structure, which may lead to an increase in costs and a reduction in our net operating margin.

The Brazilian federal government exercised and continues to exercise significant influence over the Brazilian economy. This influence, as well as Brazilian political and economic conditions, may adversely affect our activities and the market price of our common shares.

The Brazilian federal government frequently intervenes in the country's economy and occasionally introduces significant changes in its monetary, fiscal, credit and tariff policies, rules and many regulations. The measures taken by the Brazilian federal government to control inflation, in addition to other policies and regulations, often include, among others, an increase in interest rates, changes in fiscal policies, price controls, currency devaluations, capital controls and import restrictions.

With recent political and economic events, and increased pressure on the federal government for changes and reforms in the national economy through changes in monetary, fiscal, credit and tariff policies and rules, changes may occur, resulting in adverse effects that we cannot predict at the moment. In view of this unpredictability, it is not possible to anticipate the impact of the reforms on our business. Our business, financial position, results of operations, business prospects, as well as the market value of our common shares may be adversely affected by new policies or rules involving or affecting factors such as:

- social, economic and political instability;
- contraction of the Brazilian economy;
- exchange rate controls and restrictions on remittances abroad;
- inflation;
- interest rates;
- exchange rate fluctuation;

- liquidity in the Brazilian financial and capital markets;
- fiscal and monetary policies and changes in tax laws;
- water and energy rationing;
- laws and regulations applicable to the sector in which we operate;
- interpretation of labor and social security laws; and
- other political, diplomatic, social and economic events that may occur in Brazil or affecting the country.

The uncertainty over the implementation of changes by the Brazilian federal government in policies or rules that may affect these or other factors in the future may contribute to economic uncertainty in Brazil and to the increase in volatility in the Brazilian market and capital markets. Therefore, such uncertainties and other future events in the Brazilian economy may affect our activities and, consequently, our results of operations, and may even adversely affect trading of the common shares issued by us. Furthermore, on April 14, 2021, a parliamentary inquiry commission (CPI) that investigates alleged omissions and irregularities in federal government spending during the COVID-19 pandemic in Brazil was created. If the federal government is held accountable for such acts, any resulting consequences, including a potential opening of impeachment proceedings, may have material adverse effects on the political and economic environment in Brazil, as well as on businesses operating in Brazil, including our business.

The market price of Brazilian securities is subject to events and perception of risk in other countries, especially in emerging economies and in the United States, China and the European Union.

The Brazilian securities market is heavily influenced by external factors and perceptions, including the United States, China and the European Union, as well as other Latin American and emerging market countries. The economic and market conditions of countries in Latin America, Asia, North America, Europe and others, exercise, at varying degrees, an impact on the market value of securities traded in Brazil and on the securities of Brazilian companies traded on foreign markets. Although economic conditions in Europe and the United States may differ significantly from economic conditions in Brazil, investor reactions to developments in these other countries may have an adverse effect on the market price of securities of Brazilian issuers, which may lead to a reduction in investors' interest, including in securities issued by us.

The prices of shares traded on the B3, for example, have been historically sensitive to interest rate fluctuations in the United States, as well as to variations in the main stock exchanges in the United Kingdom. Furthermore, crises in other emerging countries may affect investors' interest in Brazilian securities, including our common shares. These events may adversely affect the market price of our common shares, restrict our access to capital markets and compromise our ability to finance operations in the future under favorable terms or regardless of them. In addition, the financial crisis and political instability in the United States, Europe and other countries affected the global economy, producing several effects that, directly or indirectly, affected the capital market and the Brazilian economy, such as fluctuations in the securities' price issued by traded companies, decrease in credit supply, deterioration of the global economy, exchange rate fluctuation and inflation, among others, which may, directly or indirectly, adversely affect us. In June 2016, the United Kingdom called a referendum in which the majority of its population voted for the United Kingdom to leave the European Union. We have no control over and cannot predict

the effect of the United Kingdom's withdrawal from the European Union or whether and to what extent other member states will decide to withdraw from the European Union in the future. These developments, as well as potential crises and forms of political instability arising therefrom or any other unexpected development, may adversely affect us and the market value of our common shares.

Political, economic and social developments and the perception of risks in other countries, especially in emerging economy countries, may affect the market value of Brazilian securities.

The market value of securities issued by Brazilian companies is affected, to different degrees, by economic and market conditions in other countries, especially Latin American countries and countries with emerging economies. Investor reaction to developments in these other countries may have an adverse effect on the market value of securities issued by Brazilian companies. Crises in other Latin American countries and other emerging countries or the economic policies of other countries, especially those of the United States and European Union countries, may affect investors' interest in Brazilian securities, including our common shares. This could restrict our access to capital markets and to finance our operations in the future, under acceptable or absolute terms. Any of these events may adversely affect our business and our shares market value.

In the past, the development of adverse economic conditions in other emerging countries resulted, in general, in the decrease in foreign investment and, consequently, reduction of external resources invested in Brazil. The financial crisis that originated in the United States in the third quarter of 2008, resulted in a recessionary scenario on a global scale, with several consequences that, directly or indirectly, adversely affected the Brazilian stock market and economy, such as: fluctuations in the securities' price of publicly-held companies, lack of credit availability, reduced expenditure, economic slowdown, exchange rate instability and inflationary pressure. In addition, financial institutions may be unwilling to renew, extend or grant new lines of credit on economically favorable terms, or even be unable or unwilling to honor their commitments. Any of the aforementioned events may affect trading of our common shares, in addition to restricting our access capital markets and to finance our operations in the future, under acceptable or absolute terms.

Political and economic instability in Brazil may adversely affect our business, results of operations and trading price of our common shares.

The political environment in Brazil has influenced and continues to influence the performance of the country's economy. Political crises have affected and continue to affect the confidence of investors and the general public, which may result in an economic slowdown and an increase in the volatility of securities issued by Brazilian companies.

Recent economic instability in Brazil has contributed to the decrease in market confidence in the Brazilian economy and worsened the situation in the domestic political environment. In addition, the Brazilian market has faced an increase in volatility due to uncertainties arising from several ongoing investigations into accusations of money laundering and corruption conducted by the Brazilian Federal Police and by the Public Prosecutor's Office, including the largest investigation known as Car Wash (Lava Jato). Such investigations had an adverse effect on the country's economy and political environment. The effects of the Car Wash investigation, as well as other corruption related investigations, resulted in a negative impact on the image and reputation of the companies involved, as well as on the market's general perception of the Brazilian economy, the political environment and capital markets. We have no control and cannot predict whether these

ongoing investigations or allegations will result in further political and economic instability or whether there will be new allegations against government officials and/or companies in the future.

Furthermore, on January 1, 2019, Jair Bolsonaro took office as President of Brazil. Uncertainties regarding the implementation by the new government of changes in monetary, fiscal and social security policies, as well as in the relevant legislation, can contribute to economic instability. These uncertainties and new measures may increase the volatility of the Brazilian securities market, including in connection to our common shares.

The Brazilian economy has experienced a severe decline in recent years due, in part, to interventionist measures by the Brazilian government related to economic and monetary policies and the global decrease in commodity prices. The current Brazilian federal government is expected to propose broad tax reforms to stimulate the economy and reduce the projected budget deficit, but it is uncertain whether the Brazilian government will be able to muster the necessary support in the Brazilian Congress to approve additional specific reforms.

Political and economic uncertainty and any new policies or changes in current policies could have a material adverse effect on our business, operations results, financial condition and prospects. Uncertainty over whether the Brazilian government will implement political or regulatory changes affecting these or other factors in the future may contribute to economic uncertainty in Brazil and to heightened volatility in securities issued abroad by Brazilian companies. Historically, the political scenario in Brazil has influenced the performance of the Brazilian economy. In particular, political crises affected the confidence of investors and of the general public, which adversely affected Brazil's economic development.

Exchange rate instability may have a material adverse effect on the Brazilian economy and on us.

The Brazilian currency has fluctuated sharply against the dollar and other strong currencies over the past four decades. On March 31, 2021, the exchange rate of the real in relation to the dollar was R\$5.70 per US\$1.00, and, on April 30, 2021, the exchange rate of the real in relation to the dollar was R\$5.40 per US\$1.00. Throughout this period, the Brazilian federal government implemented several economic plans and used various exchange rate policies, including sudden devaluations, periodic mini-devaluations, floating exchange market systems, exchange controls and the double exchange market. Since 1999, Brazil has adopted a floating exchange rate system with interventions by the Central Bank in the purchase or sale of foreign currency. From time to time, there have been significant fluctuations in the exchange rate between the real and the dollar and other currencies.

We cannot provide assurance that the devaluation or appreciation of the real against the dollar and other currencies will not have an adverse effect on our activities.

The devaluation of the real can create additional inflationary pressures in Brazil and lead to increases in interest rates, which can adversely affect the Brazilian economy as a whole and our results, due to the retraction in consumption and the increase in our costs. On the other hand, the appreciation of the real can lead to the deterioration of the country's current accounts and balance of payments and can weaken the growth of the gross domestic product generated by exports. We have no influence on the exchange rate policy adopted in Brazil and no capacity to foresee it. Our business, financial condition, results of operations and prospects could be adversely affected by changes in such exchange rate policies.

Any downgrade on Brazil's credit rating could adversely affect the trading price of our shares.

We may be adversely affected by investors' perception of the risks related to the credit rating of Brazil's sovereign debt. Rating agencies regularly evaluate Brazil and its sovereign ratings, which are based on a number of factors, including macroeconomic trends, fiscal and budgetary conditions, indebtedness metrics and the prospect of changes in any of these factors.

In September 2015, Standard & Poor's began reviewing Brazil's sovereign credit risk rating, downgrading it to a grade below the so-called investment grade, and since then, Brazil has suffered successive cuts in its rating by the three major risk rating agencies in the world. After the downgrade on September 30, 2015, Standard & Poor's again downgraded Brazil's credit risk rating from BB + to BB and, more recently, on January 11, 2018, downgraded Brazil's sovereign credit rating from BB to BB- with a stable outlook, mentioning the delay in approving fiscal measures to rebalance public accounts. In February 2016, Moody's downgraded Brazil's credit risk rating to a grade below investment grade, to Ba2, with a negative outlook, but changed the outlook to stable in April 2018 to a stable outlook. In February 2018, Fitch downgraded Brazil's sovereign credit risk rating BB-minus, a grade that was reaffirmed in August 2018, with a stable outlook, mentioning structural weaknesses in public finances, high government indebtedness, weak growth prospects, political environment and issues related to corruption.

Recently, the Brazilian political and economic scenario has shown high levels of volatility and instability, including the reduction of the gross domestic product (GDP), significant fluctuations of the real against the U.S. dollar, an increase in the unemployment level and a reduction in the levels of expenditure and consumer confidence. Fitch also downgraded Brazil's sovereign credit rating to BB- with a negative outlook in May 2020, mentioning the deterioration of the Brazilian economic and fiscal environment and heightened risks for both dimensions, given renewed political uncertainty, in addition to uncertainties on the extent and intensity of the COVID-19 pandemic.

Brazil's sovereign credit rating is currently rated below investment grade by the three main rating agencies mentioned above. Consequently, the prices of securities issued by Brazilian companies were adversely affected. Other downgrades may occur in the event of a perpetuation or worsening of the current Brazilian recession and the continuing political uncertainty, among other factors. Any further downgrade in Brazil's sovereign credit ratings can increase investors' perception of risk and, as a result, adversely affect the trading price of our common shares.

The volatility and lack of liquidity of the Brazilian securities market may substantially limit the ability of investors to sell our shares at the price and at the time they desire.

The Brazilian securities market is substantially smaller, less liquid and more concentrated than major securities markets, and may even be more volatile than some international markets, such as those in the United States and Europe. These characteristics of the Brazilian capital market may substantially limit the ability of investors to sell our shares for the price and at the time they desire, which may have a material adverse effect on the price of our shares. If an active and liquid trading market is not developed and maintained, the trading price of our shares may be negatively impacted.

Therefore, the size, liquidity, concentration and potential volatility of the Brazilian capital market may create obstacles for our investors who wish to sell their shares at a certain price and time, which may have a materially adverse effect in the market for our common shares. If an active and

liquid trading market is not developed and maintained, their trading price may be adversely affected.

4.2 - Description of the key market risks

The Company's activities expose it to certain market risks, which consist of the risk that the fair value of future cash flows of a financial instrument fluctuates due to changes in market prices, among which we highlight the following: (i) credit risk; (ii) interest risk; (iii) liquidity risk; and (iv) foreign exchange risk.

Credit Risk

Credit risk is the risk that the counterparty to a trade will not fulfill an obligation under a financial instrument or customer contract, which would lead to financial loss. The Company is exposed to credit risk in its operating and financing activities, including deposits with banks and financial institutions, and other financial instruments.

The balance of customers subject to credit risk is presented in the following table:

	As of April 30	As of December 31		
(In thousands of R\$)	2021	2020	2019	2018
			(restated)	
Opening Balance	(20,791)	(21,232)	(28,687)	(6,443)
Constitution	(9,043)	(26,324)	-	(22,244)
Reverse	-	870	1,930	-
Downside	4,894	25,895	5,525	-
Final Balance	(24,940)	(20,791)	(21,232)	(28,687)

Additionally, the balances of cash and cash equivalents and securities subject to credit risk are presented in the table below:

		Consolidated		
(In thousands of R\$)	As of April 30, 2021	As of December 31, 2020	As of December 31, 2019	As of December 31, 2018
			(restated)	
Cash	5	6	5	124
Checking account	369,469	5,402	2,612	643
Financial investments	82,335	165,222	35,456	10,370
Debit Cards	1,667	474	737	889
Final Balance	453,476	171,104	38,810	12,026

Customer default rate

	Consolidated		
As of April 30, 2021	As of December 31, 2020	As of December 31, 2019	As of December 31, 2018
			(restated)
48%	58%	72%	70%

Accounts receivable from customers

Trade accounts receivable are recorded at the invoiced amount, including the respective direct taxes.

(In thousands of R\$)	On 04/30/2021	On 12/31/2020
Accounts receivable from customers	100,571	90,346
Allowance for expected credit losses	(24,940)	(20,791)
Accounts receivable, net	<u>75,631</u>	<u>69,555</u>

The following is the composition of the customer receivables portfolio by age of maturity:

(In thousands of R\$)	On 04/30/2021	On 12/31/2020
Due	39,264	29,075
Overdue:		
01 to 30 days	15,023	20,064
31 to 60 days	3,885	2,677
61 to 180 days	9,841	6,384
181 to 360 days	8,060	8,687
For more than 361 days	24,498	23,459
	100,571	90,346
(-) Allowance for expected credit losses	(24,940)	(20,791)
	<u>75,631</u>	<u>69,555</u>

As of April 30, 2021, the average turnover of trade accounts receivable was 41 days (34 days in 2020). The changes in the provision for expected credit losses are presented as follows:

(In thousands of R\$)	Em 30/04/2021	Em 31/12/2020
Opening Balance	(20,791)	(21,232)
Constitution	(9,043)	(26,324)
Reverse	-	870
Downside	4,894	25,895
Final Balance	<u>(24,940)</u>	<u>(20,791)</u>

Interest Rate Risk

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

In the table below, three scenarios are considered, being (i) the current (probable) scenario which is the one adopted by the Company and (ii) scenario with deterioration of 25% of the risk variable

considered and (iii) scenario with deterioration of 50% of the risk variable considered. These scenarios were defined based on assumptions of changes in the key variables on the maturity dates of the respective contracts subject to these risks. It is worth noting that the scenarios presented are subject to relevant adjustments due to variations in the Company's operating performance, which may influence its level of indebtedness and liquidity.

On April 30, 2021						
(In thousands of R\$)				Consolidated		
Instrument/operation	Current Rate	Risk	Net Exposure	Current Scenario	Scenario II (25% deterioration)	Scenario III (50% deterioration)
Loans and financing	2.56%	CDI High	(272,892)	(280,124)	(281,932)	(283,739)
Loans and financing	4.58%	TJLP High	(84,877)	(88,790)	(89,768)	(90,746)
Loans and financing	5.76%	IPCA High	(42,162)	(45,012)	(45,725)	(46,437)
Debentures	5.76%	IPCA High	(467,688)	(499,304)	(507,208)	(515,112)
Financial Investment	1.77%	CDI Down	102,285	104,996	104,318	103,640
Total	-	-	(765,334)	(808,234)	(820,315)	(832,394)

On December 31, 2020						
(In thousands of R\$)				Consolidated		
Instrument/operation	Current Rate	Risk	Net Exposure	Current Scenario	Scenario II (25% deterioration)	Scenario III (50% deterioration)
Loans and financing	2.75%	CDI High	(340,449)	(349,811)	(352,152)	(354,493)
Loans and financing	4.87%	TJLP High	(92,558)	(97,068)	(98,196)	(99,323)
Loans and financing	4.52%	IPCA High	(44,448)	(46,457)	(46,959)	(47,462)
Financial Investment	2.75%	CDI Down	181,367	186,355	185,108	183,861
Total	-	-	(240,153)	(251,046)	(256,264)	(261,482)

Liquidity Risk

Liquidity risk materializes with the possibility of the Company not having liquid funds sufficient to meet its financial commitments, due to the different realization and/or settlement terms of its rights and obligations. It can be defined by the possibility of not meeting the obligations associated with financial liabilities that will be settled with cash and cash equivalents or financial investments, such as the balance of suppliers, loans and financing, debentures, derivatives and lease obligations.

The table below analyzes the financial liabilities, by maturity ranges, corresponding to the remaining period between the financial statement date and the contractual maturity date.

(In thousands of R\$) On April 30, 2021	Total as of 4/30/21	Less than 6 months	Between 6 and 12 months	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Suppliers	196,293	149,659	46,634	-	-	-
Loans and Financing (current and non-current)	659,411	160,151	127,378	154,108	142,857	74,917
Debentures (current and non-current)	467,688	334	-	-	467,354	-
Derivatives (current and non-current)	(9,642)	(1,995)	(1,633)	(2,245)	(3,769)	-
Lease obligations (current and non-current)	44,342	7,777	8,828	10,738	12,746	4,253

(In thousands of R\$) On December 31, 2020	Total as of 12/31/2020	Less than 6 months	Between 6 and 12 months	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Suppliers	137,229	111,461	25,768	-	-	-
Loans and Financing (current and non-current)	651,747	125,182	144,396	144,089	238,080	-
Derivatives (current and non-current)	(11,767)	(1,952)	(1,598)	(3,043)	(5,174)	-
Lease obligations (current and non-current)	33,474	961	4,601	7,779	9,914	10,219

Additionally, the Company presented the ratios for assessing liquidity and indebtedness for the last four months ended April 30, 2021 and fiscal years ended December 31, 2020, 2019 and 2018:

	As of April 30	At December 31st		
	2021	2020	2019 (restated)	2018 (restated)
Current liquidity ratio ⁽¹⁾	1.12x	0.65x	0.68x	0.46x
General liquidity ratio ⁽²⁾	1.09x	1.14x	1.30x	1.33x
Dry liquidity ratio ⁽³⁾	1.12x	0.65x	0.67x	0.46x

Immediate liquidity ratio	0.94x	0.41x	0.25x	0.12x
<p>(1) Current liquidity ratio corresponds to the division of current assets by current liabilities.</p> <p>(2) General liquidity ratio corresponds to the division of total assets by total liabilities</p> <p>(3) Dry liquidity ratio corresponds to current assets subtracted by the value of inventories divided by current liabilities</p> <p>(4) The immediate liquidity ratio corresponds to the immediately available resources (sum of the cash and cash equivalents accounts, and financial investments divided by current liabilities</p>				

For more information on our liquidity indices, see section 10.1.

Foreign Exchange Risk

This risk comes from fluctuations in exchange rates on commitments in foreign currency (imports). The oscillation of the exchange rate has an impact on loans and financing and commitments with suppliers abroad.

In the table below, three scenarios are considered, being (i) the current (probable) scenario which is the one adopted by the Company; (ii) scenario with deterioration of 25% of the risk variable considered; and (iii) scenario with deterioration of 50% of the risk variable considered. These scenarios were defined based on assumptions of changes in key variables on the maturity dates of the respective contracts subject to these risks.

It is worth remembering that the scenarios presented are subject to relevant adjustments due to variations in the Company's operating performance, which may influence its level of indebtedness and liquidity.

(In thousands of R\$)	On December 31, 2020					
	Consolidated					
Instrument/operation	Estimated Dollar	Risk	Net Exposure	Current Scenario	Scenario II (25% deterioration)	Scenario III (50% deterioration)
Supplier	5.19	Rise of the dollar	(120,189)	(120,189)	(155,945)	(311,890)
Loans and Financing	5.19	Rise of the dollar	(92,613)	(92,613)	(120,165)	(240,331)
Estimated Result			(212,802)	(212,802)	(276,110)	(552,221)

(Em milhares de R\$)	On April 30, 2021					
	Consolidado					
Instrument/operation	Dólar provável	Risk	Exposição Líquida	Cenário atual	Cenário II (25% de deterioração)	Cenário III (50% de deterioração)
Supplier	5.40	Rise of the dollar	(153,452)	(153,452)	(191,815)	(230,178)
Loans and Financing	5.40	Rise of the dollar	(104,461)	(104,461)	(130,576)	(156,692)
Estimated Result			(257,913)	(257,913)	(322,391)	(386,870)

4.3 - Non-confidential and relevant judicial, administrative or arbitration proceedings

For the purposes of this item 4.3, lawsuits were considered individually relevant those that: (i) are greater than R\$5.0 million, an amount equivalent to 3.8% of the Company's shareholders' equity as of April 31, 2021; (ii) may adversely and significantly impact the Company's equity or business; and (iii) may adversely impact the Company's reputation.

As of April 30, 2021, the Company was party to a civil lawsuit that is considered individually relevant according to the criteria indicated above.

Civil suits and others

As of April 30, 2021, the Company was party to 218 civil lawsuits. The subjects of these lawsuits involve (i) indemnity claims due to (i.a) traffic accidents allegedly caused by the cabling interfering in the roadway, or by the Company's employees, (i.b) allegedly improper collection and negotiation, (i. c) dissatisfaction with the provision of service; (ii) collection of rent for the installation of a telecommunications tower; (iii) recovery of undue payment due to loyalty fines; (iv) request of IP data; and (v) recovery of undue payment due to the collection of a "fee" for the use of equipment.

As of April 30, 2021, the updated value of the cause of lawsuits in which the Company was a defendant with remote, possible and probable chances of loss was R\$3.5 million and R\$659 thousand and R\$251 thousand, respectively, of which R\$75 thousand were provisioned for contingencies whose risk was classified as probable.

Under the terms of the Company's Provisioning Policy for civil provisioning, in principle, the lawsuits in the discovery phase are considered remote risk and, when they enter the appellate phase, they are considered probable risk. The complaints filed with the Consumer Defense agencies (DECON/PROCON) are provisioned with remote risk. When judicial or extra-judicial agreements are signed, the risk classification will be probable and the contingency value will correspond to the adjustment value, becoming remote after settlement. However, the risk classification may be adjusted in attention to the doctrine and the majority jurisprudence of each state of the Federation, to the matters debated in the records, to the evidentiary documentation, and to other elements evaluated in a legal opinion. In addition, the evaluation of civil lawsuits will always take into consideration (i) the majority doctrine and jurisprudence of each state of the federation; (ii) the matter discussed in the records; (iii) the totality of the amounts assigned to the cause; (iv) the evidentiary documentation presented in the records; (v) the defense's rationale; and (vi) the request of lesser impact to the Company.

Among the civil lawsuits individually relevant to the Company, as of April 30, 2021, the following case stands out due to its subject matter:

Public Civil Action for Administrative Improbability no. 0002726-04.2013.8.06.0145	
a. court location	Single Court of the County of Pereiro/CE
b. instance	1st Instance
c. date of initiation	08.26.2013
d. parties in the lawsuit	Author: Municipality of Pereiro Defendants: Brisagnet Serviços de Telecomunicações S.A., João Paulo Estevam, director of the Company, and others.
e. values, goods or rights involved	R\$14,000.00 which corresponds to the value of the cause.

	<p>R\$166,417.47 estimated amount that corresponds to the civil fine plus the updated amount of the restitution to the public treasury.</p> <p>In addition, an eventual conviction could imply in loss of earnings resulting from an eventual prohibition of the Company to contract with public authorities and, therefore, participate in future biddings, or even the loss of tax benefits currently enjoyed by the Company. For further information on a possible prohibition to contract with the government, see the risk factor "The Company's governance, risk management and compliance processes are in the implementation phase for purposes of compliance with Novo Mercado rules. Therefore, the Company may not be able to detect behaviors contrary to applicable laws and regulations and its standards of ethics and conduct, which may cause material adverse impacts on its business, financial condition, results of operations and market price of the Company's shares" in item 4.1 of this Reference Form.</p>
f. main facts and developments	<p>This is a public civil action for administrative improbity, which has as its object the investigation of alleged irregularity in a bidding procedure for the supply of internet to the Municipality of Pereiro/CE. Mr. João Paulo Estevam, a director of the Company, is the nephew of the mayor of the Municipality of Pereiro/CE at the time of the bidding in question.</p> <p>In view of this family relationship and the fact that the Company was the winner of the aforementioned bidding process (which was held on the basis of non-requirement, due to the inexistence of other bidders capable of providing the service), the mayor who took office the following term in Pereiro/CE filed this administrative improbity suit to investigate the facts.</p> <p>The lawsuit was originally filed only against Mr. João Paulo Estevam, but on 07.02.2019, a writ of summons was issued to the Company to file an answer. On 21.11.2019, it was certified in the records that the Company did not present a prior defense and defense, and only Mr. João Paulo Estevam manifested in this regard.</p> <p>Despite having been filed in 2013, this lawsuit is still in its early stages: the Public Prosecution Office was recently summoned to submit a reply to the rebuttals filed by the defendants and, to date, the case is pending trial in the lower court.</p> <p>In this context, on July 14, 2021 the Company and the Public Prosecutor's Office of the State of Ceará entered into a Non-Prosecution Agreement, through which the Company will commit to pay R\$ 50,000 to the Fund for Recovery of Diffuse Rights of the State of Ceará (FDID), in exchange for the dismissal of the public civil action against the Company. The Non-Prosecution Agreement awaits ratification by the lower court judge.</p>
g. chance of loss (informed by the Company)	<p>Possible - On July 14, 2021 the Company and the Public Prosecutor's Office of the State of Ceará enter into a Non-Prosecution Agreement.</p>
h. analysis of impact in case of loss	<p>If the lawsuit is upheld, the impact is financial and reputational, considering that it is a public civil action for administrative misconduct. In this sense, the Company and/or João Paulo Estevam are subject to the penalties provided in article 12, items I to III, of Law No. 8,429/1992 (Administrative Improbity Law), notably the temporary prohibition to contract with the government or receive benefits or tax and credit incentives, directly or indirectly, for a period of three, five or ten years, the full repair of the damage (if any) and the payment of a civil fine (to be set after the trial).</p> <p>On July 14, 2021 the Company and the Public Prosecutor's Office of the State of Ceará entered into a Non-Prosecution Agreement in which the</p> <p>On July 14, 2021, the Public Prosecutor's Office of the State of Ceará entered into a Non-Prosecution Agreement in which the Public Prosecutor's Office of the State of Ceará committed to dismiss the public civil action against the Company upon proof of payment of R\$50,000 to the Fund for Recovery of Diffuse Rights of the State of Ceará (FDID). The Non-Prosecution Agreement awaits ratification by the lower court judge.</p>

Tax Lawsuits

As of April 30, 2021, the Company and its subsidiaries were parties in 7 administrative and judicial tax proceedings. These processes refer mainly to (i) enforcement of a fine imposed by PROCON; (ii) enforcement of a fine related to a notice of violation; and (iii) exclusion of undue collection of contribution to the FUST and FUNTTEL.

According to the analysis of the Company's external lawyers, as of April 30, 2021, the total amount involved in the lawsuits with remote, possible and probable chances of loss was approximately R\$5 thousand, R\$1 million and R\$2 thousand, respectively.

The Provisioning Policy establishes the provisioning for the Company's tax and administrative claims and determines that the assessments from government inspection agencies will be provisioned as remote risk. After the start of a judicial or administrative proceeding, a new classification will be made as possible or probable remote loss, considering the following factors that must be related to the matters discussed in the proceedings: (i) existence of administrative or judicial jurisprudence of the Superior Courts; (ii) evidentiary documentation supporting the Company's defense; (iii) existence of a Binding Precedent and decisions with general repercussion or repetitive effect.

Labor lawsuits

As of April 30, 2021, the Company and its subsidiaries were parties to 156 administrative and judicial labor lawsuits. These lawsuits mainly involve (i) receipt of overtime pay and related charges; (ii) receipt of risk premium and related charges; (iii) receipt of compensation for moral damages resulting from conduct practiced by the Company; (iv) request for reversal of dismissal for just cause, with the consequent receipt of differences in contractual and termination payments; (v) non-compliance with the quota of apprentices; and (vi) compliance with rules on limitation of working hours and rest periods.

According to the analysis of the Company's external lawyers, as of April 30, 2021, the updated value of the cause of lawsuits with remote, possible and probable chances of loss was R\$9 million, R\$838 thousand and R\$953 thousand, respectively, of which R\$951 thousand were provisioned.

Among the labor lawsuits, there are no cases considered individually relevant.

4.3.1 - Total amount provisioned of the processes described in item 4.3

There is no provision for the lawsuits described in item 4.3 above, given that the administrative improbity lawsuit No. 0002726-04.2013.8.06.0145 had no estimated damage to the treasury to date.

4.4 - Non-confidential judicial, administrative or arbitration proceedings whose opposing parties are directors, former directors, controlling shareholders, former controlling shareholders or investors

As of the date of this Reference Form, there were no non-confidential judicial, administrative or arbitration proceedings to which the Company or its controlled companies were a party, having as opposing parties managers or former managers, controlling shareholders or former controlling shareholders or investors of the Company or its controlled companies.

4.4.1 - Total amount provisioned of the processes described in item 4.4

Not applicable as exposed in this item 4.4.

4.5 - Relevant classified cases

As of the date of this Reference Form, the Company and its controlled companies do not figure as parties in material confidential proceedings that have not been disclosed in the previous items.

4.6 - Judicial, administrative or arbitration proceedings that are repetitive or related, non-confidential and jointly relevant

The Company presents below a brief description of the most relevant repetitive or connected proceedings to which it is a party, separated by their nature:

Civil suits and others

We highlight, among the cases already mentioned in item 4.3, the following, grouped together due to their repeated subject matter:

Traffic Accident Cases (n° 0029209-39.2013.8.06.0091, 0800996-67.2018.8.15.0251, 0001253-11.2018.8.17.8225, 0021419-19.2019.8.06.0115, 0800948-40.2020.8.15.0251, 3000737-33.2020.8.06.0090, 0050854-04.2020.8.06.0115, 0812352-35.2020.8.20.5106, 0814411-93.2020.8.20.5106, 0839876-48.2020.8.15.2001, 0051895-78.2020.8.06.0091, 0800253-17.2021.8.20.5100)	
a. involved values (sum of up-to-date cause values) (In Reais)	426,750.10
b. practices of the issuer or its subsidiary that caused such contingency	Traffic accidents caused by the Company's activity, either by cables interfering in the road, or by accidents caused by its employees.

Lawsuits related to the alleged undue charge (n° 0010008-75.2013.8.20.0122, 0000886-93.2014.8.15.0881, 3000059-20.2017.8.06.0091, 0009092-45.2017.8.06.0169, 0006385-78.2017.8.06.0113, 0010141-64.2017.8.20.0159, 0820274-35.2017.8.20.5106, 0800007-08.2018.8.15.0301, 0020069-26.2018.8.06.0181, 3000525-84.2018.8.06.0024, 0000093-32.2018.8.06.0052, 0000133-69.2018.8.06.0066, 0000656-26.2018.8.06.0052 ¹ , 0000779-24.2018.8.06.0052, 0010391-58.2018.8.06.0028, 0000723-72.2018.8.06.0122, 0000719-35.2018.8.06.0122, 0000720-20.2018.8.06.0122, 0000721-05.2018.8.06.0122, 0000722-87.2018.8.06.0122, 0000877-09.2018.8.06.0052 ¹ , 0800421-52.2018.8.15.0221, 0800247-52.2018.8.20.5120, 0800435-60.2018.8.20.5115, 0000891-62.2018.8.06.0126, 0000114-06.2019.8.06.0106, 0804336-29.2019.8.20.5106, 0002469-97.2019.8.06.0070, 0000919-96.2019.8.06.0125, 0802395-26.2019.8.20.5112, 3001154-80.2019.8.06.0167, 0811925-72.2019.8.20.5106, 0001034-20.2019.8.06.0028, 0800458-48.2019.8.20.5122, 0815603-95.2019.8.20.5106, 0815778-89.2019.8.20.5106, 0823401-37.2019.8.15.0001, 3000961-65.2019.8.06.0070, 0030084-35.2019.8.06.0176, 0801362-41.2019.8.20.5131, 0030018-02.2019.8.06.0129, 0000189-30.2018.8.06.0090, 0803629-79.2019.8.20.5100, 0001998-54.2019.8.06.0176, 3002052-30.2019.8.06.0091 ² , 3002053-15.2019.8.06.0091 ² , 3002054-97.2019.8.06.0091 ² , 3002055-82.2019.8.06.0091 ² , 3002056-67.2019.8.06.0091 ² , 3002057-52.2019.8.06.0091 ² , 3002058-37.2019.8.06.0091 ² , 0820996-98.2019.8.20.5106, 0801490-79.2019.8.20.5125, 0050006-91.2020.8.06.0155, 0800262-92.2020.8.20.5106, 0800377-16.2020.8.20.5106, 0050033-90.2020.8.06.0182, 0800065-62.2020.8.20.5131, 3000255-48.2020.8.06.0167, 3000347-26.2020.8.06.0167, 3000293-94.2020.8.06.0091, 0805504-73.2020.8.15.2001, 0806218-33.2020.8.15.2001, 3000293-31.2020.8.06.0112, 0802498-17.2020.8.20.5106, 0001340-87.2020.8.17.8227, 0800236-34.2020.8.15.0321, 0803463-92.2020.8.20.5106, 3000266-17.2020.8.06.0090, 3000277-74.2020.8.06.0113, 0050403-44.2020.8.06.0158, 0000677-26.2020.8.17.8232, 3000013-05.2020.8.06.0195, 0050403-56.2020.8.06.0154, 3000415-13.2020.8.06.0090, 0050245-32.2020.8.06.0176, 3000495-22.2020.8.06.0172, 0000891-17.2020.8.17.8232, 0805790-10.2020.8.20.5106, 0050211-74.2020.8.06.0041, 0808323-39.2020.8.20.5106, 0807080-60.2020.8.20.5106, 0807421-86.2020.8.20.5106, 0809466-78.2020.8.20.5004, 0808986-85.2020.8.20.5106, 0803194-09.2020.8.15.0251, 0803742-34.2020.8.15.0251, 0801957-76.2020.8.15.0141, 0811698-48.2020.8.20.5106, 0812869-55.2020.8.20.5004, 0841835-54.2020.8.15.2001, 0801110-19.2020.8.15.0321, 0800300-68.2020.8.20.5118, 0813410-73.2020.8.20.5106, 0050730-85.2020.8.06.0126, 0814917-69.2020.8.20.5106, 0848914-84.2020.8.15.2001, 0051063-18.2020.8.06.0100, 0802327-44.2020.8.15.0371, 0816672-31.2020.8.20.5106, 0825848-61.2020.8.15.0001, 0855632-97.2020.8.15.2001, 0817816-55.2020.8.20.5004, 0800892-61.2020.8.20.5135, 0050682-68.2020.8.06.0113, 3000688-60.2020.8.06.0035, 0818908-53.2020.8.20.5106, 0831451-18.2020.8.15.0001, 0820842-46.2020.8.20.5106, 0055347-62.2020.8.06.0167, 0051154-11.2020.8.06.0100, 0800426-23.2021.8.20.5106, 0800046-28.2021.8.20.5129, 0802690-40.2021.8.15.0001, 0800092-59.2021.8.20.5115, 3000170-22.2021.8.06.0072, 0000351-33.2021.8.17.3220, 0800555-43.2021.8.20.5101, 0806204-15.2021.8.15.2001, 3000311-32.2021.8.06.0172, 0802432-46.2021.8.20.5124,	
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0800706-12.2021.8.20.5100, 0803893-25.2021.8.20.5004, 0000191-31.2021.8.17.8224, 0807939-69.2021.8.15.0001, 0800927-05.2021.8.20.5129, 0808857-73.2021.8.15.0001, 0807091-55.2021.8.20.5106, 0805358-69.2021.8.20.5004)	
a. amounts involved (sum of up-to-date cause values) (In Reais)	2,202,511.73
b. practices of the issuer or its subsidiary that caused such contingency	Collection of allegedly undue debts and consequent improper negativation of the plaintiffs' names, "fraud" and undue loyalty fines.

Processes related to failure in the provision of service (nº 0202817-06.2010.8.20.0120, 0002591-41.2015.8.06.0106, 0009526-26.2017.8.06.0107, 0800892-62.2017.8.15.0881, 0000032-36.2018.8.06.0097, 3000480-39.2019.8.06.0091, 0806010-42.2019.8.20.5106, 0003123-39.2019.8.06.0182, 0810618-83.2019.8.20.5106, 0811856-40.2019.8.20.5106, 0003429-10.2019.8.06.0052, 3002702-14.2019.8.06.0112, 0801374-55.2019.8.20.5131, 3001748-79.2019.8.06.0172, 0879071-74.2019.8.15.2001, 0800059-33.2020.8.20.5106, 0000204-40.2020.8.17.8232, 3000193-53.2020.8.06.0152, 3000022-03.2020.8.06.0086, 0800406-31.2020.8.20.5150, 3000279-44.2020.8.06.0113, 0820039-07.2020.8.15.2001, 0801975-73.2020.8.15.0731, 0806217-07.2020.8.20.5106, 0807583-81.2020.8.20.5106, 0830875-39.2020.8.15.2001, 0831546-62.2020.8.15.2001, 0809469-33.2020.8.20.5004, 0810302-51.2020.8.20.5004, 3001324-18.2020.8.06.0167, 0050949-30.2020.8.06.0084, 0812638-13.2020.8.20.5106, 0812639-95.2020.8.20.5106, 0813013-14.2020.8.20.5106, 0846172-86.2020.8.15.2001, 0814613-70.2020.8.20.5106, 0815405-24.2020.8.20.5106, 0815379-26.2020.8.20.5106, 0816838-63.2020.8.20.5106, 0829226-25.2020.8.15.0001, 0820182-52.2020.8.20.5106, 0819799-89.2020.8.20.5004, 0800236-87.2021.8.15.0001, 0000090-67.2021.8.17.8232, 0803277-35.2021.8.20.5106, 0802965-74.2021.8.20.5004, 0806832-04.2021.8.15.2001, 0804522-81.2021.8.20.5106, 0808083-43.2021.8.15.0001)	
a. involved values (sum of up-to-date cause values) (In Reais)	782,390.27
b. practices of the issuer or its subsidiary that caused such contingency	Alleged service failures such as, for example, unavailability of internet for indefinite periods, internet signal instability, delay in service installation, among others.

Labor and social security lawsuits

Among the labor cases already mentioned in item 4.3, we highlight the following, grouped together due to their repeated subject matter:

Lawsuits claiming to receive overtime due to overtime work (nº 0001599-03.2015.5.21.0013, 0001081-23.2018.5.07.0037, 0000447-20.2019.5.07.0028, 0000364-19.2019.5.07.0023, 0000396-24.2019.5.07.0023, 0000394-54.2019.5.07.0023, 0000395-39.2019.5.07.0023, 0000523-95.2019.5.06.0311, 0000411-90.2019.5.07.0023, 0000410-08.2019.5.07.0023, 0000436-06.2019.5.07.0023, 0000605-29.2019.5.06.0311, 0000650-94.2019.5.07.0023, 0000651-79.2019.5.07.0023, 0000659-56.2019.5.07.0023, 0000658-71.2019.5.07.0023, 0000661-26.2019.5.07.0023, 0000663-93.2019.5.07.0023, 0000891-07.2019.5.06.0311, 0000708-97.2019.5.07.0023, 0000712-37.2019.5.07.0023, 0001445-58.2019.5.07.0037, 0002818-51.2019.5.07.0029, 0001543-43.2019.5.07.0037, 0000802-45.2019.5.07.0023, 0000803-30.2019.5.07.0023, 0001562-49.2019.5.07.0037, 0000036-55.2020.5.07.0023, 0000056-46.2020.5.07.0023, 0000057-31.2020.5.07.0023, 0000097-62.2020.5.07.0039, 0000091-06.2020.5.07.0023, 000109-53.2020.5.13.0025, 0000109-27.2020.5.07.0023, 0000351-41.2020.5.07.0037, 0000173-42.2020.5.13.0032, 0000272-96.2020.5.13.0004, 0000382-89.2020.5.13.0006, 0000309-69.2020.5.13.0022, 0000294-65.2020.5.07.0023, 0000293-80.2020.5.07.0023, 0000209-13.2020.5.21.0016, 0000299-87.2020.5.07.0023, 0000392-51.2020.5.13.0001, 0000358-75.2020.5.07.0023, 0000315-18.2020.5.13.0009, 0000386-43.2020.5.07.0023, 0000385-58.2020.5.07.0023, 0000388-13.2020.5.07.0023, 0000384-73.2020.5.07.0023, 0000387-28.2020.5.07.0023, 0000345-19.2020.5.21.0013, 0000318-92.2020.5.13.0034, 0000408-04.2020.5.07.0023, 0000435-84.2020.5.07.0023, 0000434-02.2020.5.07.0023, 0000891-89.2020.5.07.0037, 0000379-97.2020.5.21.0011, 0000668-59.2020.5.06.0201, 0000508-56.2020.5.07.0023, 0000509-41.2020.5.07.0023, 0000490-49.2020.5.13.0029, 0000564-89.2020.5.07.0023, 0000565-74.2020.5.07.0023, 0000552-74.2020.5.13.0034, 0000817-66.2020.5.13.0005, 0000678-51.2020.5.13.0026, 0000683-73.2020.5.13.0026, 0000707-13.2020.5.13.0023, 0000706-28.2020.5.13.0023, 0000740-51.2020.5.13.0007, 0000729-68.2020.5.13.0024, 0000729-16.2020.5.13.0009, 0000722-27.2020.5.13.0008, 0000739-66.2020.5.13.0007, 0000048-30.2021.5.13.0003, 0000064-69.2021.5.13.0007, 0000065-33.2021.5.13.0014, 0000063-	
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33.2021.5.13.0024, 0000067-21.2021.5.13.0008, 0000155-79.2021.5.07.0023, 0000158-34.2021.5.07.0023, 0000195-85.2021.5.07.0015, 0000157-78.2021.5.13.0024, 0000210-07.2021.5.13.0009, 0000228-56.2021.5.13.0032)	
a. involved values (In Reais)	8,264,977.93
b practices of the issuer or its subsidiary that caused such contingency	Alleged extension of the working day beyond the legal limits, without payment of the remuneration corresponding to the overtime worked.

4.6.1 - Total amount provisioned of the processes described in item 4.6

Considering the Provisioning Policy informed in item 4.3, among the total amount already informed in item 4.3.1, the Company has a provision of R\$61 thousand for lawsuits related to alleged undue charges and R\$5 thousand for lawsuits involving alleged failures in the provision of services, totaling the amount of R\$67 thousand. No amounts have been provisioned for lawsuits involving traffic accidents.

With regard to labor lawsuits, the Company has a provision of R\$ 658,000 for lawsuits related to overtime claims, classified as probable loss. The provisioned amounts involve the totality of the claims under discussion in the lawsuits, and not only the claims related to the payment of overtime.

4.7 - Other outstanding contingencies

Labor administrative procedure

Civil Investigation nº 000431.2019.13.0005	
a. Attorney	Regional Labor Attorney of the 13th Region (Paraíba)
b. Date of initiation	04/22/2019
c. Parts	Labor Public Ministry - Regional Labor Attorney's Office of the 13th Region (João Pessoa) Brisanet Serviços de Telecomunicações LTDA. - BRISANET
d. Amounts, goods or rights involved	N/A
e. Key facts	<p>A complaint reporting the occurrence of a fatal work accident by electrocution during the installation of internet on a pole. According to the complaint, there was a possible lack of training for work in the controlled zone (non-compliance with item 10.8 and sub-items of Regulatory Standard 10); lack of proper instruction for work in the controlled zone (non-compliance with items 10.6.2 and 10.8. 9 of Regulatory Standard 10); possible lack of prior analysis of the workplace before starting the service (non-compliance with item 10.11.7 of Regulatory Standard 10); and possible lack of the right to refuse (non-compliance with item 10.14.1 of Regulatory Standard 10). On 05/29/2019, the Company was notified to comment on the complaint and submit the documentation requested by the officiating Labor Prosecutor. On 05/30/2019, the Company submitted a statement informing that it provides personal protective equipment (PPE) and monitors its daily use to ensure that its employees perform their activities safely, in addition to promoting courses for training and accident prevention and training, conducting a prior analysis of the site where the service will be performed, providing prompt assistance in the event of accidents at work and helping with treatment and hospital medical expenses. Two new Acts of Fact were added to the procedure: One of them, concerning an accident involving another employee of the company when he suffered a fall from an electric power pole, performing an activity similar to the fatal accident, without the occurrence of electric shock, on 05/24/2019; and another, in a complaint on 05/03/2019 that, concerning the work environment, questions the effectiveness of the individual and collective protection equipment (PPE and EPC) delivered, in the same way as the usefulness of the voltage detector, and reports precarious conditions of the accommodations offered to employees, many coming from Ceará, responsible for cabling the metropolitan region of João Pessoa. On 06/04/2019, the Company became aware of a new complaint made by SINTTEL-PB, about a new fatal work accident, and presented a defense to the allegations. On 24/10/2019, the Technical Expertise Assistance Center of the Regional Labor Attorney's Office of the 13th Region presented an inspection report, showing the existence of 35 Communications of Work Accidents, which, according to the report, reveal a high incidence of accidents in the company; noncompliance with work safety measures and the precariousness of the protective equipment provided by the Company; irregularities in relation to accommodation, in non-compliance with the regulatory standards of the former Ministry of Labor; and concluding by the need to review the current work methods to contain the high incidence of recurrent accidents in the company and the conformation of the accommodation facilities. On 12/06/2019, the Public Ministry notified the Company to comment on the possibility of signing a Conduct Adjustment Term - TAC. On 05/16/2020, the Company informed that it would need to analyze the terms of the TAC before considering the possibility of acceptance. On 02/23/2021, the procedure was forwarded to the procedural analyst of the Regional Labor Prosecutor's Office of the 13th Region, in order for her to verify if the documentation attached to the records on 02/22 and 02/23/2021 proves the reiteration of the illicit conducts verified in the procedure, as well as to prepare a TAC draft. Currently, the administrative procedure is awaiting an order from the Labor Prosecutor's Office, in order to designate a hearing to discuss the terms of the TAC, or to submit to the Company the TAC draft prepared by the Regional Labor Prosecutor's Office of the 13th Region. To date, no TAC has been signed in the administrative procedure.</p>

Civil Investigation nº 000431.2019.13.0005	
f. Chance of loss	N/A
g. Impact in case of process loss	If the Company agrees to sign the TAC, it may commit for an indefinite period of time to implement occupational health and safety and accident prevention measures, in accordance with the regulatory norms of the former Ministry of Labor, as well as to pay a fine in the event of non-compliance with the obligations set out in the TAC. If no TAC is signed, the MPT may file a Public Civil Action against the Company.

4.8 - Rules of the home country and the country where the securities are held in custody

(a) restrictions imposed on the exercise of political and economic rights

Not applicable, since the Company is headquartered in Brazil and its securities are held in custody in the country.

(b) restrictions on the circulation and transfer of securities

Not applicable, since the Company is headquartered in Brazil and its securities are held in custody in the country.

(c) hypotheses of cancellation of registration, as well as the rights of the holders of securities in this situation

Not applicable, since the Company is headquartered in Brazil and its securities are held in custody in the country.

(d) the assumptions under which security holders will have preemptive rights to subscribe for shares, share-based securities or securities convertible into shares, as well as the respective conditions for the exercise of such rights, or the assumptions under which such rights are not guaranteed, if applicable

Not applicable, since the Company is headquartered in Brazil and its securities are held in custody in the country.

(e) other issues of interest to investors

Not applicable, since the Company is headquartered in Brazil and its securities are held in custody in the country.

5.1 - Description of the risk management policy

(a) risk management policy

We have a risk management policy, which was approved at our board of directors' meeting held on May 31, 2021.

The Company's Risk Management Policy was prepared based on methodological recommendations of reference, such as: (i) COSO - ERM (Committee of Sponsoring Organizations of the Treadway Commission - Framework ("COSO")); (ii) recommendations of the Brazilian Institute of Corporate Governance; (iii) the B3 Novo Mercado Regulation; (iv) the Company's Code of Ethics; (v) the Company's Information Disclosure Policy; (vi) the Company's Securities Trading Policy; and (vii) the Company's Related Party Transactions Policy.

The Risk Management Policy can be accessed: (i) at the Company's headquarters: with the Investor Relations Office; (ii) on the Company's website (ri.brisanet.com.br); and (iii) on the CVM's website (cvm.gov.br).

(b) objectives and strategies of the risk management policy

Our risk management policy aims to establish principles and guidelines to be followed in our risk management process to enable us to identify, assess, prioritize and manage certain events that may have a significant effect on our activities. The risk management policy also describes the risk management process, communication procedures and the responsibilities of our main corporate bodies.

(i) risks for which protection is sought

Our management constantly assesses and monitors the risks to which we are subject. The main risks provided for in our risk management policy are:

- **Compliance Risk:** means the risk of being subject to any legal sanctions of a reputational or regulatory nature, or financial loss that we may suffer as a result of our failure to comply with applicable laws and regulations, internal policies, codes of conduct and good practices' standards;
- **Financial Risk:** means the risk related to our financial capacity, whether in connection to liquidity, exposure to exchange rate variation, compliance with financial restrictions of Loans and financing' agreements and to default risks by customers due to lack of financial capacity to honor their debts, as well as disagreements between us and our debtors about the amounts owed, among others;
- **Information Risk:** means the risk related to the loss, misuse or unauthorized disclosure of sensitive personal data or confidential information of internal or external shareholders that may cause damage or inconvenience to any individual, threaten our business or harm our reputation;
- **Liquidity Risk:** means the risk of our lack of financial capacity to pay our expected and unexpected, effective and future debts, including guarantees transactions, without affecting our day-to-day operations and without incurring significant losses;

- **Interest Rate Risk:** means the risk that may generate losses due to variations in operations involving fluctuations in the exchange rate, interest rate and commodity prices;
- **Strategic Risk:** means the risk of implementing a wrong, inadequate, ineffective strategy and includes the competition risk when choosing an area of activity that fails to achieve our purposes;
- **Technological Risk:** means the risk of not keeping up with changes and evolutions in technology, such as 5G, and thus affecting the continuity and growth of operations and our financial health; and
- **Operational Risk:** means the risk of loss due to failures, deficiencies or inadequacy of internal processes, personnel and systems or external events, including, but not limited to, compliance risk associated with inadequacy or deficiency in agreements, as well as sanctions due to non-compliance with laws and regulations and compensation for damages caused to third parties resulting from our activities. It also includes internal and external fraud.

(ii) instruments used for risk protection

Risk management is a crucial element of the Company's strategies as it provides a systematic process for identifying risks related to new, current and future business activities. The risk control activity involves categorizing and assessing each risk and applying management controls to mitigate the risk, based on a judgment about the likely impact if no action is taken, combined with an assessment of the likelihood of reoccurrence of the risk.

Based on COSO, the Company's Risk Management Policy establishes a risk management process that comprises the following components:

- (i) **Internal Environment:** involves establishing the basis for how risks and controls are viewed and addressed by the Company's employees;
- (ii) **Goal Setting:** requires certification that management has a process in place to set goals and that the chosen goals are aligned with the Company's mission and principles;
- (iii) **Identification of Events:** includes the identification of internal and external factors that may adversely affect the Company's business strategies and goals;
- (iv) **Risk Assessment:** requires an analysis of the identified risks to form a basis for determining how they should be managed;
- (v) **Risk Response:** requires management to implement a set of initiatives and action plans to mitigate risks where appropriate, based on the risk profile in the Company;
- (vi) **Control Activities:** includes the establishment and implementation of procedures to assist, guarantee and ensure that the responses to the identified Risks are executed in such a way as to mitigate them and that their management is effectively carried out;
- (vii) **Information and Communication:** requires that relevant information be

identified, captured and communicated in a format and timeframe that enables people to perform their duties. Effective communication is that which flows in all directions regarding the processes of evaluation and response to risks related to the business of the Company and its controlling companies, with a view to reducing such risks to acceptable levels, so that employees receive clear and precise information regarding their duties and responsibilities; and

- (viii) **Monitoring:** requires ongoing review and updating of the Company's risk management process to ensure that it is able to react promptly to different and unexpected circumstances.

Periodically, the Statutory Board will conduct a risk assessment. The Risk Committee, when installed, will accompany the result of the risk evaluation and will question the Risk area, when necessary. During this process, the Company has the following possibilities of response for each risk.

Among the steps in the process of evaluation and response to risks related to the Company's business with a view to reducing such risks to acceptable levels, it is necessary to define the set of events, internal or external, which should be analyzed based on the potential risk of impact on the Company's activities and objectives, including those related to intangible assets (image risk). The identification process is continuously improved with a view to identifying new risks.

The risk analysis comprises the verification of the origin of the events, the cause, the consequences and the probability of the events materializing.

Based on the risk analysis, the bodies that work in the control activities prepare the exposure assessment observing the events that impact the Company's activities and objectives. The evaluation of the events is conducted from two perspectives: (i) the probability (vulnerability) and, (ii) the impact, using, when possible, the combination of qualitative and quantitative criteria.

After evaluation, the Company, aiming at the treatment of risks, will adopt one or more of the following possible actions:

- **Avoid:** discontinuity of the activities that generate the Risk;
- **Mitigate:** risk mitigation reduces the likelihood and/or impact of an adverse risk event to a limit acceptable to the Company;
- **Sharing:** reducing the probability and/or the impact of the Risks by transferring or assigning a part of the Risk; and
- **Accept:** no action is taken to mitigate the probability and/or impact of the Risk.

(iii) risk management organizational structure

The process of evaluating and responding to risks related to the Company's business, in order to reduce such risks to acceptable levels, is the responsibility of all the managers and employees and requires the active participation of all the Company's areas, to the extent of their competencies, integrating with the strategic goals and objectives of the business of the Company and its subsidiaries.

The Company adopts the concept of 3 (three) lines of defense to operationalize its risk management structure, in order to ensure compliance with the guidelines, which are:

- (i) **First Line of Defense:** performed by all managers of the business and support areas, who must ensure effective Risk management within the scope of their direct organizational responsibilities;
- (ii) **Second Line of Defense:** carried out by the Risk Management and Compliance area, which act in a segregated and independent manner in relation to the business and support areas and the Audit Committee. The second line of defense analyzes and evaluates the risks and reports them directly to the Board of Directors; and
- (iii) **Third Line of Defense:** carried out by the Internal Audit area and are aimed at providing independent opinions on the management of risks and the effectiveness of the Company's internal controls.

In the process of assessing and responding to risks related to the Company's business, in order to reduce such risks to acceptable levels, the Board of Directors, the Executive Board and the Audit Committee have distinct attributions and should act in an integrated and complementary manner.

Board of Directors

The Company's Board of Directors is responsible for:

- determining the Risk Appetite and establishing the risk management culture within the Company, especially with respect to new initiatives and emerging risks;
- making key decisions regarding the Company's risk management process, including those that may affect the Company's risk profile or exposure;
- approving any changes in the Risk Management Policy; and
- reviewing, monitoring and approving the Company's overall risk management strategies and the papers and reports prepared by the Audit Committee and the Internal Audit and Risk Management and Compliance areas.

Executive Board

The Company's Executive Board is responsible for:

- implementing the Company's strategies approved by the Board of Directors with regard to Risk Management;
- proposing to the Board of Directors the Company's Risk Appetite;
- conducting a periodic review of the Risk Management Policy and present any suggestions to the Board of Directors;
- periodically evaluating Risk Assessment, reporting any findings to the Board of Directors;
- assessing and monitoring Strategic Risk;
- identifying any Risks early and conducting related risk management; and
- assisting in the preparation of reports related to risk management.

Audit Committee

The Company's Audit Committee is charged with:

- expressing an opinion on the hiring and dismissal of independent audit services;
- evaluating the quarterly information, interim statements and financial statements, sending them to the Board of Directors with its recommendations;
- advising and supporting the Board of Directors in the execution of the strategy and in the risk management activities;
- evaluating and permanently monitoring the risk matrix, ensuring that the Risk Appetite is always updated and aligned with the Company's business objectives
- evaluating and analyzing the use and reliability of the Internal Audit and Risk Management and Compliance areas and of the internal controls;
- reviewing the Company's main policies, the Code of Ethics and the Related-Party Transaction Policy, proposing any changes to the Board of Directors;
- receiving, coordinating, handling and monitoring the activities of the whistleblower and ombudsman channels, ensuring autonomy, secrecy, confidentiality and an environment free of retaliation
- evaluating and monitoring Market Risk, Financial Risk and Liquidity Risk;
- investigating and monitoring events that may jeopardize the Company's internal controls and compliance policy; and
- providing recurrent training to the Company's personnel in order to ensure that they are able to identify, avoid, assess, monitor and mitigate Risks;

Risk Management and Compliance

The Company's employees assigned to the compliance, internal controls and corporate risk functions are responsible for:

- proposing and implementing the guidelines, methodologies, processes and procedures for risk management, as long as the guidelines provided by the Risk Management Policy and the Audit Committee are respected;
- coordinating and guiding the internal work force and the Company's business areas in carrying out and standardizing the exercise of their functions in the first line of defense of risk management;
- reviewing and consolidating the information and risk reports received from the Company's business areas, reporting them to the Audit Committee and to the Board of Directors;
- meeting the reporting demands of the Audit Committee by generating relevant information and operationalizing the risk management activities; and
- assessing and monitoring Compliance Risk, Operational Risk, Technology Risk and Information Risk.

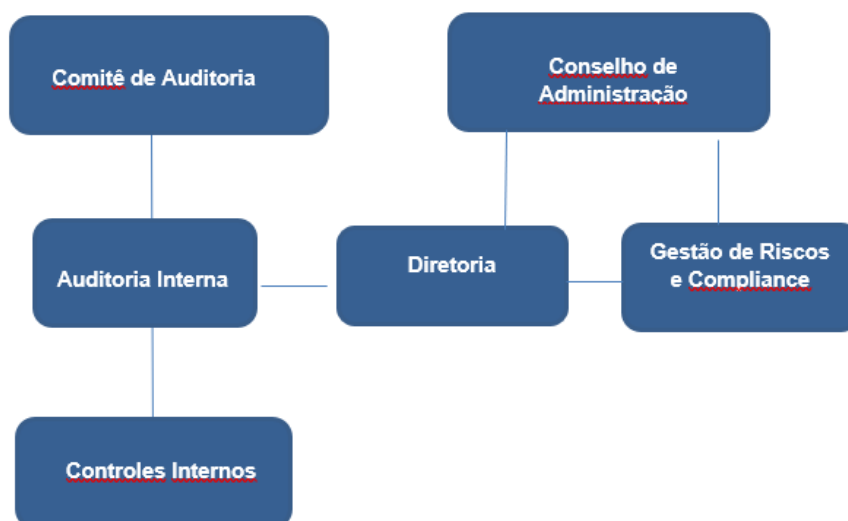
The members of the Risk Management and Compliance area do not accumulate their functions with other operational functions of the Company.

Internal Audit

The Company's employees assigned to the Internal Audit area are responsible for:

- evaluating the effectiveness of risk management in order to contribute to the achievement of the Company's objectives, acting autonomously and independently at all levels;
- elaborating periodic reports for the Audit Committee; and
- conducting, annually, evaluation and control tests on the risk management practices, identifying deviations and proposing improvements aimed at safeguarding the interests of the Company's shareholders.

Risk management and control activities are performed at all levels of the Company and at various stages within the corporate processes. The areas that make up the risk management structure are illustrated in the image below:



The Company's risk management structure has been in place since the approval of the Risk Management Policy at a meeting of the Company's Board of Directors held on May 28, 2021. The implementation of this structure takes place in the context of preparatory activities for the Company's IPO and admission of its common shares for trading on B3's special segment called Novo Mercado. The Company believes that it is in a phase of adaptation and improvement of organic relations established between the bodies involved in risk management.

(c) adequacy of the operational structure and internal controls to verify the effectiveness of the policy adopted

The Company understands that, with the implementation of the organizational foundations described in its Risk Management Policy, the needs related to the control, monitoring and management of the Company's risks are met, so that they remain within the risk tolerance level established by the Company's management.

5.2 - Description of the market risks management policy

(a) formalized market risk management policy

The market risks for which the Company seeks protection are managed internally by the Company's management. However, there is no specific formalized policy dealing with market risk management, since the Company adopts practices it deems sufficient to manage its market risks.

In addition, the Company's Risk Management Policy, as described in item 5.1 above, applies to the management of these risks. The Policy also contemplates the risk of losses due to fluctuations in exchange rates, interest rates and commodity prices. The Company approved said policy on May 28, 2021, by means of a meeting of the Board of Directors.

(b) objectives and strategies of the market risk management policy

We have no specific formalized policy for management of market risks. However, as stated in item (a) above, the Company's Risk Management Policy, as described in item 5.1 above, applies to the management of market risks. This Policy establishes the principles and parameters to be observed in our risk management process with a view to identifying, assessing, prioritizing and managing certain events that may have a significant effect on our business. Additional considerations related to this item can be found in item 4.2 above.

(i) os riscos de mercado para os quais se busca proteção

The Company seeks protection for the following market risks: (i) credit risk; (ii) interest rate risk; (iii) liquidity risk; and (iv) foreign exchange risk.

(ii) the asset protection strategy (*hedge*)

Credit Risk

The Company's subsidiaries have set up a provision for expected credit losses in the amount of R\$9,043 thousand as of April 30, 2021 and R\$26,324 thousand as of December 31, 2020 (R\$22,244 thousand as of December 31, 2018, no provision was set up in 2019), considered sufficient by management to cover expected credit losses on the realization of its trade accounts receivable. No single customer accounts for more than 10% of the total accounts receivable balance. Additionally, the credit risk of balances with banks and financial institutions is managed by the Company's treasury department. The surplus funds are invested only in approved counterparties and within the limit established for each one. The credit limit is reviewed annually by the Company's management and may be updated during the year. These limits are established in order to minimize the concentration of risks and thus mitigate the financial loss in case of potential bankruptcy of a counterparty.

Interest Rate Risk

The Company's management manages possible exposure to interest rate fluctuations through its cash flow management and does not use derivative instruments to lock in interest rates.

Liquidity Risk

The Company manages liquidity risk through cash flow management, seeking to maintain a level of cash and cash equivalents sufficient to meet its short-term needs. In addition, management reviews ongoing forecasts of the Company's liquidity requirements to ensure that it has sufficient cash for its operations. Management believes that the Company has full capacity to honor its

financial commitments. The Company has evaluated its current and projected cash position and considers it has sufficient liquidity to continue to meet its obligations.

Foreign Exchange Risk

The Company's subsidiaries use derivatives (forward foreign currency contracts and swaps), recorded in the financial instruments account with the purpose of mitigating risks of foreign exchange losses arising from potential oscillations of the Real (R\$) currency, in line with its foreign exchange risk management policy.

The derivatives, foreign currency forward contracts, have as counterparty a financial institution and were contracted to cover possible risks in operations for the purchase of fixed assets from abroad. The essential terms of the forward exchange contracts were negotiated to be aligned with the terms of the commercial commitments contracted in foreign currency. As of December 31, 2020, the Company has a consolidated balance receivable (current and non-current) of R\$11,918 thousand and a consolidated balance receivable (current and non-current) of R\$9,555 thousand as of April 30, 2021.

(iii) the instruments used for asset protection (*hedge*)

For the current fiscal year, the Company adopted the practice of contracting hedge instruments for the protection of financial operations carried out in foreign currency. These operations are carried out with the same credit operations in order to avoid any mismatch in positions.

As of December 31, 2020, the value of hedge instruments (current and non-current) was R\$11,918 thousand, while as of April 30, 2021 the amount was R\$9,555 thousand. The Company measures its foreign currency loan liabilities at amortized cost, which are hedged by derivative financial instruments (swaps). To avoid an accounting mismatch between the measurement of financial liabilities (amortized cost and fair value), the Company classified these instruments as financial liabilities measured at fair value.

(iv) the parameters used to manage these risks

Although the Company does not use specific market risk management parameters as of the date of this Reference Form, the practice adopted by the Company is consistent with other companies in the telecommunications sector.

Management periodically reviews the Company's capital structure and its financial capacity to settle its liabilities, as well as monitors the timeliness of the average term of its suppliers, making the necessary decisions to ensure its financial balance.

In relation to derivative operations, the Company hedges all of its long-term financing in foreign currency. In addition, the company monitors the behavior of the exchange rate and the outstanding balances of international suppliers in order to take advantage of opportunities to lock in values at more attractive rates. To this end, it takes the following factors into consideration: (i) value of the debtor balance exposed to exchange variation ; (ii) attractiveness of the rates offered by financial institutions on a comparative basis in relation to the ten main Brazilian banks; and (iii) financial resources of the Company necessary to make such transactions feasible. In line with other companies in the same operating segment, the Company monitors its financial position and manages its risks based on its financial leverage ratio, which corresponds to the result of the division of the Company's net debt by its EBITDA, as shown in item 3.2 above..

(v) whether the issuer operates financial instruments for other than hedging purposes and what these purposes are

Not applicable, considering that the Company does not operate financial instruments except for the purposes of asset protection of the operations performed in foreign currency, as mentioned in item (ii) above.

(vi) the organizational structure of market risk management control

There is no specific organizational structure for market risk management control purposes, being certain that the Company's management is responsible for this assessment and management of its risks.

In view of the nature of its activities, its management understands that there is currently no need to adopt a market risk management policy because, in the evaluation of its managers, such risks are covered by the risk management structure provided for in the Risk Management Policy and by the evaluations and decision-making processes of the Company's management.

(c) adequacy of the operational structure and internal controls to verify the effectiveness of the policy adopted

As mentioned in item (b)(vi) above, there is no specific structure for market risk management control purposes, being certain that the Company's management is responsible for this risk assessment and management.

In view of the nature of its activities, its management understands that there is currently no need for market risk management because, in the evaluation of its managers, such market risks are covered by the risk management structure provided for in the Risk Management Policy and by the evaluations and decision-making processes of the Company's management.

5.3 – Description of the internal controls

(a) the degree of efficiency of such controls, indicating any imperfections and measures taken to correct them

Our management believes in the efficiency of the procedures and internal controls adopted to ensure the quality, accuracy and reliability of our financial statements. For this reason, our financial statements, as restated, adequately comprise our operations' results and our equity and financial condition on the respective dates.

The processes and systems of internal controls that we adopt are mainly based on identifying the risk factors and their implications in the pursuit of our purposes. We periodically assess the potential effect and the probability of such risks, considering the risk limits that we are willing to accept in the pursuit for return and value creation. Our management is responsible for defining, maintaining and ensuring the improvement of internal controls related to the consolidated financial statements. Such controls will be supported by internal compliance, such as policies and procedures, to ensure that the financial statements reflect the operations carried out by us and our subsidiaries.

In addition, the directors state that the Company is in the process of implementing a governance structure for better risk management and continuous monitoring of internal controls. The directors clarify that this structure will be composed of the Board of Directors, the Audit Committee, the Risk Management and Compliance Area, the Executive Board, Internal Audit and Internal Controls.

The Company's internal audit department will periodically evaluate the internal controls for the main cycles, according to the internal control matrix for processes relevant to the financial statements, identifying opportunities and suggesting improvements to the existing control mechanisms.

(b) organizational structures involved

The Company's risk management structure is described in the Risk Management Policy, which will define the framework necessary to identify and manage business risks. There will be specific committees, such as the Audit Committee and the implementation of the Internal Audit function with the objective of reviewing the structure of internal controls aimed at mitigating the impact of risks.

Audit Committee: supervises the way in which the Executive Board monitors the compliance of internal control procedures. Among other duties, the Audit Committee is responsible for:

- advising and supporting the Board of Directors in the implementation of strategy and Risk Management activities;
- permanently assessing and monitoring the risk matrix, ensuring that the Appetite for Risk is Always up-to-date and aligned with the Company's business goals;
- advising on the hiring and dismissal of independent audit services;
- evaluating the quarterly information, interim statements and financial statements;
- evaluating the quarterly information, interim statements and financial statements, and the internal controls, as well as monitoring all steps of the risk management process;

- reviewing the Company's main policies, including internal policies, and the Code of Ethics, proposing any changes to the Board of Directors;
- coordinating and monitoring the activities of the whistleblower and ombudsman channels, ensuring autonomy, secrecy, confidentiality and an environment free of retaliation;
- assessing and monitoring Market Risk, Financial Risk and Liquidity Risk;
- investigating and monitoring events that may impair the Company's internal controls and compliance policy; and
- providing recurrent training to the Company's personnel in order to ensure that they are able to identify, avoid, assess, monitor and mitigate Risks.

6.4 Board of Directors: the Board of Directors is responsible for: (a) (i) determining the Appetite for Risk and establishing the risk management culture within the Company, especially with regard to new initiatives and emerging risks; (b) making key decisions regarding the Company's risk management process, including those that may affect the Company's risk profile or exposure; and (c) reviewing, monitoring and approving the Company's overall risk management strategies and the papers and reports prepared by the Audit Committee and the Internal Audit and Risk Management and Compliance areas.

Executive Board: The Executive Board is responsible for: (a) implementing the Company's strategies approved by the Board of Directors with regard to Risk Management; (b) periodically evaluating the Risk Assessment, reporting any findings to the Board of Directors; and (c) periodically revising the Risk Management Policy and presenting any suggestions to the Board of Directors.

Risk Management and Compliance Area: responsible for: (a) coordinating and guiding the internal workforce and the Company's business areas in performing and standardizing the execution of their functions in the first line of defense of Risk Management; and (b) reviewing and consolidating the information and risk reports received from the Company's business areas, reporting them to the Audit Committee and to the Board of Directors.

Internal Audit: responsible for: (a) evaluating the effectiveness of Risk Management in order to contribute to the achievement of the Company's objectives, acting autonomously and independently, at all levels; (b) writing periodic reports to the Audit Committee; and (c) annually carry out evaluation and control tests on the Risk Management practices, identifying deviations and proposing improvements aimed at safeguarding the interests of the Company's shareholders. Its attributions were approved by the Board of Directors, through the approval of the Internal Audit Internal Rules of Procedure on May 28, 2021. The area's annual plan and budget are approved by the Board of Directors, through the Audit Committee, which also follows up and monitors the audit results, as well as the action plans proposed by management.

Investor Relations Office: when formally installed, will be responsible for: (a) providing information to the investing public, the CVM and the stock exchanges or national and international over-the-counter markets, as well as the corresponding regulatory and inspection entities, keeping the Company's registrations in these institutions updated (b) representing the Company before the CVM, the stock exchanges and other capital market entities, as well as providing relevant information to investors, the market in general, the CVM and the B3; (c) ensuring

compliance with the compliance policies; and (d) keeping the publicly-held company registration with the CVM updated.

(c) form of supervision of the efficiency of internal controls by the Company's management, indicating the position of the persons responsible for such monitoring

The Company's management is responsible for establishing and maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control.

The internal control structure mentioned above, together with the reviews and joint work of the Executive Board, the Board of Directors, the Audit Committee, the Risk Management and Compliance Area, and Internal Audit, assure the Company's management of the efficiency of its controls.

Furthermore, the efficiency of the internal controls will be supervised by the Investor Relations Officer, by the Executive Board, by the members of the Risk Management and Compliance area, by the members of the Board of Directors and of the Audit Committee, through the procedures listed in the items above.

In addition, tests to evaluate the efficacy and effectiveness of internal controls are performed on an annual basis, by the Company's Internal Audit area, whose attributions are described in item 5.1.

(d) deficiencies and recommendations on internal controls present in the independent auditor's report

The independent auditors of Brisamet Participações S.A. issued on May 27, 2021, the "Report of Independent Auditors' Recommendations on the Internal Controls of Brisamet Participações S.A." ("Report"), corresponding to the audit of the financial statements for the fiscal year ended December 31, 2020. The Report states that no significant deficiencies were identified during the audit of the Company's financial statements. However, the Report suggested the improvement of some internal and accounting controls of the Company. Among the main improvements indicated by the auditors in the Report is the recommendation to establish fully automatic internal controls for the calculation and recognition of revenues, in the correct period of competence, in order to avoid mismatching between revenues and services rendered, distortion in the calculation of taxes, and distortion in the results of the Company's operations. The audit also recommended that changes be made in the company's IT systems, so that each credit entry in the accounts receivable balance be attributed to the invoice and specific customer, avoiding unreconciled balances of titles already received. Finally, the auditors advised that the administration should continue to improve the collection procedures and the follow-up of the notes due and after maturity, allowing the identification of potential unrealizable balances with due anticipation and permitting the timely provisioning of these in the financial statements.

Regarding the Company's loans and financing contracts, the auditors recommended that the management adopt procedures for the control existing in the calculation of interests so that they are calculated pro rata and up to the closing date of the financial statements, as well as to convert the exchange rate of all financing contracted in foreign currency in force on the date of the balance sheet, allowing the checking of the charges recorded in the result and/or paid to the respective financial institutions. In the same area, the auditors recommended the implementation of internal controls of the loan and financing contracts directly related to the expansion of the Company's

operations in order to allow the calculation and the adequate capitalization of interests to be carried out in a timely manner.

(e) comments from directors about the deficiencies pointed out in the detailed report prepared by the independent auditor and about the corrective measures adopted

The Report mentions that no significant deficiencies were identified in the course of the audit of the Company's financial statements. The Company is working to implement the recommendations for improvements indicated by the auditors in the Report, seeking to improve its internal controls and its systems, accounting procedures and other matters.

5.4 - Internal integrity mechanisms and procedures

(a) rules, policies, procedures or practices aimed at the prevention, detection and remediation of fraud and illicit acts committed against the public administration

The Company has a Code of Ethics duly updated and approved on May 31, 2021 by the Board of Directors and that has been made available on the Company's website (<https://ri.brisanet.com.br>).

The purpose of this Code is to make explicit the rules and guidelines for ethical behavior that should guide all employees (regardless of position held or function performed, including interns, permanent and temporary employees, members of the Board and Executive Board) of the Brisamet Group, *Brisamet Participações S.A.* and its subsidiaries and controlled companies, including Agility Telecommunications, as well as all third-party service providers, franchisees, suppliers and other business partners, in the various ways they interact with the environment that surrounds them in their work and relationships.

The purposes and objectives of the Code of Ethics are: (i) to establish and formalize guidelines that can provide guidance in daily decisions and conduct, in order to help everyone act with integrity and in line with the Company's values and current legislation; (ii) to reiterate and reinforce the commitment to transparency, integrity, ethical conduct as well as the goal of offering an ethical and healthy environment for its employees; and (iii) to provide a reference for the analysis and measurement of the application of penalties for possible violations of the guidelines set forth in the Code of Ethics.

The Code of Ethics defines the mission, values and principles of the Company and addresses, among others, topics: (i) compliance with laws, internal rules and regulations; (ii) respect for all individuals; (iii) occupational health and safety; (iv) guidelines on the proper use of company resources; (v) guidelines on the correct use of social media; (vi) rules on the duty of secrecy and confidential information; (vii) conceptualizes conflicts of interest; (viii) relationships (with internal public, customers, suppliers, third parties, etc.); (ix) prohibition of corruption and money laundering; (x) rules on donations and sponsorships, gifts, entertainment invitations and trips; (xi) ethics channel, and (xii) violations and application of penalties, among others.

In addition to the Code of Ethics, the Company adopts the following integrity mechanisms and procedures:

Communication: disclosure, through internal channels, of the Code of Ethics guidelines, corporate policies, and leadership messages;

Training: annual on-site training on the code of ethics and policies; e The Company is subject, in its operations, to three regulatory agencies: Anatel (Agência Nacional de Telecomunicações), the Ministry of Communications and Ancine (Agência Nacional do Cinema). The regulatory agencies have the objective of controlling quality and establishing rules for the sector, besides granting permissions and authorizations for the rendering of the service, and are the main public agencies with which the company has a relationship. In the institutional relationship, the company has relationships, mainly with the following institutions: Municipalities, Federal Police, TELCOMP (Brazilian Association of Competitive Telecommunications Service Providers), ABR (Brazilian Association of Telecommunications Resources), Ministry of Finance, ANA (National Water Agency), Military Police of Minas Gerais, INSS (National Social Security Institute) and CFC (Federal Accounting Council). The institutional relationship with public agencies is centralized in

the institutional area, coordinated by the CEO, and the regulatory area, coordinated by the Company's Regulatory Area). Any relationship action with public agencies is directed to these areas.

The institutional relationship acts in a preventive way in the communication of the company's actions to society by means of representative institutions such as PROCON (State Program for Consumer Protection and Defense), City Councils, Municipalities, among others. Employees are not allowed to make any payment or grant any benefits to facilitate the relationship with public bodies.

The company and its suppliers also have relationships with the public sector to obtain licenses that influence the operation of telecommunications and network construction (fiber and duct), such as: licenses for right of way, land use, antenna use, among others. These relationships occur mainly with municipalities, state energy companies, and DNIT (National Department of Infrastructure and Transportation). Employees and suppliers are not allowed to pay any non-regulatory fees to obtain licenses.

(i) main integrity mechanisms and procedures adopted and their adequacy to the profile and risks identified by the issuer

The Risk Management Policy defines and communicates the roles and responsibilities of the key players involved in the enterprise risk management process, seeking to build and implement a model that captures the experiences, perceptions, and the best sets of information available for decision making.

The risk management procedure follows a logical pattern, by capturing the risks that are associated with strategic planning, evaluating their impacts and probabilities (criticality), identifying existing mitigating actions, defining responses to risks, establishing action and contingency plans, monitoring and reporting them in a timely manner to the Board of Directors, Committees and Executive Board.

The Company is in the implementation phase of its integrity program, in light of Law No. 12,846, dated August 1, 2013, and Decree No. 8,420, dated March 18, 2015, which consolidates the set of mechanisms, procedures and internal protocols for integrity, auditing and whistleblower incentives that are applied to prevent, detect, correct illicit acts and combat corruption. The Integrity Program will be implemented until December 31, 2021. The primary objective of the Integrity Program to prevent, detect and correct illegal acts considers as players the Board of Directors, Directors, Employees, Collaborators, Suppliers and Third Parties of the companies that are part of the Company's group. This scope aims to ensure the effective application of the Code of Ethics, policies, standards, procedures, activities and integrity protocols.

The main integrity mechanisms and procedures to be adopted by the Company, based on its Integrity Program, are:

- (i) definition of clear guidelines and rules to guide all employees and third parties, namely: the Code of Ethics;
- (ii) annual periodic training of all employees and/or of the areas and positions most susceptible to the mapped risk;
- (iii) adoption and follow-up of risk monitoring indicators;
- (iv) detection, through the implementation of whistleblowing channels and means of reporting

concerns;

- (v) establishment, as appropriate, of committees for incident assessment and response and also for the application of consequence policies; and
- (vi) continuous monitoring, the Company reassesses the risks to which it is exposed and reviews its internal policies and procedures whenever necessary.

Fraud Management

The Audit Committee will act in the mapping of risks, establishing the possibility of prevention, mitigation, conflict mediation and the proposal of corporate governance enhancement, with emphasis on good faith and continuous improvement in order to seek an environment free of harassment of all kinds, frauds, corruption, illicit and inappropriate behavior. Additionally, it will be responsible for:

- commenting on the hiring and dismissal of independent audit services;
- evaluating the quarterly information, interim statements and annual financial statements;
- evaluating, monitoring and recommending to management the correction or improvement of internal policies, as well as having means for receiving and processing information about non-compliance with applicable legal provisions and regulations;
- following-up on the evolution and updating of the risk mapping;
- following-up on all stages of the risk management process;
- monitoring and ensuring the enforcement and reliability of the internal audit and internal controls;
- evaluating, monitoring and recommending the correction or improvement of the Company's internal policies, including the Policy on Transactions with Related Parties;
- having means for receiving and processing information about non-compliance with legal provisions and norms applicable to the Company, in addition to internal regulations and codes, including the provision for protecting the provider and the confidentiality of the information;
- ensuring the clarity and compliance of the Company with its mission, vision, values, strategic guidelines, the Company's Code of Ethics, internal policies, procedures and processes;
- checking and monitoring operations with related parties;
- identifying conflicts of interest;
- identifying opportunities and continuous improvement;
- coordinating and monitoring the Company's whistle blowing and ombudsman channels, ensuring their good functioning with independence, secrecy, confidentiality and free from retaliation;
- investigating and monitoring events that place the Company's internal controls or compliance at risk;

- ensuring that the training and qualification of personnel enables them to identify, anticipate, measure, monitor and, as the case may be, mitigate risks; and
- to ensure that the organizational structure is sized to fulfill the role of good corporate governance.

(ii) the organizational structure involved in monitoring the functioning and efficiency of internal integrity mechanisms and procedures

The organizational structure involved in monitoring the operation and effectiveness of the Company's internal integrity mechanisms and procedures is formed jointly by the Audit Committee, the Ethics Committee and the Risk Management and Compliance Area, all independent and reporting directly to the Company's Board of Directors.

The main objectives of the Audit Committee and the Risk Management and Compliance Areas are (i) to monitor compliance with the guidelines set out in the Code of Ethics by employees, suppliers, service providers or third parties acting on behalf of the Company; and (ii) to review the Code of Ethics and other integrity policies, as well as the mechanisms and internal controls adopted by the Company to prevent, detect and combat the practice of acts of corruption, money laundering and fraud. It is also incumbent upon the Risk and Internal Controls Committee, when installed, to investigate and establish possible sanctions for conducts that violate its integrity program.

The Ethics Committee, when installed, is responsible for receiving and clarifying questions related to the integrity program, analyzing and handling denunciations received through the denunciation channel, as well as critical cases that directly impact the Company's course.

(iii) Code of Ethics

The Company's Code of Ethics aims to make explicit the rules and guidelines for ethical behavior that should guide all employees (regardless of position held or function performed, including interns, permanent and temporary employees, members of the Board and Executive Board) of the Brisanet Group, Brisanet Participações S.A. and its subsidiaries and controlled companies, including Agility Telecommunications, as well as all third-party service providers, franchisees, suppliers and other business partners, in the various ways they interact with the environment that surrounds them in their work and relationships. It was approved on May 28, 2021 by the Company's Board of Directors, and will be widely disclosed in distribution lists, integration primers and on the Company's website.

Furthermore, in order to ensure the efficiency of the ethical model adopted, the Company will conduct periodic annual training to the people subject to the code, in addition to widely disseminating the ethical guidelines to be followed not only to the people subject to the code, but also in a public way through the Company's website.

The breach of the Code of Ethics brings about penalties, foreseen in the Code of Ethics itself (warning (oral or written); suspension; dismissal with or without cause), which will be applied depending on the gravity of the situation.

(b) whistleblowing channel

The Company has hired an independent whistleblowing channel called the "Ethics Channel" and publicizes it on internal bulletin boards, by means of internal corporate e-mails and in the monthly corporate magazines. The Ethics Channel can be accessed by telephone on 0800 591 8826, from

Monday to Friday from 08:00 a.m. to 5:30 p.m., or at any day and time through the services available by e-mail at the following electronic addresses: brisanet@canaldeetica.com.br and through the Ethics Channel via the link <https://www.canaldeetica.com.br/grupobrisanet>. The channel is available for internal and external complaints.

The Ethics Channel ensures confidentiality and non-retaliation of the whistleblower. The denunciations received are received by the Risk Management and Compliance Area, which will analyze them and report to the Board of Directors. The Ethics Committee, when installed, will analyze in the last instance the denunciations and evaluate their impact on the Company.

(c) procedures in processes of mergers, acquisitions and corporate restructurings aiming at the identification of vulnerabilities and risks of irregular practices

We observe all the procedures and provisions set forth in the applicable corporate legislation and regulations when carrying out merger, acquisition and corporate restructuring processes involving us. Additionally, we adopt the practice of hiring external legal advisors to assist us in the process and conduct due diligence, which includes areas such as civil law, contractual, regulatory, compliance, labor, tax, among others, in cases where the corporate transaction involves a company that is not part of the group to which we belong, reasons why the issuer has not adopted rules, policies, procedures or practices for the prevention, detection and remediation of fraud and illegal acts committed against the public administration.

(d) procedures or practices for prevention, detection and remediation of fraud and illegal acts committed against the public administration

Not applicable, considering that, as described above, the Company adopts rules, policies, procedures or practices for the prevention, detection and remediation of fraud and illicit acts committed against the public administration.

5.5 - Significant changes

There has been no significant change in the risks to which the Company is exposed, nor any change in the management of its risks.

There are currently no expectations regarding the reduction or relevant increase in exposure to the main risks described in items 4.1 and 4.2.

5.6 - Other outstanding information

There is no other information that the Company deems relevant in relation to this item 5.

6.1 / 6.2 / 6.4 - Issuer's constitution, term of duration and date of registration at the CVM

Date of Issuer Incorporation	02/19/2014
Issuer's Form of Incorporation	Joint stock company
Country of Incorporation	Brazil
Term of Duration	Indefinite Term of Duration
CVM Registration Date	07/27/2021

6.3 - Our History

We were founded by Mr. José Roberto Nogueira, in 1998, in the city of Pereiro, in the semi-arid region of the state of Ceará, Brazil. We were created with the goal of providing quality and affordable internet via radio in the countryside of the Northeast region in Brazil, thus seeking to promote the local development of Pereiro and the nearby regions.

By 2000, as a result of the expansion of our business, our operations already covered several cities in the state of Ceará, such as Pereiro, Jaguaribe, Icó and Limoeiro do Norte, and in the state of Rio Grande do Norte, such as São Miguel and Pau dos Ferros. In the same year, we had 10 employees and served 350 customers. Five years later, due to our continued growth, we already had 50 employees and served around 3,500 customers in 45 different cities.

In 2010, we became the largest internet radio operator in Brazil, serving more than 30,000 customers in 150 cities in the countryside of the Northeast region. In order to allow our expansion, managers saw fiber optic as an alternative to provide more connectivity and therefore began studying different ways to make this new technology viable. In 2011, we began deploying fiber optic in the city of Pau dos Ferros (Rio Grande do Norte), the first city in Brazil to be 100% served with the technology.

In 2014, we sought to expand our services through fiber optic, and started to invest in the transmission of the fixed phone signal in the city of Juazeiro do Norte (Ceará). In the following year, we also started to provide cable TV services and, in 2018, mobile telephony services.

In 2015, we implemented the use of the integrated SAP Business One system and audited our financial statements for the first time with an independent external auditor.

In 2019, we took an important step in our expansion plan by activating our services in the city of João Pessoa (Paraíba), the first state capital to be served by us. In that same year, as a reflection of our strategic planning, we grew to over 4,000 employees and served around 350,000 subscribers in 90 cities in the Northeast region of Brazil, through fiber optic technology.

As of the date of this offering memorandum, we operate as an internet provider via fiber optic, cable TV, music streaming, fixed and mobile phones. We serve more than 200 cities in the states of Alagoas, Ceará, Paraíba, Pernambuco and Rio Grande do Norte, totaling approximately 697,000 subscribers and more than 6,300 employees, with a network structure based on our own digital fiber optic belt.

6.5 - Information on bankruptcy petition based on a relevant amount or on judicial or extrajudicial reorganization

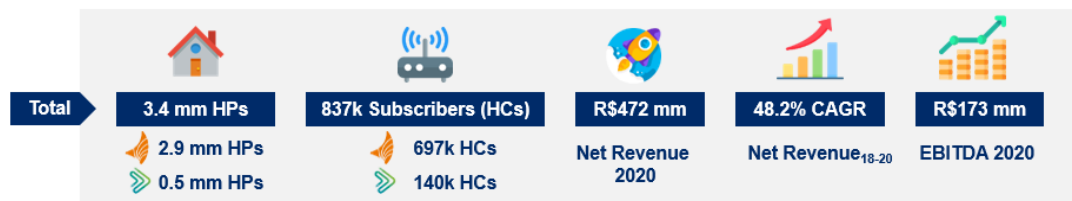
As of this date, we have not filed for bankruptcy or judicial or extrajudicial reorganization of the Company based on a material amount.

6.6 - Other outstanding information

There is no other information that the Company deems relevant in relation to this item 6.

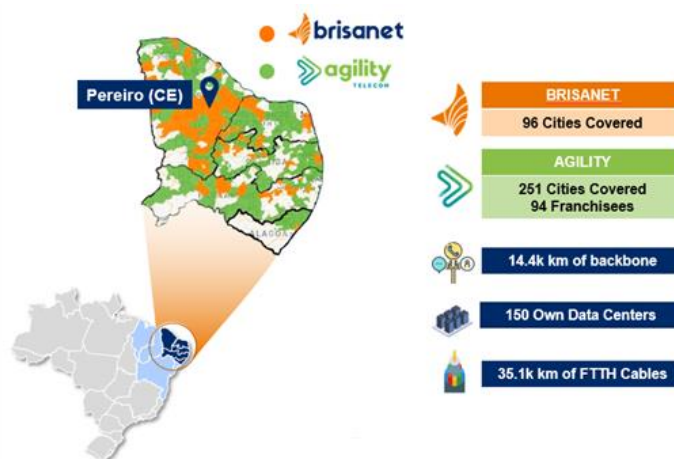
7.1 - Description of the business activities of the issuer and its subsidiaries

We are the largest independent internet service provider in Brazil in fiber optic technology, according to ANATEL's data panel ranking. We have a product portfolio almost 100% comprised of fiber optic and operations focused in the Northeast region of the country. As of April 30, 2021, we had approximately 697,000 subscribers and more than 6,300 employees, spread over 96 cities in the Northeast region of Brazil. We also operate through our subsidiary Agility Telecom, which provides internet services under the franchise model to approximately 140 thousand customers and is already present in more than 251 cities in the Northeast region of the country, through 94 franchisees.



(1) Home Passed (or Access Points/Houses with Access), or HP, represents the total number of households that are covered by a given network. Home Connected (or Homes with Connection), or HC, represents the number of households with internet connection, i.e., broadband service customers.

Since our establishment 22 years ago, we have installed more than 14,400 km of backbone infrastructure (i.e. path used to distribute internet to other networks), with 3,520 km of planned backbone, 150 proprietary data centers and 35,100 km of "fiber-to-the-home" cables, or FTTH, and our mission is to deliver quality internet to all citizens of the Northeast region, including those who live far from large urban centers. We have a broad and highly comprehensive presence in five states in the region (Ceará, Rio Grande do Norte, Paraíba, Pernambuco and Alagoas), delivering connectivity through fiber optic which we believe to be high quality, with plans ranging from 50Mb to 1Gb high-speed internet, mostly captured through digital sales media.



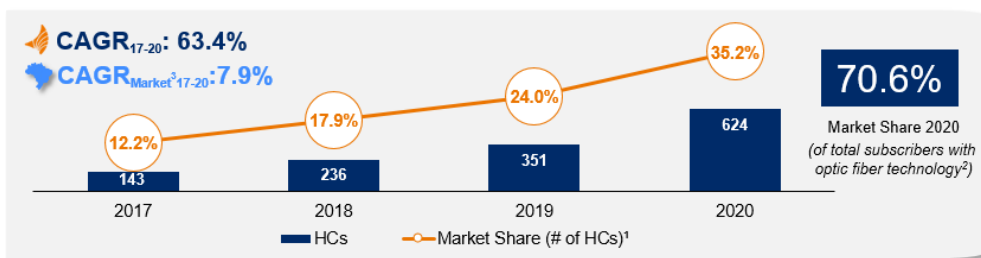
Source: Internal data as of April 2021

COMPANY OVERVIEW

We are a regional provider of broadband internet services, created with the mission to provide quality connection to regions typically less explored by large telecom operators – more specifically, the countryside of the Northeast region of Brazil. We have been offering a differentiated and high-quality service in this region, which is evidenced by our growing market share, only possible due to our vertical structure. Through what we believe to be this successful business model, we have grown our subscriber base by more than 60% in the last three years, gaining market from both local companies and large operators and consolidating ourselves as one of the main fixed broadband companies in the country, also extending to several larger cities, including capitals.

Our growth can also be noticed by Agility Telecom’s fast spread by means of the franchise structure launched in 2019. Agility Telecom allows us to increase our potential range and to provide quality network access to smaller cities and more remote regions. In this model, franchisees operate as small internet service providers, supported by our entire infrastructure, contributing to the regions development and promoting digital inclusion. In 2019, Agility Telecom had 16,000 HC subscribers, and this number continues to increase, rising to 108,000 subscribers in 2020 to 140,000 subscribers on April 30, 2021.

We have consistently increased our market share in fiber optic technology, reaching more than 70% market share in 2020. Such expansion is the result of a customers’ growth at a compound annual growth rate, or CAGR, of 63.4% in the last four years, all organically.



Source: Internal data and ANATEL.

- (1) As of December 31, 2020.
- (2) Considers all fixed internet technologies and cities where we are present.
- (3) Considers only fiber and cities where we are present, except for Fortaleza.
- (4) In Brazil

We have constantly worked on developing new products, which allow us to deliver greater added value and increase our total revenue per customer. Although more than 90% of our net operating revenue is still comprised by fixed broadband internet services, and we also offer traditional telecommunications services, such as cable TV and telephone packages. In addition, we launched a series of complementary services, such as BrisaMusic (music streaming) and BrisaPlay (videos streaming), among others, increasing our average ticket per customer and value perception.

By being present throughout the entire value chain, from mapping potential expansion areas, installing infrastructure, selling and installing services to customers, and even providing support and monitoring the service quality, we are able to anticipate our customers’ needs, which can generate several cross-sell and up-sell opportunities, considering the variety of products offered.

At the center of our operational efficiency are (i) the market knowledge accumulated by our principal executives through years of experience, and (ii) our proprietary technology, which allows a complete integration of our operations. The factory encompasses the development of dozens of apps and guarantees the connectivity of our entire ecosystem. This integration makes it

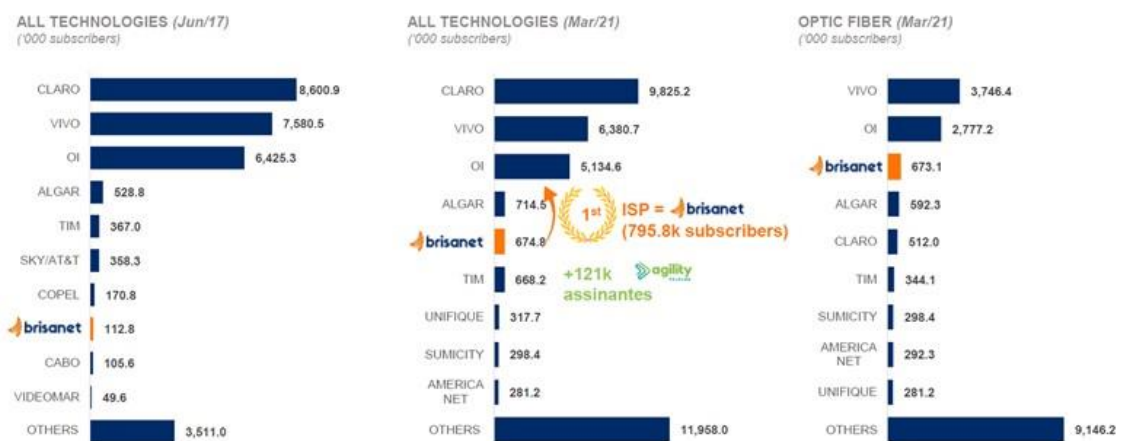
possible for employees to conduct an intelligent management of their teams and monitor the various systems seamlessly and in real time, which allows them to focus on sales and customer relationship activities.

The use of proprietary technology also guarantees the quality of the internet provided by us and offers a competitive advantage, since our competitors use third-party non-integrated software, which is difficult to adapt to all needs and specificities of an operator.

It is also worth highlighting the use of technology to strengthen customer integration and experience. Our mobile app, which comprises a complete assistance ecosystem, had, as of December 2020, 564,000 users, or approximately 90% of our subscriber base.

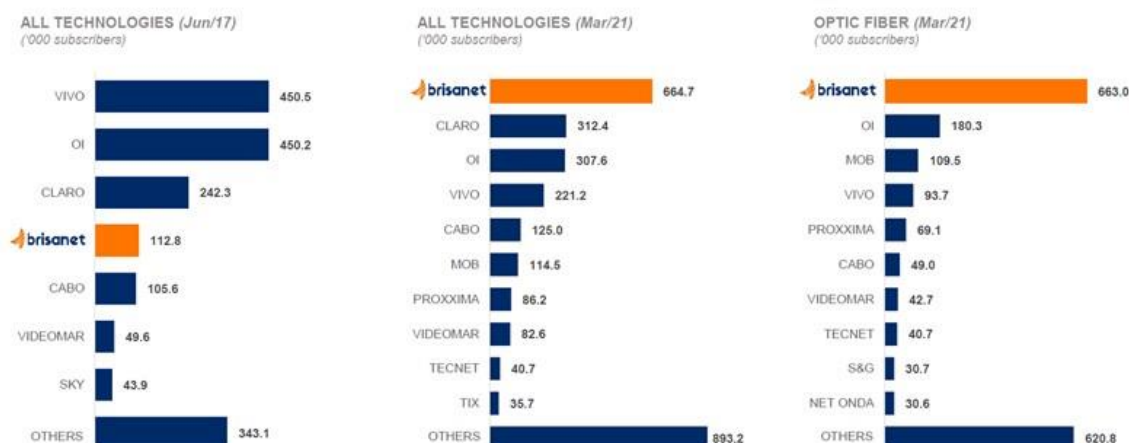
We also benefit from the fast infrastructure implementation, the assertiveness in choosing the technology to be used and the integration of our processes, which includes everything from the city's project, to cabling, installation and service – always with our own workforce – and a great concern with associated costs, allowing us to have comparatively low time-to-market and attractive operating margins.

For all these reasons, we currently stand out in national rankings as the largest independent FTTH platform in Brazil, according to ANATEL, appearing among the top five in the ranking of largest fixed broadband provider, considering all technologies. In this sense, we are among the top three in the ranking of largest fiber optic provider (first in the Northeast region), according to the panel data ranking by ANATEL, as indicated in the graphic below.



Source: ANATEL, data as of March 2021

We are leaders in the States in which we operate in the Northeast region of Brazil (Ceará, Rio Grande do Norte, Paraíba and Pernambuco), as indicated in the chart below:



Source: ANATEL, data as of March 2021

We have been recognized for the quality of our services multiple times, receiving the first-place award in the ANATEL satisfaction ranking: (i) in 2017, in the state of Ceará; (ii) in 2018, in the States of Ceará and Rio Grande do Norte; (iii) in 2019, in the Northeast region; and (iv) in 2020, we received the first place in the Northeast region and in Brazil. In 2019, we were also recognized by ANATEL as the leading company in terms of customer satisfaction.

KEY FINANCIAL INDICATORS

The following table presents the Company's key financial and operating indicators for the four-month period ending April 30, 2021 and 2020 and for the fiscal years ending December 31, 2020, 2019 and 2018:

(in R\$ thousand, except % and operational indicators in quantity or R\$ as indicated)	Four-month period ended April 30:		Fiscal year ending December 31		
	2021	2020	2020	2019	2018
Financial Indicators					
Net operating revenue	218,983	131,311	471,774	292,962	214,859
Net (loss) income(1)	6,262	(7,430)	29,123	51,080	25,228
EBITDA(2)	75,517	37,890	173,474	136,589	83,797
Adjusted EBITDA(3)	93,183	47,320	208,085	150,772	95,977
EBITDA Margin (4)	34.5%	28.9%	36.8%	46.6%	39.0%
Adjusted EBITDA Margin	42.6%	36.0%	44.1%	51.5%	44.7%
Gross Debt(5)	1,161,799	-	673,454	274,800	133,960
Net Debt(6)	625,988	-	492,685	231,321	121,934
Net Debt/EBITDA(7)	3.0	-	2.8	1.7	1.5
Current Liabilities	568,437	-	441,792	172,181	99,054
Non-Current Liabilities	883,771	-	449,261	183,685	88,135
Net Equity	131,753	-	127,197	107,725	61,352

(1) The Company benefits from tax incentives that positively impact its net income. For more information, see section 4.1.

(2) EBITDA is a non-accounting measurement prepared by the Company in accordance with CVM Instruction No. 527 of October 4, 2012, reconciled with its financial statements and consists of profit adjusted for net financial income, income tax and social contribution on profit, and depreciation and amortization expenses. The EBITDA margin is calculated by EBITDA divided by net operating revenue.

(3) Adjusted EBITDA refers to EBITDA adjusted by indirect costs as well as customer activation salaries and wages, as per note 20 to the individual and consolidated financial statements as of December 31, 2020, 2019 and 2018 and note 21 to the individual and consolidated interim financial information as of April 30, 2021 and 2020, filed together. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by net operating revenue.

(4) The EBITDA Margin is a non-accounting measure prepared by the Company, and corresponds to the division of EBITDA by net operating revenue.

(5) Gross Debt is a non-accounting measure prepared by the Company, and corresponds to the sum of the balances of derivative transactions, assets and liabilities, net, of loans, financing (current and non-current), lease obligations (current and non-current) and debentures

(current and non-current). The balances presented in the table refer to the balance at April 30, 2021, December 31, 2020, 2019 and 2018, respectively.

⁽⁶⁾ Net Debt is a non-accounting measure prepared by the Company, and corresponds to the total balance of Gross Debt, net of cash and cash equivalents and short-term investments. Net Debt is not a measure recognized under Brazilian accounting practices or IFRS, does not have a standard meaning and may not be comparable to Net Debt prepared by other companies. The Company uses Net Debt to assess the Company's financial position, its degree of financial leverage, as well as to support management decisions related to cash flow management, investments and capital structure.

⁽⁷⁾ Net Debt / EBITDA is a non-accounting measure prepared by the Company, and corresponds to the balance of Net Debt over EBITDA result for the twelve-month period ended April 30, 2021 and/or year ended December 31, 2020, 2019 and 2018. The Company uses Net Debt / EBITDA to assess its degree of financial leverage in relation to income adjusted by net financial result, income tax and social contribution on profit and depreciation and amortization expenses, as well as to assist management decisions related to cash flow management, investments and capital structure.

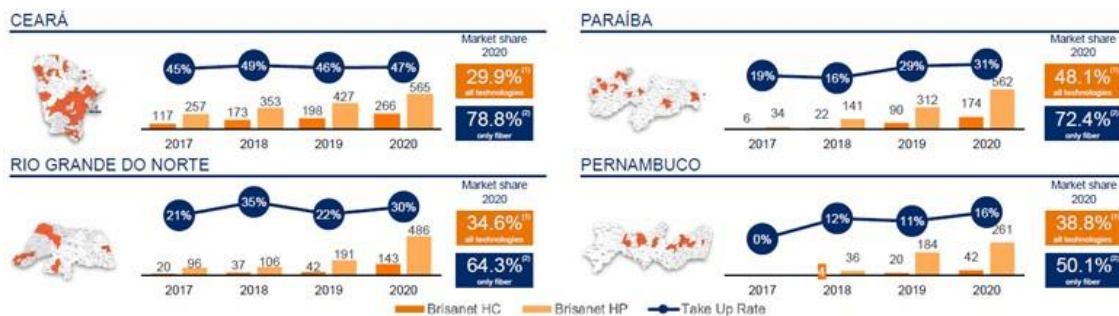
⁽⁸⁾ The Debt Ratio is the sum of current and non-current liabilities divided by shareholders' equity. For further information about the risks related to the Company's increasing indebtedness ratio and degree of leverage, see the risk "The Company's increasing indebtedness and degree of leverage may generate a material adverse effect and limit its ability to obtain additional resources to finance its operations, limit its ability to react to changes in the economy and adversely affect the Company" in item 4.

Strengths and Competitive Advantages

Independent FTTH platform in Brazil

We stand apart from major national and regional operators, as our platform is almost entirely fiber, with more than 99% of our over 696,000 customers in this category or transitioning to this technology.

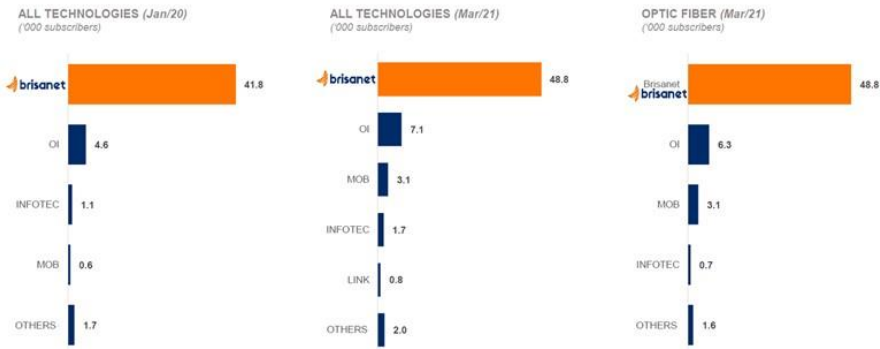
The result can be seen in our growing leadership in the Northeast region of Brazil, particularly in the States of Ceará, Rio Grande do Norte and Paraíba in addition to having a significant presence in Pernambuco, as demonstrated by the chart below.



Source: ANATEL data as of February 2021

We achieve this leadership position through continuous market share gains in the regions where we operate and the conversion of subscribers from competitors, as well as the increase in subscriber density in the operating regions, which does not depend exclusively on our superior technology, but on factors such as customer experience, humanized service with fast, digital and high-quality services associated with a low latency period, enabling us to prevail even in locations where competitors offer similar technology, as shown in the Juazeiro do Norte (Ceará) example below.

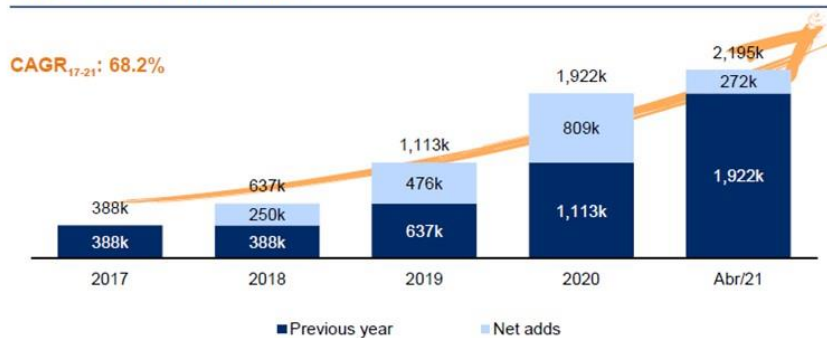
Absolute leader in all technologies, even with the incumbent player already using fiber technology



Source: ANATEL data as of March 2021

At the same time, our growth and high-quality of service are due to a strong network infrastructure, enabling high-speed data transmission and providing infrastructure for accelerated and flexible growth. As shown in the charts below, our total Fiber Internet Connection Doors and Homes Passed growth showed a CAGR greater than 60% from 2017 to March 2021.

Access Ports with Fiber¹



Homes Passed



Source: Internal data

Differentiated franchise business model – Agility

We further leveraged our execution infrastructure and know-how with the creation of Agility Telecom, our franchise business model. This new format uses our backbone structure, acting as a neutral network provider for an exclusive customer – Agility Telecom franchisees. In addition to

the infrastructure/network factor, the Agility Telecom franchisee enjoys other differentials, such as proprietary management software, quality control, processes and performance, employee training and research and development of new product offerings, among others.

In this way, a small local entrepreneurial provider transforms its operation, leveraging our binomial know-how and wide knowledge of the market served. This franchisee allies local personalized service to the tools of a strong regional player, becoming a natural consolidation agent in the market where it operates..

The image below presents our franchise system's advantages:

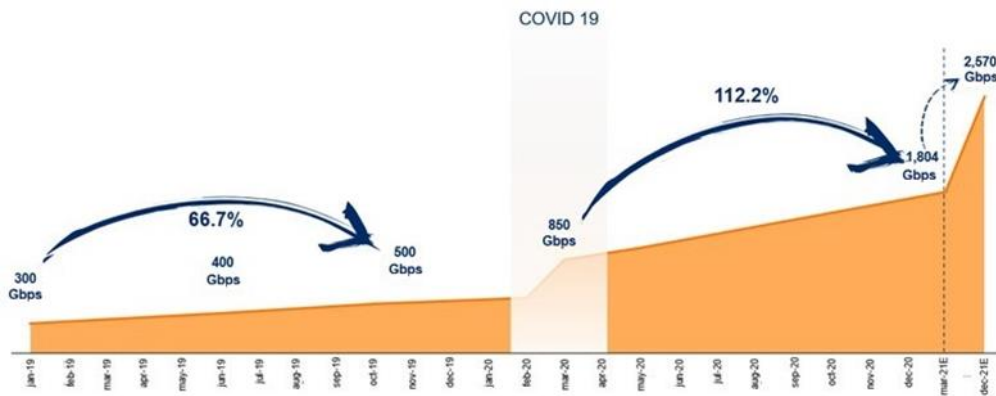


CONFIDENTIAL

Favorable industry trends with increasing fiber importance

The fiber optic market in Brazil is expanding rapidly, not only in absolute numbers, but also in relative terms, when compared to other broadband technologies. Driven by favorable market drivers, such as historical low penetration, new home office and business digitization trends, independent broadband providers have been taking over the market from large telephone operators, already holding 61% of the fiber market in Brazil.

The COVID-19 pandemic contributed to this growth. In the first months of the COVID-19 pandemic, due to the migration of a significant portion of the population to remote working, there was an increase in the average use of broadband from 500 Gbps in January 2020 to 850 Gbps in April 2020, a number that continues to grow at an accelerated pace. In the periods between March 2020 and March 2021, growth was 112.2%, reaching 1,804 Gbps. By the end of the year this number is expected to reach 2,570 Gbps, growing more than eight times since the beginning of 2019.



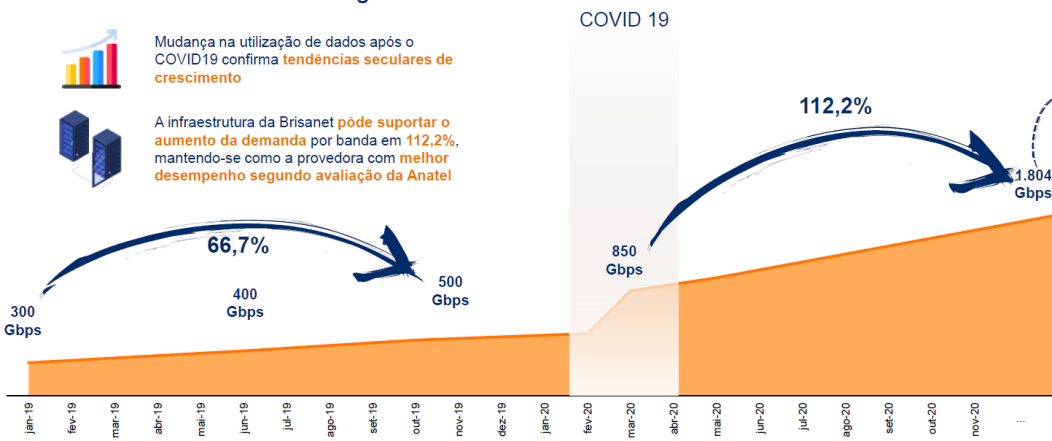
Crescimento de uso de banda larga



Mudança na utilização de dados após o COVID19 confirma **tendências seculares de crescimento**



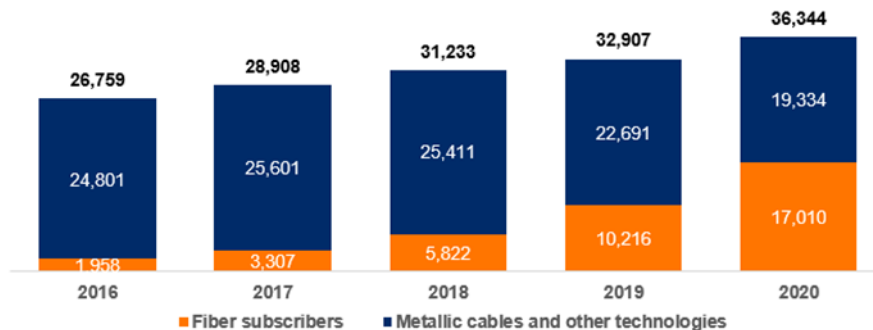
A infraestrutura da Brisanet **pode suportar o aumento da demanda** por banda em **112,2%**, mantendo-se como a provedora com **melhor desempenho** segundo avaliação da Anatel



In addition, when compared to its global peers, Brazil still has a very low fixed broadband internet penetration. While Brazil has 17 fixed broadband accesses for every 100 inhabitants, countries like Germany and France have, respectively, 42 and 44 accesses. Broadband customers in Brazil have been growing at a CAGR of 8% in the last five years, with fiber optic growing at a CAGR of 72% in the same period, showing the migration trend to this technology.

Fiber Leads Broadband Subscribers Growth Since 2016

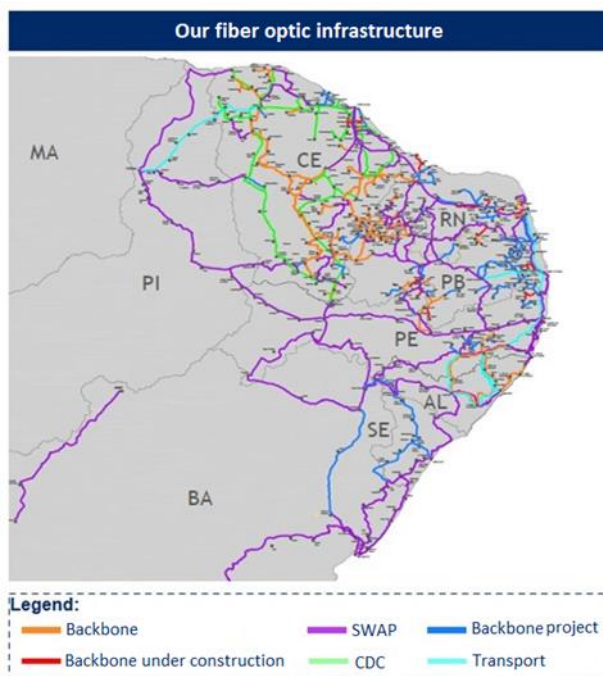
(*'000 fixed broadband subscribers)



Fully verticalized operations: from infrastructure to service monitoring

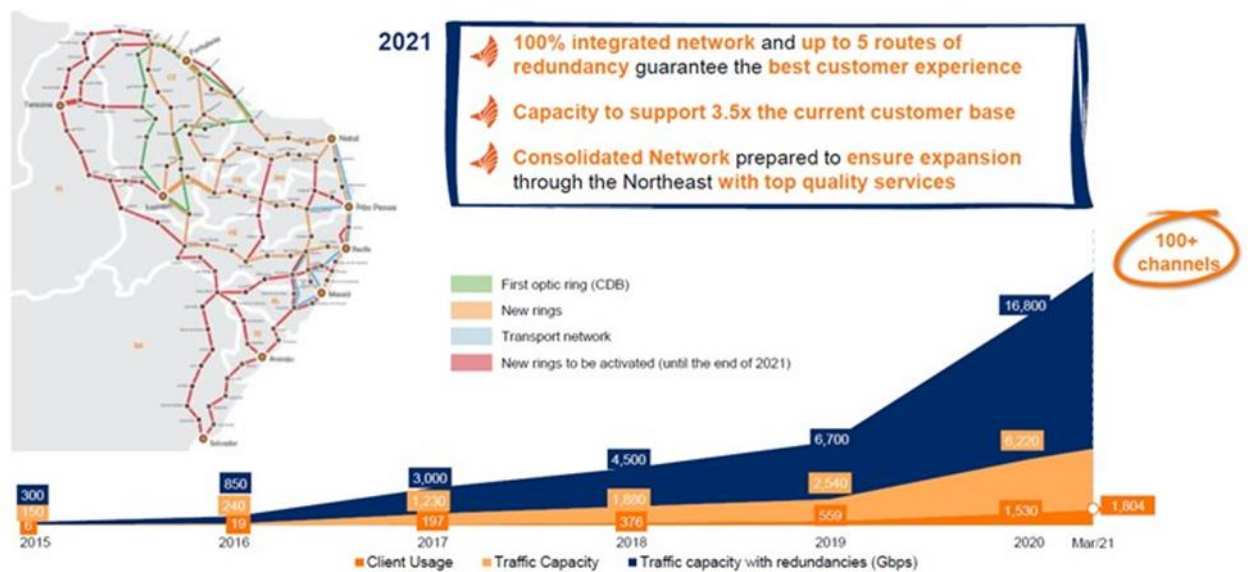
One of our main differentials in terms of quality and efficiency comes from our vertical operation. We operate throughout the entire value chain, from mapping potential new areas with fiber optics needs to providing support and monitoring services to customers.

Our infrastructure is one of the most extensive in the Northeast and is connected to the Fortaleza teleport, one of the largest in the world. Our FTTH network reaches 96 cities (not considering cities served by Agility Telecom), with approximately 35,100 km of optical cables in the metropolitan areas. Our backbone infrastructure extends for more than 14,400 km, with an additional 5,337 km under construction, negotiation or planning. Out of these 14,400 km, 4,100 km are our own cables and 3,520 km are our own planned backbone cables, 2,400 km are part of the Ceará Digital Belt (Cinturão Digital do Ceará), a partnership between us and two other companies, and 7,900 km are SWAP (i.e., exchange of fiber optic infrastructure by two companies in order to expand or modify their networks without the need for financial investment). Below, Brisanet's Fiber Optic Map:



Source: Brisanet.

This fiber optic cabling infrastructure has been developed by us since 2011 and was intensified as of 2015, with the partnership in the Ceará Digital Belt, creating the first optical ring in the region. In 2016, the dense wavelength division multiplexing network, or DWDM, that allows to optimize the use of fiber optic by varying the wavelengths issued in the system, expanded to new routes, currently passing through Natal (Rio Grande do Norte), João Pessoa (Paraíba) and Recife (Pernambuco) and reaching 40 channels, with a redundant traffic capacity of 850 Gbps. Between 2017 and early 2021, the DWDM backbone continued to expand. The network reached 80 channels and a capacity of 16,800 Gbps redundancy at the end of 2020, ensuring a more stable and quality connection.



We have a first-rate and totally integrated data center structure, with 150 units strategically distributed between the States of Ceará, Rio Grande do Norte, Paraíba, Pernambuco and Alagoas – which guarantees quality and stability to internet access together with distance monitoring and management in real time of the data centers. In addition to having a complete structure, we have full capacity to expand our network, being able to increase the capacity of the current infrastructure by up to 306.5%. This infrastructure is also essential to guarantee the functioning of the Gigabit Passive Network Technology, or GPON, which has the role of supporting low latency requirements.

To ensure efficiency in the operation, the entire infrastructure implementation process follows the standard process already tested and proven by us. First, the project is designed for the specific area, mapping each street and pole in the region. Only after the completion of the project the region cabling starts. The fusion team, which installs and connects the optical termination boxes to the poles and is responsible for managing the network, only starts its work when the cabling team finishes that pre-defined geographic area. Then, another team enters the field to audit and approve the network points in question. Finally, the network is activated.

Therefore, we complete the infrastructure implementation and start monitoring the network through our internal system. All of this is controlled from our headquarters, in Pereiro (Ceará), through apps used by our teams, internally developed over the years to think about every detail of the process. This ensures us one of the fastest time-to-markets among companies in the industry.

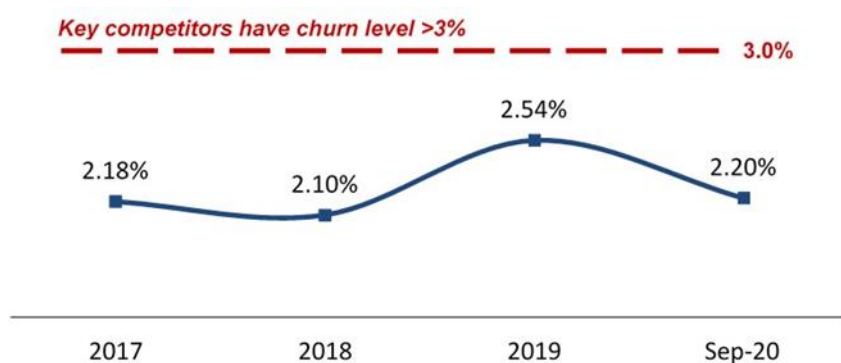
Customer relationship supported by proprietary technology

We consider our relationship with our customers as one of our pillars, which is mainly managed through our proprietary satisfaction control platform. In addition, our growth in local offices has resulted in increased levels of expansion and customer satisfaction, as a more specialized and individualized service for each region becomes possible.

Part of customer satisfaction comes from the guarantee of a quality service, and for that we have a strong infrastructure to support our operation. The infrastructure includes:

1. Complete customer relationship management platform – with network documentation tools, registering the quality of the signal level;
2. Tool for time optimization and efficient displacement by geo-referencing, allowing a reduction in repair costs;
3. City mapping tool, allowing a better mapping of the cities' existing infrastructure; and
4. Storage in first-rate data centers, with large storage capacity and data security.

In this way, we guarantee a competitive advantage, and we manage to achieve one of the highest levels of satisfaction in the market, according to the quality survey carried out by ANATEL. Consequently, these factors result in a minor churn rate and considerably lower than our competitors' average.



Much of our service quality is based on the customer experience, starting with the onboarding process. The entire process is done digitally, including document validation and registration signature, as well as the initial research. The SuperApp Minha Brisa, or App, also allows monitoring all stages of the process through its dashboard, in addition to offering a complete guide on the broadband service offered. The App has been facilitating both the capture and maintenance of the customer base and 90% of customers have already adopted it.

Another important feature in the App is the digital agreement, which has been directly contributing to the reduction of fraud in the customer base and, consequently, reducing default rates. In 2019, the percentage of fraud in the database was 0.0128%, while in 2020, with the implementation of such tool, this figure dropped to 0.0061%. With these and other features completing the assistance ecosystem, the App has been leading the way for our digitization.

Our services' quality can also be observed through the general customer satisfaction indexes. Among national providers, we have already achieved a leading position, for consecutive years, in the States of Ceará, Rio Grande do Norte, Paraíba and, more recently, in Pernambuco. A good example of our achievements was the recognition of customer satisfaction in receiving the RA1000 seal from ReclameAqui, a Brazilian customer review website.

ANATEL's Satisfaction Leader



Fonte: ReclameAqui em abril-20








Expansion history combined with profitability

Our solid financial results are a consequence of our operating numbers' growth. Our net operating revenue, has grown expressively in the last three years. Net operating revenue increased to R\$471.8 million in the year ended December 31, 2020, from R\$214.9 million in the year ended December 31, 2018, a CAGR of 48.2% in this period. In addition, our Adjusted EBITDA increased to R\$208.0 million in the year ended December 31, 2020, from R\$95.8 million in the year ended December 31, 2018, a CAGR of 47.3% and our Adjusted EBITDA Margin amounted to 44.1% in the year ended December 31, 2020, from 44.6% in the year ended December 31, 2018.

In order to promote all the network and services expansion in recent years, we made several significant investments, as evidenced by the increase of our capital expenditure since 2018. During that period of material growth, we increased property, plant and equipment and intangible assets by 246.4%, to R\$408.4 million in the year ended December 31, 2020, from R\$ 176.7 million in the year ended December 31, 2019 and R\$117.9 million in the year ended December 31, 2018. From May 2020 to April 2021, our property, plant and equipment increases reached R\$533.0 million.

Our net operating revenue used to fund capital expenditures reached 92.4% for the three-month period ended March 31, 2021, compared to 86% for the three-month period ended March 31, 2020, reflecting potential for revenue increases to be captured by us.

We have adopted an organic expansion strategy over years of experience designed to have a high density of access ports per household (75 access ports per each HP), which generates a lower expansion cost per customer. This allows us to optimize density levels, increasing profitability as we expand to new customers without the need of increased capital expenditure. For the year ended December 31, 2020, our investment cost per access port amounted to R\$190.00 and our investment cost per customer amounted to R\$434.00. When we analyze the cities that we have reached more than four years ago (Joao Pessoa, Natal and Maceió), the take up rate (which is calculated as our HC divided by access ports) is approximately 53% of the access ports, which translates into a take up rate (which is calculated as our HC divided by HP) of 40% of HPs.

	HPs	100
	Ports	75
	HCs	40
	Take Up Rate	53% over Ports ¹ 40% over HPs ²
	Capex per Port	R\$ 190
	Capex per HC	R\$ 434 ³
	Total Estimated Capex per Client	R\$ 814 ⁴

- 1) Calculated as our HC divided by access ports.
- 2) Calculated as HC divided by HPs.
- 3) Considers equipment installation and workforce costs.
- 4) Considers take up rate of 50%

The graphic below shows the high density of access ports in the metropolitan regions of 3 capitals where we are present:



- (1) Greater João Pessoa includes the cities of: João Pessoa/PB, Cabedelo, Bayeux. and Santa Rita.
- (2) Greater Natal includes the cities of: Natal, Parnamirim, Extremoz, São Gonçalo do Amarante, Ceará Mirim, Macaíba, São José de Mipibu.
- (3) Greater Maceió includes the cities of: Maceió and Rio Largo .
- (4) Calculated considering homes connected.

We have a history of investing in new cities with attractive returns. Cities in which we have installed an FTTH network more than four years ago have an IRR, above 30%. In addition, new areas built between 2018 and 2020, due to their growth rate, present a projected IRR close to 30%. The image below shows some of the main cities where we operate, indicating the first ones to receive FTTH network infrastructure and some of the last ones, including three capitals.

It is noteworthy that the IRR is a method for carrying out the feasibility and return analysis of a given investment project, representing the discount rate that equals, in a single moment, the inflows with the outflows of our cash.

For the cities represented above, regardless of (i) their profile, whether small, medium or large; and (ii) the state in which they are located, we are the market leader compared to all other players, except for areas with less than one year of service. In addition, the estimates above do not consider impacts from tax benefits.

Therefore, we believe that we transitioned our area of operations at the right moment, since it became clear that in larger cities and capitals of the Northeast region there is still a market that lacks quality services. In this sense, we believe that our rate of return is satisfactory.

Finally, in addition to the traditional public that we have served since our origins, these new markets also have a customer profile with greater purchase power, willing to purchase higher value-added service packages. The existing business market in these areas is significantly stronger, both in terms of quantity and purchase power. In addition, Agility operation covers more remote areas of the countryside. For all these reasons, and due to our ability to offer quality services at a price that is adequate for each customer profile, we believe that we have the most adequate project to increase the massification of telecommunications services in our operation area.

Customers from these cities considered in aggregate, represented 61.3% of our total customer base, as of April 30, 2021.

Take Up Rate by Maturity of Selected Cities



⁽¹⁾ Calculated as HC/Ports;

⁽²⁾ Calculated as HC/HPs;

⁽³⁾ Considers installation costs with equipment and labor;

⁽⁴⁾ Considers a take up rate of 50%

Management team led by our founder with solid corporate governance standards

Our growth in recent years was possible due to an experienced and technically competent management team. All of our principal executive officers have more than 10 years of experience and are led by José Roberto Nogueira, our current chief executive officer and founder. Our culture is based on “ownership,” which can be seen in our exceptional results arising from a high management performance and low staff turnover.



João Paulo Estevam, our chief operations officer, has been with us for 17 years and is also the chairman of our board of directors. Also a member of our board of directors, José Romário Fernandes Pinheiro is another of our directors that has been with us since 2007. Jordão Estevam, our chief commercial officer, with 15 years of experience. Finally, our investor relations officer, Luciana Paulo Ferreira, has 25 years of experience working in capital markets.

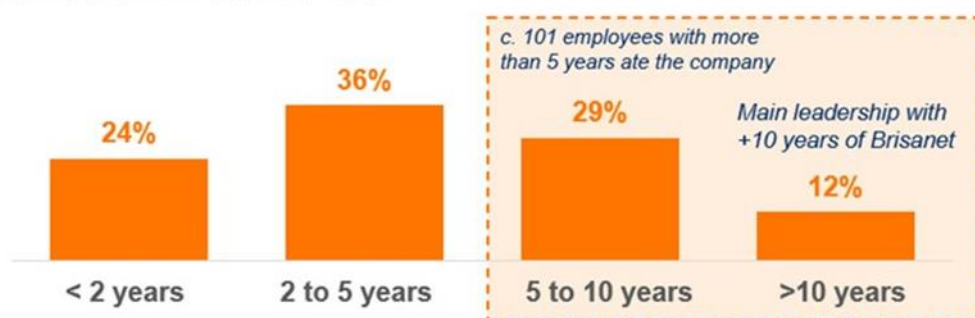
At the same time, we also have some committees that guarantee a high-level management and planning. Some examples are the audit and personnel committee, in addition to internal strategy and information security committees.

We also have a board of directors to support our management in major decisions. This board evolved from the advisory board and currently has two independent members, Geraldo Luciano de Mattos Junior, director of several publicly-held companies such as Hapvida, M. Dias Branco, Portobello and Assaí Atacadista, and Moacy Freitas, a career executive at Grupo Moura.

As mentioned, one of our great differentials is the long period of time that most of our employees stay with us, guaranteeing an exceptional and continuous execution of the operation. Among the employees in leadership positions (252 in total), 29% have been with us between five and 10 years. In addition, 12% of these employees have been with us for over 10 years.

AVERAGE TIME AT THE COMPANY FROM BRISANET'S LEADERS

(% of all employees from the company, a total of 252 people)



In contrast to the strengths and competitive advantages mentioned above, we are subject to the specific risks mentioned in the section "Risk Factors" of this report.

OUR GROWTH STRATEGY

Organic growth

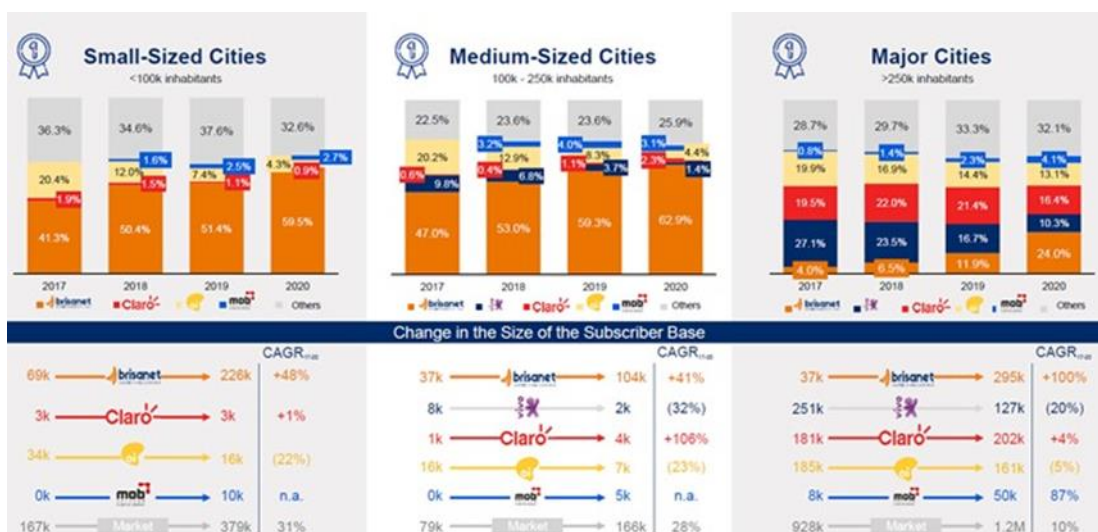
In line with our growth strategy in recent years, we will continue to focus on the organic expansion of our customer base and network continuity. This movement will be made possible by expanding the transmission network and by investing in technological infrastructure with data centers.

In order to solidify our position as the largest regional fiber optic operator in Brazil and leader in the Northeast region, we intend to serve a total of 220 cities in the region. In addition to expanding to new cities, we also plan to consolidate our position in the cities where we already operate, especially in large cities and capitals where traditional telecommunications operators still hold leadership, by combining different broadband access technologies.

Historically, our focus was on small and medium-sized cities in the Northeast countryside, with a population of up to 250,000. In these categories, we increased our customer base to over 329,000 customers in 2020, from 106,000 in 2017, with a CAGR of 46% in the period. As of 2019, the greater scale achieved by us, the access to borrowing lines and the security of an already tested model allowed us to direct our focus to larger cities, starting with the capitals. By the end of 2020 we increased our subscribers' number in large cities to 295,000, from 37,000 in 2017.

Finally, since 2017 we have gained 18.2 percentage points of market share in small towns where we operate, 15.9 percentage points in medium cities and 20.0 percentage points in large cities where we operate, demonstrating that our management model is the leader in any city size where we operate, competing with major operators and local internet service providers.

Our growth since 2017 was greater than any other competitor's growth in our operation areas.



Source: ANATEL. Considers all fixed broadband technologies.

The organic expansion has had its success mainly supported by an efficient capital expenditure strategy, which guarantees a fast maturation of the operation in the new city at a low cost – our investment per HC is R\$434, representing all the installation and labor costs.

This profitability-driven density optimization also allows for expansion within cities without the need for additional capital expenditure to install more HPs.

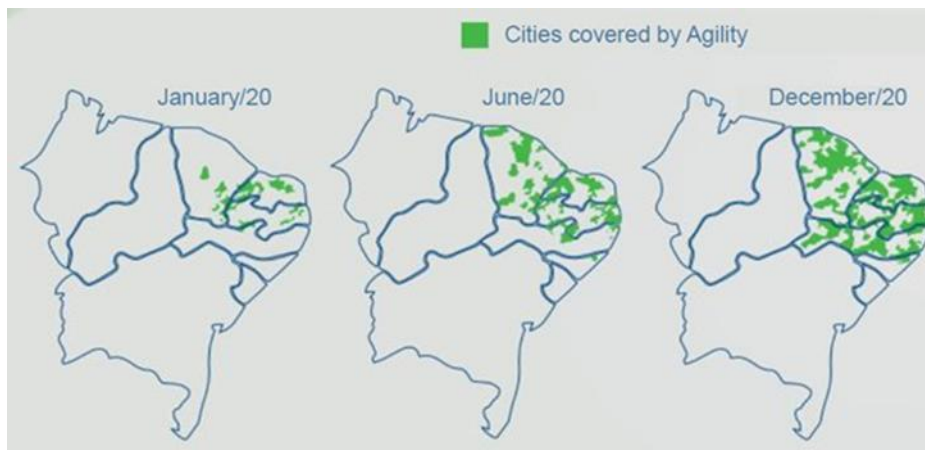
Growth through franchise business model

Expansion of the Agility Telecom franchise network, created in 2019, is among our main growth possibilities, and will allow us to swiftly expand our reach to all nine states in the Northeast.

The main purpose of this business model is to bring knowledge, development and technology together, through partnerships with small local providers. In this way, we intend to continue our expansion process through the countryside, reaching 80% market share in the states where Agility Telecom will operate.

We are responsible for the installation of the entire passive infrastructure, while the local provider invests in the active part, from the pole to the customer's house, offering all its services according to our standards. In this way, the model assures franchisees a higher quality in infrastructure, systems and several services, such as: FTTH, cable TV, fixed and mobile telephony, VOD, IoT and others.

We currently operate with the franchise model in 251 small and medium-sized cities in the region. Our franchisees are, in general, internet service providers with approximately 1,000 and 1,500 customers each.



Our goal with Agility Telecom is to reach more than 1,570 cities in the Northeast region through our franchisees by 2024, and then expand beyond the Northeast region.

Accelerated expansion of new products

In addition to selling high-speed internet products, we continue our journey offering greater added value to our customers through the provision of new services/sale of products in both the business to consumer market, such as Brisa Fibra, Brisa Móvel, and in the business to business market, with corporate solutions, video monitoring and voice services such as 0800 and virtual PABX.

With this, we follow a natural movement of internet service providers to become a solutions hub for customers, going far beyond internet access.

We have several new products already mapped or in the implementation process, aiming to bring new business to consumer and business to business solutions, among which we highlight:

B2B business growth: Opportunity to grow business to business market with high margins and without incremental capital expenditure, taking advantage of the already installed fiber backbone network;

Added services (up-sell and cross-sell opportunities): Up-sell/Cross-sell of complementary services (for example, streaming platforms). Expansion of corporate services complementary to

the internet provision with a value proposition to customers, offering more products and greater speed and quality;

Protection: Consists of filtering adult content from the internet, blocking a list of more than 700 thousand sites with inappropriate content for children;

Conecta+: Provides customers with high-performance equipment via cable and Wi-Fi through which will be possible to cover residential areas that were previously not served;

Novo Play: New TV and VOD streaming service. Unifying into a single video platform to deliver a multi-screen experience; and

Video monitoring: Service providing public monitoring with intelligence and various analytics features such as face recognition, vehicle identification, people counting and many others.

Opportunities at 5G auctions

We stand out as one of the main internet service providers interested in participating in the 5G auctions for the Northeast region. This transition to 5G has the potential to boost data demand in the region and create an important barrier for national telecom operators in the countryside, but will require additional bandwidth for providers, in addition to a number of logistical and operational challenges, considering that the auction must contemplate the commitment to serve 5G to cities with less than 30 thousand inhabitants and the obligation to develop the backbone structure in municipalities that do not yet have fiber optic transmission networks.

5G auctions should take place under a series of rules in order to ensure the best use of the right by the auction winner and the maintenance of market competitiveness. First, there was the regionalization of the blocks, which allows regional operators, such as us, to participate in the event. In addition, a purchase limit of two lots per operator has been set to ensure that there is no 5G monopoly after the auction. Finally, the government also decided to limit the grant bonus to 10% of the auction's range.

The fiber optic infrastructure that we are installing in small towns will be essential for data transmission on 5G, both of which are complementary technologies.

The opportunity to operate 5G in the Northeast region of Brazil is closely connected with our mission, given that the new technology will bring broadband internet to the low-income population that does not have access to fixed broadband, providing the service that 4G does not provide and still allowing us to explore mobile telephony and data market with 5G technology in small towns in the countryside of the Northeast region through Agility Telecom.

Recent Developments

Impacts of the COVID-19 pandemic on our activities

The Company believes that the COVID-19 pandemic did not negatively impact its results. The Company's markets grew due to the increased need for connectivity that the COVID-19 pandemic triggered. With most companies moving to the home office, the need for broadband Internet access was the main factor driving growth in this market. With the expansion of ISPs, customers in this segment have benefited from this scenario in the way they consume broadband throughout Brazil. This greater connectivity also led to an increase in the search for other products and services that the Company offers, such as TaaS, Cybersecurity and Data Centers. Even so, the Company is monitoring all the possible short, medium and long term impacts of the COVID-19

pandemic and has taken the necessary measures with regard to its operation and maintaining the solidity of its balance sheet.

All the Company's employees who could work remotely were immediately put into home office, with the necessary adaptations (for example, we put in protected work machines and created a VPN to give security to the company's data). It is worth mentioning that the Company did not use any of the resources made available by the government due to the pandemic. In addition, the Company has not reduced the number of employees, working hours, salaries, nor any benefits that were offered before the pandemic of COVID-19.

The Company took on new borrowings during 2020, however all financing activities were related to the normalcy of the Company's operations and the growth observed.

Other recent developments

Since the issue of the interim financial statements for the four-month period ended April 30, 2021, the following recent events have occurred:

Capital increase

At a shareholders' meeting held on June 21, 2021, our shareholders approved a capitalization relating to an advance for future capital increase granted by our current shareholders, in the amount of R\$5.7 million. Immediately after this capital increase, our fully subscribed and paid in capital stock was R\$71.9 million, divided into 71,859,213 outstanding common shares, without par value.

Distribution of dividends

At a shareholders' meeting held on June 30, 2021, our shareholders approved the distribution of dividends by us in the amount of R\$0.5 million relating to the year ended December 31, 2020.

Share Split

At a shareholders' meeting held on July 6, 2021, our shareholders approved our share split at a 1:5 ratio, without modification of our capital stock. Immediately after this share split, our fully subscribed and paid in capital stock was R\$71.9 million, divided into 359,296,065 outstanding common shares, without par value.

For more information about stock splits, see item 17.3 below..

7.1-A - Joint Capital Company

Not applicable, since the Company is not a mixed corporation.

7.2 - Operating Segment Information

(a) products and services marketed

The Company, through its direct and indirect subsidiaries, operates in a single telecommunications operating segment, with operations in the States of Ceará, Paraíba, Pernambuco, Alagoas, Sergipe, Piauí and Rio Grande do Norte. Below is a brief description of the telecommunications services comprised within the company's single segment:

Multimedia Communications Services (SCM)

We offer a digital streaming service, BrisaMusic that allows instant access to millions of songs, podcasts, videos and other content by artists from all over the world and especially from the Northeast region of Brazil.

Value Added Services

We offer self-support and replay services for cable TV and caller identification in telephones.

Computing Services

We offer fixed broadband internet services to households and business through FTTH and GPON networks, delivering speeds of up to 1 Gbps.

Equipment leasing services

We lease available equipment to customers - modem and landline.

Cable TV Operation Services – SeAC

We offer cable TV services with several package options with channels and options to serve different types of clients.

Sale of Fixed and Commuted Telephony Services (STFC)

Our portfolio of fixed and mobile phones services includes local calls and national and international long-distance calls, provided on a private basis.

Sales of Products

Includes the sale of chips for mobile phones, within the context of the mobile virtual network operator services provided by us.

(b) segment revenue and its share in the Company's net revenue

The Company's total net operating revenue derives from a single business segment, which comprises the following telecommunications services: (i) multimedia communication services (SCM); (ii) computer services; (iii) value-added services - auto support and replay for pay-TV and caller ID in telephony; (iv) equipment leasing services; (v) operation of pay-TV service - SeAC; (v) sale of Fixed Switched Telephone Service (STFC) services; and (vi) sale of merchandise (mobile data chips). We present below the revenue from this single segment for the four-month periods ended April 30, 2021 and 2020 and for the fiscal years ended December 31, 2020, 2019 and 2018.

	Four-month period ended April 30				Fiscal Year Ended December 31					
(in millions of reais, except %)	2021	%	2020	%	2020	%	2019 (restated)	%	2018 (restated)	%
Net operating revenue	219,0	100.0	131,3	100.0	471,8	100.0	293,0	100.0	214,9	100.0

(c) Lucro ou prejuízo resultante do segmento e sua participação no lucro líquido da Companhia

The Company's net income (loss) derives from a single business segment, which comprises the following telecommunications services: (i) broadband internet services; (ii) pay TV services; and (iii) fixed and mobile telephone services. We set forth below the revenue from this single segment for the four-month periods ended April 30, 2021 and 2020 and the fiscal years ended December 31, 2020, 2019 and 2018.

	Four-month period ended April 30				Fiscal Year Ended December 31					
(in millions of reais, except %)	2021	%	2020	%	2020	%	2019 (restated)	%	2018 (restated)	%
Net (loss) profit	6,3	100.0	(7,4)	100.0	29,1	100.0	51,1	100.0	25,2	100.0

7.3 - Information about products and services related to the operating sectors

(a) characteristics of the production process

The Company, through its direct and indirect subsidiaries, operates broadband internet, pay TV and fixed and mobile telephone services, as well as other complementary services, with operations in the states of Ceará, Paraíba, Pernambuco, Alagoas, Sergipe, Piauí and Rio Grande do Norte, all regulated by the National Telecommunications Agency (ANATEL).

(b) characteristics of the distribution process

We have a sales structure through three sales channels: (i) business to customer, (ii) business to business and (iii) business to government.

Business to customer sales are carried out through the following channels (i) digital media, (ii) telemarketing, (iii) face-to-face sales by PAP team, (iv) technicians and (v) partners. In sales through digital media, we capture clients, through existing forms of commercial campaigns on Google, Facebook and Instagram platforms. After capturing the clients via lead, our sales team contacts the clients to close the deal. Our commercial team uses the following means of communication with clients: chat on our website, Whatsapp, campaign forms, calls received on our telemarketing channel (receptive commercial) and through the “Recommend a Friend” (“Indique um Amigo”) campaign, through which the client who recommends a friend receives a future discount.

In telemarketing sales, a salesperson makes phone contact with potential clients and current clients offering additional products and services to increase our average revenue per user, or add a new customer to our client base. In face-to-face sales (door-to-door), the seller personally offers our products in neighborhoods where our network structure is present, increasing our penetration. Additionally, technicians from any sector or our employees may offer services through referrals or sales, receiving a commission. Finally, we also provide our clients with our own online store to sell our services.

Our team is composed by approximately 343 people, including our own employees and outsourced sales representatives who are highly qualified in the execution and closing of sales. Also, as a part of our commercial strategy, we organize events to promote our services in the markets where we operate.

Business to business sales channels are divided into digital sales and offline sales. Digital sales are divided in two fronts – the receptive front and the active sales front. The former consists of the sale of our services by eight consultants segmented into market niches, through telemarketing numbers, videoconference, website, emails, social networks, stores and offices, chat and Whatsapp. The active sales front is carried out by sales development representatives, or SDR. Our team is made up of three SDRs who heat up the lead by forwarding the potential client to a consultant that will, in turn, can close the sale.

Offline sales are divided into regionalized sales force and authorized agent (our partners). The regionalized sales force consists of a team of 26 consultants, all of which visit clients in person. Consultants are segmented by activity and geographic area. The authorized agent’s sales force is made up of 13 partners approved by us with know-how and expertise in our products and clients and in the telecommunications market.

Regarding business to government sales, we have a software that maps new business opportunities in the telecommunications and information technology markets. We have a team of six people that cover each geographic location in which we operate, developing prospects and new business opportunities.

In order to differentiate ourselves from other major players in the markets we operate, we have brick-and-mortar points of sales, that also operate with customer services to resolve administrative and financial issues.

Finally, the distribution of the transmission of TV, phone and internet receptions depends on the installation of certain equipment in the clients' residence or office (in the case of business). Therefore, after completing the administrative procedures for managing the sale, we install the necessary equipment for the proper functioning of the service at the clients' address.

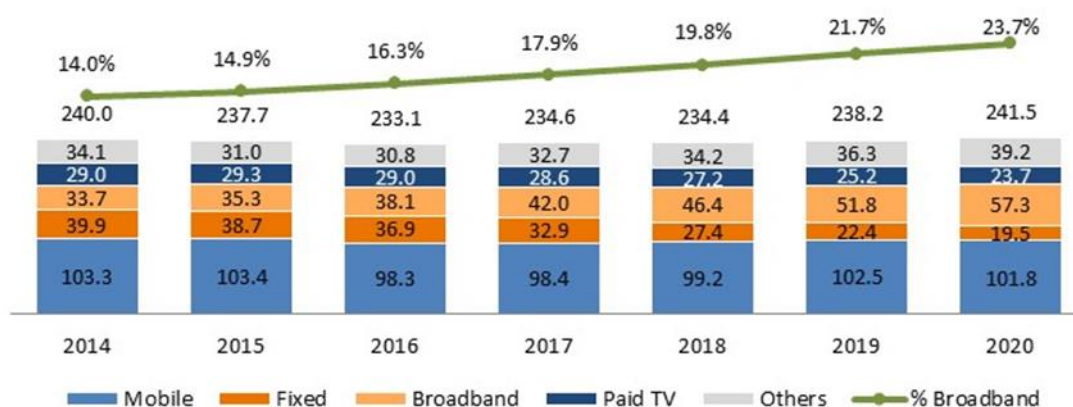
(c) characteristics of the operating sectors

Broadband Services

Since the internet began to be used for commercial purposes, more than 25 years ago, it has grown and gained an increasingly fundamental importance in the daily routine of the population and industries in Brazil and worldwide. The internet also began to gain increasing relevance in fields such as education, work and leisure for the population – which helped to rapidly expand its adoption. As a result, currently, the evolution of this technology is directly related to a country's economic development, with a huge dependence on this means of access to information by the population as a whole.

In Brazil, the telecommunications sector already is relevant and totaled R\$241.5 billion in revenue in 2020. Broadband has represented an increasingly relevant share of the segment, reaching around 24.0% of the revenue of the sector in 2020, compared to 14.0% in 2014. This is clear indication this a very relevant sector for the country, with strong growth figures for the broadband subsector, where we are inserted.

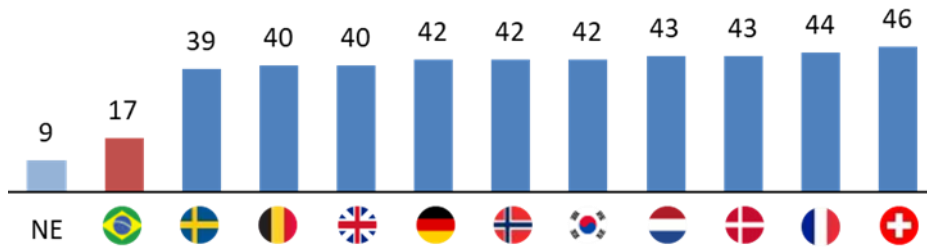
Annual revenue from the telecommunications sector in Brazil (in R\$ billions)



Source: Telebrasil

There are many factors that support this continued growth, such as the growing search for efficiency gains, new trends such as migration to home-office, which was recently accelerated due to the COVID-19 pandemic, and high potential for penetration when compared to developed countries.

Fixed broadband penetration in Brazil and other countries



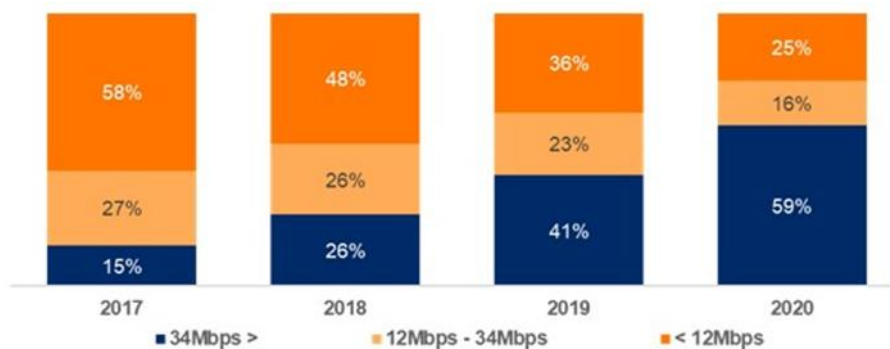
Source: Telebrasil, "IBGE Annual Services Research" (Pesquisa Anual de Serviços IBGE) and "Telecom Yearbook" (Anuário Telecom).
 Note: Fixed broadband subscription in Brazil per 100 habitants (December 2020)

The low penetration of broadband services in the country is clear, considering that only 17% of households have access to technology, a number even lower when considering only the northeast region of Brazil, where we focus our operations, where only 9% of households have access to technology.

In addition to these growth factors, the rapid proliferation of new forms of access to entertainment and information contents, such as Netflix, YouTube, online games, social networks and applications, also strongly support the search for broadband services.

The large increase in bandwidth consumption was accompanied by a search for internet services with reliable connections and increasing speeds, which required a continuous expansion of the telecommunications network to support this demand. In December 2017, only 15% of total customers had connections greater than 34mbps, a percentage that rose to 59% in December 2020, showing the high demand for high speeds.

Customers by connection speed in Brazil

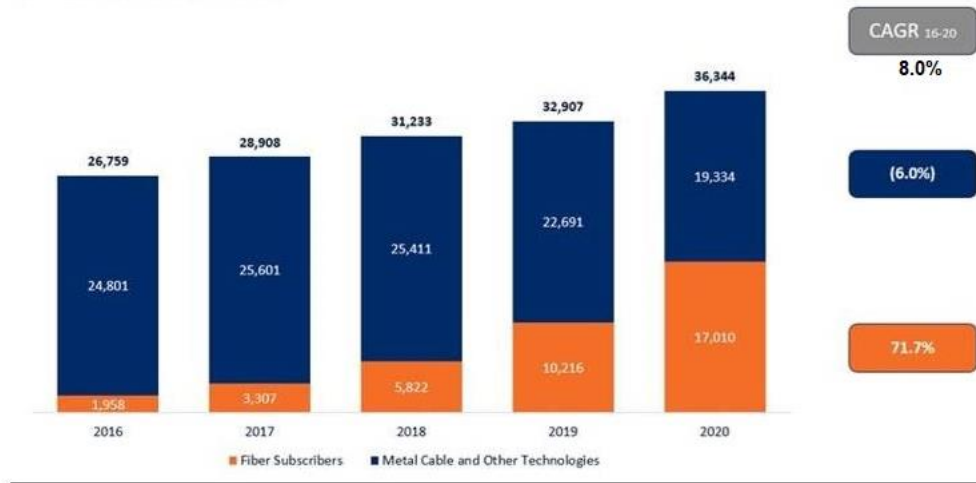


Source: Anatel

In this context, fiber optic technology is in highlighted and well positioned to take advantage of this new growth trend by enabling faster connections. Looking at the evolution of accesses over the last five years, it is clear that fiber optic stood out in relation to other broadband technologies, gaining more space in comparison to other technologies, such as cable, xDSL, radio, among others.

Total fixed broadband accesses in Brazil by technology

(*'000 of fixed broadband subscribers)



Source: Anatel

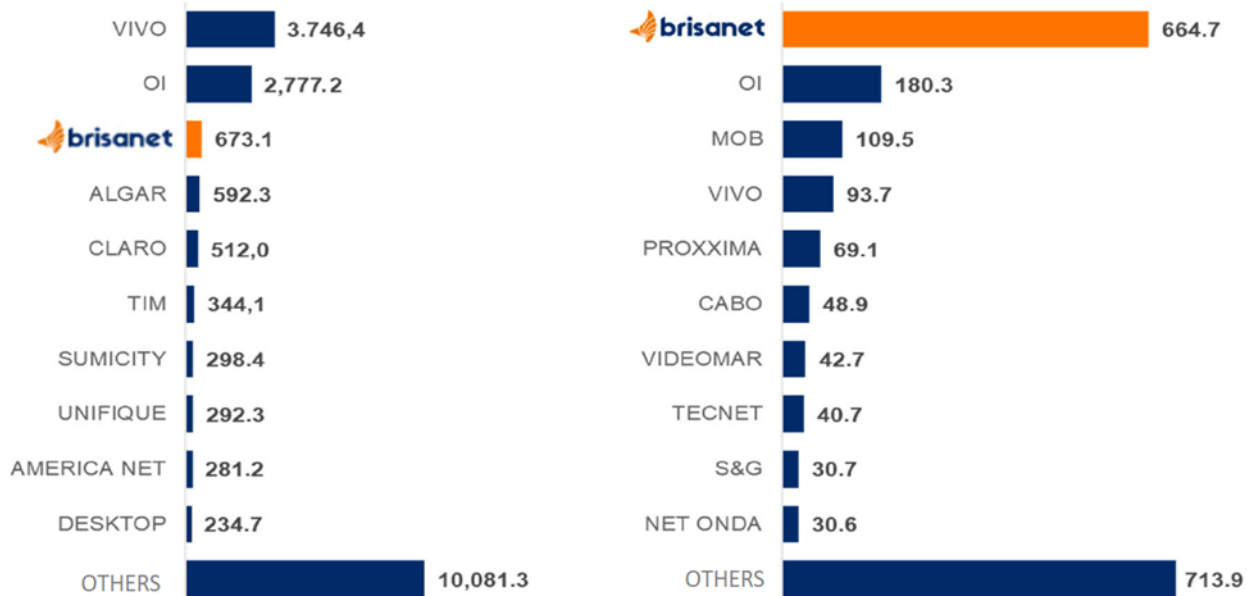
The fiber optic penetration rate in Brazilian municipalities has already reached 17.0 million accesses in 2020, which is equivalent to 46.8% of the total broadband accesses in Brazil, representing an accelerated average annual growth rate of 71.7%.

Additionally, fiber optic technology is becoming increasingly important as it has distinct advantages compared to other technologies, such as the low incidence of oscillations and interference, allowing higher speeds due to greater transmission capacity, being more economical to operate as it is a passive network and having easy scalability.

In this sense, unlike other major companies in the sector, we stand out in the sector as the largest independent fiber platform in Brazil and the sole leader in the states in which we operate:

**Number of Fiber Optic subscribers in Brazil and in the states where we operate
(Ceará, Rio Grande do Norte, Paraíba and Pernambuco)**

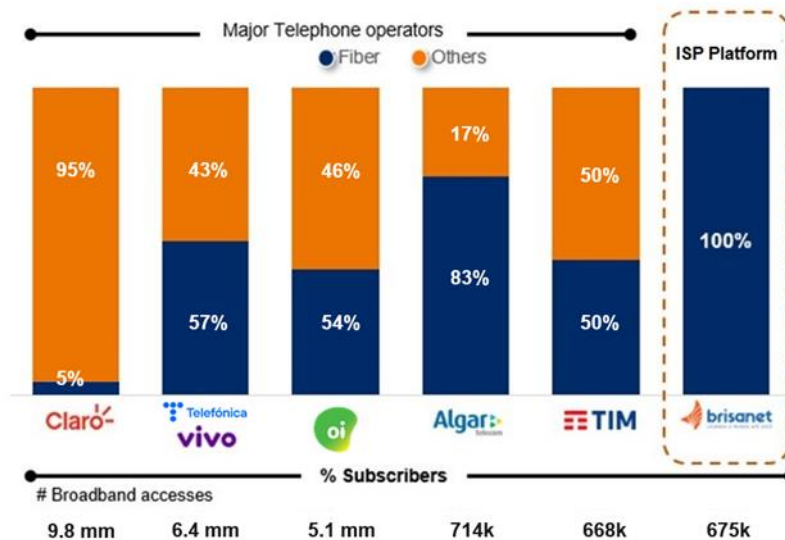
FIBER OPTIC SUBSCRIBERS - March 2021 ('000 subscribers)



Source: Anatel

This relevance is also clear when compared with the telecommunications companies in the market. We are the only company that have its infrastructure exclusively developed with a focus on fiber optic, a technology that is present in almost all of our network (99.8% fiber and 0.2% radio), which represents a distinct advantage over our competitors.

Largest fiber optics broadband providers



Source: Anatel and Internal data as of March 2021

Considering that we provide a service focused on fiber optic with more quality and efficiency, when the quality of our services is compared with that of other main companies in the market, we present more solid, superior and favorable numbers, according to *ReclameAqui*.

Service evaluation of internet providers (April 2020)



Source: ReclameAqui

Notas:

(1) Data for the period between Jan 10, 2020 and Mar 31, 2021.

(2) April 2020 data.

This perception of quality is also reinforced by ANATEL's ranking, in which we have the best scores in several criteria, including service channels, resolution capacity, billing, operation, repair and installation, among others.

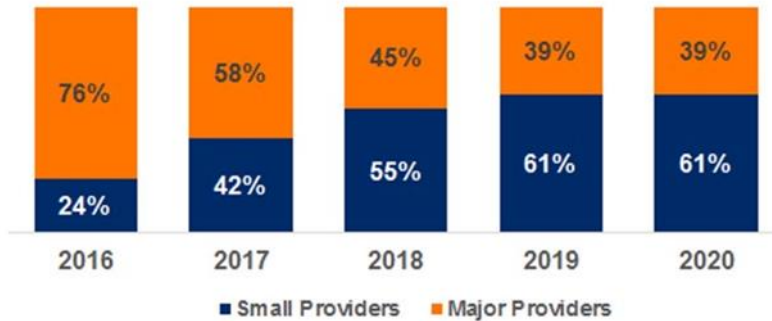
Average evaluation of the main indicators by ANATEL in 2020

Indicator	PERCEIVED QUALITY (Average Sabrazil, 2020)										Average
	brisanet	Algar	Claro/NET	Hughes	Oi	Sercomtel	Sky	Tim	Unifone	Vivo	
Telephone Service	8,07	6,88	5,98	5,35	5,93	7,39	6,17	6,35	7,63	6,35	6,16
Service Channels	8,62	7,45	6,64	6,15	6,57	7,88	6,83	6,97	8,22	7,03	6,82
Resolution Capability	7,59	6,4	5,93	4,72	5,7	6,94	5,64	5,89	7,37	6,39	6,06
Collection	8,69	7,47	7,32	6,28	6,73	7,99	6,37	7,57	8,72	7,23	7,23
Operation	7,58	6,98	6,53	4,8	5,55	6,42	5,77	6,97	7,65	6,72	6,45
Offer and Contract	8,04	7,19	6,6	5,54	6,02	7,21	6,3	7,06	8,34	6,96	6,67
Repair and Installation	8,1	7,41	7,07	5,31	6,65	7,79	5,88	6,49	7,68	7,51	7,1

Source: Anatel

The fragmentation aspect is another outstanding feature of the fiber optic market that favors our business model and expansion plan. Currently, small internet providers concentrate around 61% of the Brazilian fiber optic market share, as demonstrated in the chart below.

Evolution of fiber optic market share in Brazil



Source:Anatel

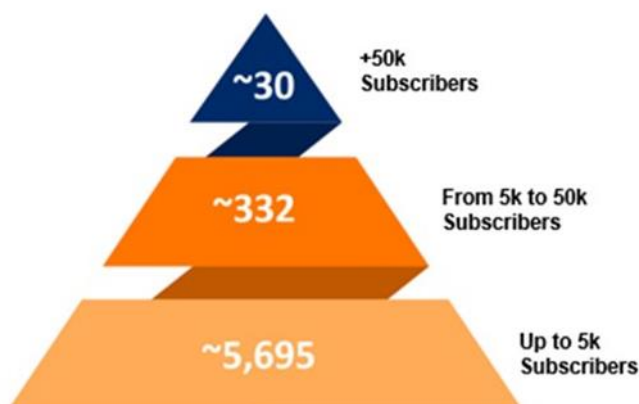
Note: Considers large service providers such as: Claro, Oi, Tim, Vivo e SKY

The reason for this increase in small internet providers' market share is that, historically, telecommunications companies have concentrated their investments in the mobile segment and in large cities, allowing the emergence of local providers as an alternative, offering better connection infrastructure and customer services.

These small internet providers play a crucial role in the expansion of broadband in a country of continental dimensions like Brazil. We play an important part in this expansion, considering that our purpose is to take information to many cities in the countryside of the Northeast region that previously did not have access to a quality broadband service such as fiber optic.

Therefore, the Brazilian broadband sector has over 5,600 internet providers spread across the country, with approximately 95% having a maximum of 5,000 subscribers. It is expected that there will still be a broad wave of consolidation of these small and medium-sized companies seeking to conquer national leadership position, gains in efficiency, investment capacity and expansion of the quality of services provided, as already observed in the past in other developed countries like the United States.

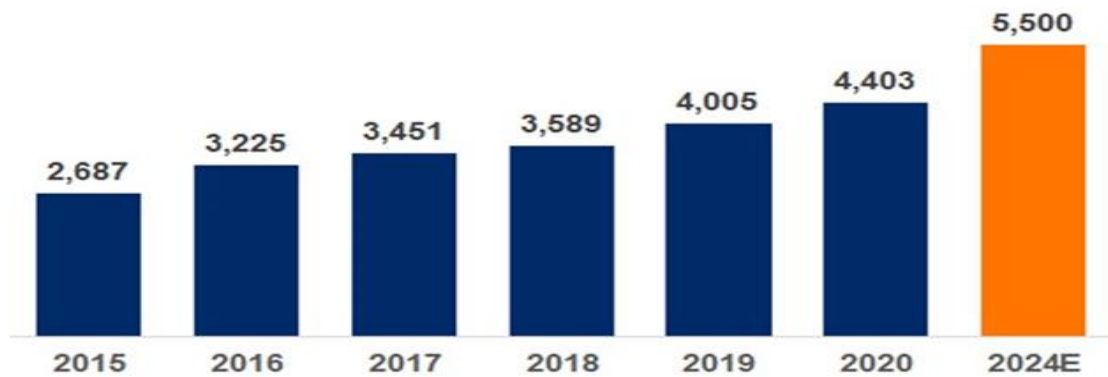
ISPs by Subscriber Base



Source:Anatel

The significant continuous increase in the number of users served by fiber optic technology was possible through significant investments in fiber backhaul in the country, which recently reached more than 4,400 municipalities served. ANATEL estimates that another 1,100 municipalities will still receive fiber infrastructure by 2024, reaching an expected total of 5,500 municipalities supported by this technology.

Municipalities served by fiber backhaul in Brazil

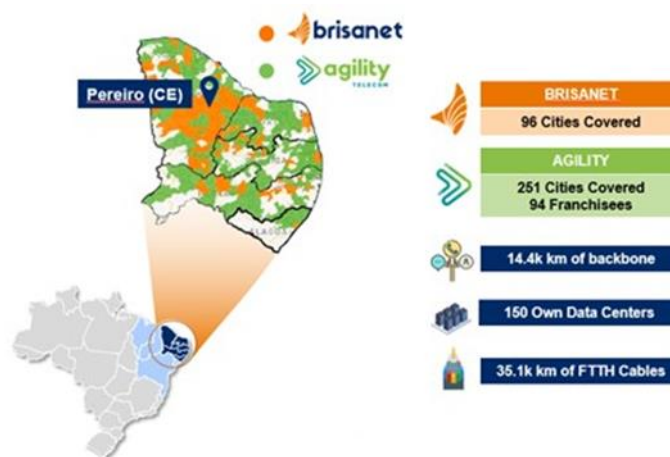


Source: Telecom and Anatel

(i) share in each market

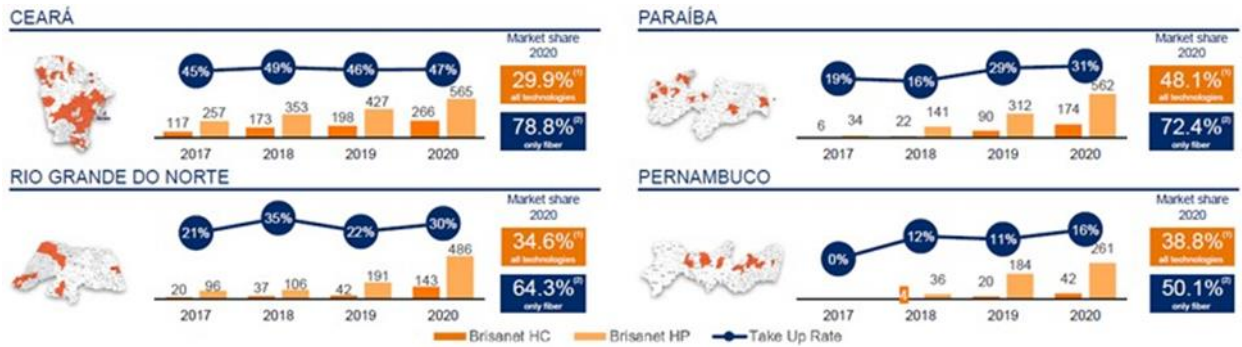
We have a prominent position in the regions in which we operate, considering that we are one of the largest companies in the broadband Internet sector in the Northeast region of Brazil, and that we have the ability to quickly expand our operations. We currently serve 96 cities, and we have an even greater reach when including Agility Telecom, our franchise business model, which serves 251 cities through 84 franchisees. The image below shows our presence in the northeast region of Brazil:

Brazilian Regions in which Brisagnet and Agility operate



In addition, with approximately 35,000 km of metropolitan fiber network, we have become one of the largest providers in the country in this segment. Due to our good results and future technology prospects, the focus and development of fiber optics in the country has become our main growth engine.

Fiber Market Share in the State of Ceará, Rio Grande do Norte, Paraíba and Pernambuco (2020)



Source: ANATEL e Brisanet. Data from December 2020.

Notes: (1) considers all fixed Internet technologies, only cities where Brisanet is present; (2) considers only fiber and cities where Brisanet is present, except Fortaleza

Our market share dominance is also evident when analyzing the market by city sizes. It is clear that we have a dominant position regardless of the city profile:

Evolution of Our Market Share in Small Cities (Up to 100,000 Inhabitants)



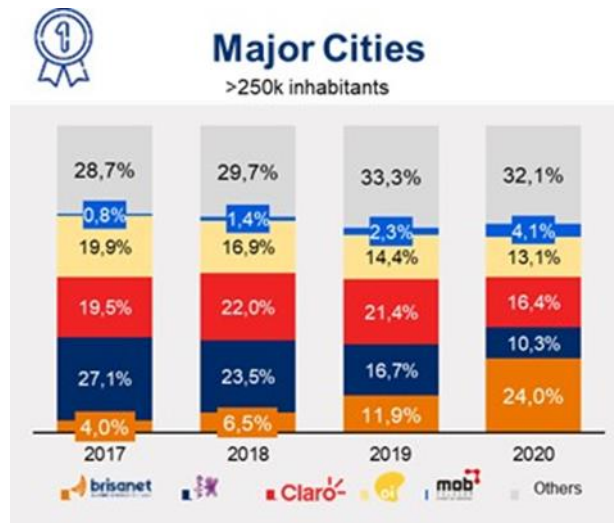
Source: Anatel

Evolution of Our Market Share in Medium Cities (Between 100,000 and 250,000 Inhabitants)



Source: Anatel

Evolution of Our Market Share in Large Cities (More than 250,000 Inhabitants)



Source: Anatel

(ii) market competition

The fixed broadband internet market in Brazil is very competitive and fragmented, comprised by two large different company profiles.

There are the large and traditional telecommunications operators, which, in recent years, have made large investments in the sector to expand their presence focusing mainly on large centers and modernizing their technology infrastructure towards fiber optic. This first group has about 39% market share of the fiber optic market as of December 2020.

On the other hand, there all the small internet service providers that have gained a large part of the fiber optic segment market share in Brazil, operating in smaller cities and investing in scalability and better services. This second group has grown rapidly in recent years and currently dominates the sector with a 61% market share.

(d) seasonality

The effects of seasonality are not material on the Company's business.

(e) Key inputs and raw materials:

Our purchasing process in Brazil has the goal of supplying products and services that allow the optimization of overall costs, while ensuring competitiveness, quality and safety requirements.

In order to ensure a greater competitive advantage, in compliance with these principles, our purchasing process is carried out through the comparison of technical-economic offers from qualified suppliers, according to procedures established by the companies; establishing commercial ethics to the conduct of themes; providing for an adequate monitoring and control system.

As for government control and regulation of telephony services, relations with suppliers, in general, are not regulated, except for a few agreements such as rental of means, interconnection and auditing, regulated by ANATEL and the CVM, respectively.

The providers of visual content and bandwidth programming for internet access, however, are not subject to government control or regulation, except for the call center, which is regulated, requiring better customer service; for example, the call center must offer clients the option to contact an operator, be available 24 hours a day, 7 days a week to handle customer complaints within five days. We implemented these requirements in all of our call centers.

There are several programming content providers on the market, so we are not dependent on a few providers. However, failure to provide certain content on our programming line may lead to cancellations by our subscribers. Likewise, in the equipment market, we have a wide range of suppliers, both in Brazil and abroad. Our suppliers may, among others, delay deliveries, increase prices, limit the amounts they are willing or able to supply, or experience disruptions in their own supply chains. If these suppliers are unable or unwilling to provide us with equipment or supplies on a regular basis, we could face difficulties in conducting our operations, which could negatively affect our results of operations and limit our ability to fulfil our contractual obligations.

The constant changes and innovations in the telecommunications sector can result in a limited supply of essential equipment for the provision of services. Restrictions on the number of manufacturers imposed by the Brazilian government for certain inputs pose risks. The products are directly linked to currency fluctuations and the imposition of taxes, so we are dependent on our ability to predict local demand and manage our inventories.

7.4 - Clients

For the year ended December 31, 2020, we did not have clients responsible for more than 10% of our total net operating revenue.

7.5 - Relevant effects of government regulation on activities

Our business is subject to substantive regulation due to our activities in the healthcare sector, including (i) ANATEL, (ii) data protection regulations, (iii) environmental regulations and (iv) intellectual property rules.

In addition, we are subject to certain specific regulations due to the activities we develop, as set forth below.

Brazilian Telecommunications Agency – ANATEL

We, through our subsidiaries, provide telecommunications services, and therefore are subject to regulation and inspection by ANATEL. Among other measures necessary to serve the public interest and for the development of Brazilian telecommunications, it is incumbent upon ANATEL to issue and terminate authorizations for the provision of telecommunications services in the private regime, inspecting and applying sanctions, as established by article 19, XI, of the LGT.

The provision of telecommunications services must be carried out in accordance with federal legislation, including, but not limited to, the provisions of the LGT. Furthermore, in addition to the Grants Regulation, each of the telecommunication's services has a specific regulation issued by ANATEL. We, through our subsidiaries, have a grant for the exploitation of the following telecommunications services: (i) SCM; (ii) STFC, Local, Domestic Long Distance (Local, Longa Distância Nacional), or LDN, and International Long Distance (Longa Distância Internacional), or LDI modalities, regulated by ANATEL Resolution No. 426/2005; (iii) SEAC; and (iv) SLP. The authorization for the provision of telecommunications services will not be subject to a final term, as determined by the LGT.

While SCM, STFC and SEAC are characterized as collective interest telecommunications services, SLP is a restricted interest telecommunications service. This is a classification established by the LGT regarding the scope of the interests they serve. Companies who are granted the right to provide services of collective interest must do so to all those interested in their enjoyment, under non-discriminatory conditions. In turn, services of restricted interest, such as SLP, are intended for use by the provider itself, or for certain groups of users selected by the authorized provider.

The LGT establishes subjective conditions for a company to obtain authorization for a service of collective interest: (i) to be incorporated under Brazilian law, with headquarters and administration in the country; (ii) not being prohibited from bidding or contracting with the government, not having been declared disreputable or been punished, in the previous two years, with the forfeiture of a concession, permission or authorization of telecommunications service, or forfeiture of right of use of radio frequency; (iii) have technical qualifications to provide the service well, economic and financial capacity, fiscal regularity and be in good standing with social security; and (iv) not be, in charge of providing the same type of service in the same region, locality or area.

We, through our subsidiaries, have obtained grants from ANATEL to provide telecommunications services, for each of the services we offer, as shown below:

Company	Telecommunication services Authorizing Acts
Agility Serviços de Telecomunicações Ltda.	SCM Ato nº 964/2020
Brisanet Serviços de Telecomunicações S/A	SCM Ato nº 42,762/2004
	SeAC Ato nº 4,730/2013
	SLP Ato nº 2,347/2020
Universo Serviços de Telecomunicações Ltda.	STFC Ato nº 2,480/2012

Resolution No. 426/2005, which approves the STFC Regulation, prohibits the same provider, its parent, affiliate or subsidiary, from providing the same type of STFC (LDN or LDI), through more than one authorization or concession, in the same service provision area, or part of it, pursuant to article 10-E. ANATEL grants a period for regularization, pursuant to the sole paragraph of article 10-E, which may occur through the waiver of authorization, or through the consolidation of grants, in accordance with article 10-C, paragraph 2.

For the efficient and competitive exploitation of such telecommunications services, we, through our subsidiaries, uses a series of resources, among which the use of radio frequencies stands out. As established by the General Telecommunications Law, the authorization to use radiofrequency is an administrative act linked to the concession, permission or authorization for the provision of telecommunications service, which grants the interested party, for a specified period, the right to use radiofrequency, according with the legal and regulatory conditions.

Pursuant to ANATEL Resolution No. 671/2016, which approves the Regulation on the Use of Radio Frequency Spectrum (Regulamento de Uso do Espectro de Radiofrequência), the use of radio frequencies may occur on a primary or secondary basis. The primary use is characterized by the right to protection from harmful interference; secondary use is characterized by the right to protection against harmful interference, except when arising from primary use, or subsidiary use of radio frequencies associated with an industrial exploitation agreement. We, through our subsidiaries, have obtained the rights to use radio frequencies from ANATEL, as shown below:

Company	Use of radio frequency
Brisanet Serviços de Telecomunicações S/A	Act nº 7,225/2020 Secondary use of spectrum Validity: December 31,2021
	Act nº 9,017/2018 Authorization for the use of radio frequencies in the 2,5 GHz range Validity: November 23,2033
	Act nº 1,434/2021 Temporary use in the 3,5 GHz range Validity: May 03,2021

Act No. 9,017/2018 was originated through Bidding No. 002/2015, with a public price of R\$1.7 million subject to the rules of ANATEL Resolution No. 65/1998, which approves the Regulation of

Bidding for the Concession, Permission and Authorization of Telecommunications Service and Use of Radio Frequency (Regulamento de Licitação para Concessão, Permissão e Autorização de Serviço de Telecomunicações e de Uso de Radiofrequência). Pursuant to the Regulation on the Use of the Radio Frequency Spectrum, from the date of publication of the act authorizing the use of radio frequencies in the Official Gazette (Diário Oficial), a period for the effective use of the radio frequency will be established, definitively, not exceeding 18 months, extendable only once, for no more than 12 months, if the interested party proves acts of God or force majeure. Failure to comply with the deadlines for entry into operation may subject the violator to the penalties of (i) warning; (ii) fine; (iii) temporary suspension; (iv) forfeiture; and (v) declaration of disrepute, pursuant to the General Telecommunications Law.

ANATEL does not need to grant authorization for (i) the use of radio frequency through restricted radiation equipment, as defined by ANATEL; and (ii) the use, by the Armed Forces, of radio frequencies in ranges intended for exclusively military purposes.

We also provide Value Added Service (Serviço de Valor Adicionado), understood as the activity that adds new utilities related to access, storing, presenting, moving or retrieving information to a telecommunications service. It must not be understood as a telecommunication service and therefore its provision does not require authorization from ANATEL.

Within the scope of inspection and regulation carried out by ANATEL, telecommunications service providers are subject to the payment of fees, sectorial charges and public prices arising from their concessions. We have debts with ANATEL, with an appeal with suspensive and/or judicial effect, and/or in installments. Furthermore, we, through our subsidiaries, have the obligation to pay the Contribution to the Development of the National Film Industry (Contribuição para o Desenvolvimento da Indústria Cinematográfica Nacional), or Contribution to the Brazilian Cinema Agency (Agência Nacional do Cinema), or ANCINE, as established by Federal Law No. 12,485/2011.

In addition to ANATEL, our subsidiaries that the grants to provide the SEAC, popularly known as cable TV, are also subject to compliance with the rules and obligations provided by Law No. 12,485/2011, or the SEAC Law, and regulated by ANCINE in relation to content packaging and distribution activities. These subsidiaries require registration/accreditation with ANCINE, pursuant to the SeAC Law, Provisional Measure No. 2228-1/2001, which created ANCINE, and Normative Instruction No. 91/2010. In case of non-compliance with the provisions of the SEAC Law, the violator will be subject to the following sanctions, applicable by ANCINE, without prejudice to those of a civil and criminal nature: (i) warning; (ii) fine; (iii) temporary suspension of accreditation; (iii) cancellation of accreditation.

Considering that authorizations for the provision of telecommunications services are not subject to a final term, they may only be terminated by (i) cancellation; (ii) forfeiture; (iii) decay; (iv) resignation; or (v) cancellation, according to the specificity of each modality pursuant to the General Telecommunications Law. In turn, the authorization for the use of radio frequencies will be terminated by the advent of its final term or in the event of its irregular transfer, as well as by forfeiture, decay, waiver or cancellation of the authorization to provide the telecommunications service related to it.

Furthermore, any failure to comply with the duties arising from the authorizing acts and the applicable regulatory legislation will subject the violators to the following sanctions, applicable by ANATEL, without prejudice to those of a civil and criminal nature: (i) warning; (ii) fine; (iii) temporary suspension; (iv) forfeiture; and (v) declaration of disrepute. Pursuant to ANATEL

Resolution No. 589/2012, which approves the Regulation for the Application of Administrative Sanctions (Regulamentação de Aplicações de Sanções Administrativas), in addition to the sanctions established by the LGT, ANATEL may also apply sanctions obliging the violating entity to perform or not to perform certain acts.

ANATEL is responsible for approving or recognizing the certification of telecommunications products, subject to the standards and norms defined by ANATEL Resolution No. 715/2019, so that telecommunications service providers may only use products duly certified and approved by the ANATEL.

We are party to infrastructure sharing agreements with electricity distributors. Although these agreements are governed by private law, ANATEL is competent to oversee them. Joint Resolution No. 1/1999 (issued by ANEEL, ANATEL and ANP), which approves the Joint Regulation for Infrastructure Sharing between the Electricity, Telecommunications and Petroleum Sectors, establishes that the approval of agreements by the competent regulatory agencies is a condition of effectiveness of these agreements.

Data Protection Regulation

The rules on privacy and data protection have globally evolved in recent years, in order to establish more objective rules about how personal data, that is, all information related to an identified or identifiable natural person, can be used by organizations.

In Brazil, specifically until 2018, the subject was dealt with by the judiciary in a case-by-case and punctual manner, through the interpretation of a series of sparse and sectoral legal provisions, namely:

- (a) the Brazilian Federal Constitution, which establishes the right to privacy, private life and image as constitutional rights;
- (b) Law No. 8,078/90, or the Brazilian Consumer Code (Código de Defesa do Consumidor), which brought more objective contours to the opening of consumer databases and registration of bad debtors, even establishing that the consumer themselves must have access to their personal data contained in these databases, and their respective sources;
- (c) Law No. 12,414/2011, or the Positive Registration Law (Lei do Cadastro Positivo), amended in 2019, which established specific rules for the creation of databases of good payers, determining that it is the right of the registration, among others, to be informed about the identity of the manager and the storage and purpose of the processing of their personal data, and to have their personal data used only in accordance with the purpose for which they were collected;
- (d) Law No. 12,965/2014, or the Brazilian Internet Bill of Rights (Marco Civil da Internet), which deals with the protection of privacy and personal data of users in the online environment, but does not define the concept of personal data; and
- (e) Decree No. 8,771/2016, which regulates the Brazilian Internet Bill of Rights, defining personal data as the data related to an identified or identifiable natural person, such as identifying numbers, location data or electronic identifiers, when these are related to a person.

However, in August 2018, the LGPD was enacted, which regulates the practices related to the processing of personal data in general, through a new system of rules regarding the processing of personal data, more complete and of transversal application, affecting all sectors of the economy.

The LGPD aims to protect the fundamental rights of freedom, privacy and free development of the personality of natural persons, creating an environment of greater control by individuals over their data and greater responsibilities for organizations that process such personal data, bringing new obligations to be followed. As an example, the LGPD establishes a series of principles that must be observed in the processing of personal data, including, purpose, adequacy, necessity, free access, data quality, transparency, security, prevention, non-discrimination and accountability.

The scope of application of the LGPD covers all personal data processing activities, including in an online environment, and extends to individuals and public and private entities, regardless of the country where they are based or where the data is hosted, provided that (i) the processing of personal data takes place in Brazil; (ii) the data processing activity is intended to offer or provide goods or services or to process data of individuals located in Brazil; or (iii) the data subjects are located in Brazil at the time their personal data is collected

In addition, the LGPD (i) establishes several authorized cases for the processing of personal data (no longer just consent, as provided for in the Internet Civil Act); (ii) provides for a range of rights of holders of personal data; (iii) provides for sanctions for non-compliance with its provisions, which range from a simple warning and determination to exclude personal data processed in an irregular manner to the imposition of a fine, in the amount equivalent to up to 2% of the earnings of the legal entity in Brazil; and (iv) authorized the creation of the ANPD, an authority ensuring compliance with data protection rules in Brazil, which has powers and responsibilities analogous to European data protection authorities, exercising a triple role of (i) investigation, comprising the power to request information from controllers and operators of personal data; (ii) execution, in cases of non-compliance with the law, through an administrative proceeding; and (iii) education, with the responsibility to foster knowledge about data protection and security measures in the country, including issuing resolutions on how the LGPD should be interpreted and promoting standards of services and products that facilitate the control of data and preparing studies on national and international practices for the protection of personal data and privacy, among others.

The LGPD entered into force on September 18, 2020, except for the applicability of its administrative sanctions (articles. 52, 53 and 54), that will entry into force on August 1, 2021, pursuant to Law No. 14,010/2020.

In the current scenario, failure to comply with any provisions of the LGPD, even before August 2021, has the following risks: (i) the filing of lawsuits of individual or collective natures, seeking compensation for damages arising from violations, based not only on the LGPD, but, in the sparse and sectorial legislation on data protection still in force; and (ii) the application of the penalties provided for in the Consumers Protection Code and the Internet Civil Act by consumer protection agencies.

If we are not able to adapt our processes and implement the measures required to fully comply with the LGPD, in addition to the risks of lawsuits and fines provided for in other legislation, as mentioned above, as of August 1, 2021, we may be subject to the administrative sanctions applicable by ANPD, namely (i) a warning indicating a deadline for the adoption of corrective measures, (ii) a simple fine of up to 2% of our or our group or conglomerate's earnings in Brazil in the last year, excluding taxes, limited to R\$50.0 million per infraction, (iii) daily fine, within the total limit indicated in item (ii), (iv) publication of the infringement after its occurrence is duly investigated and confirmed, (v) blockage of the personal data to until its regularization, (vi) deletion of the personal data is.

In case of recurrence, more severe sanctions may apply, such as suspension of the operation of the database for a maximum period of six months, extendable for an equal period, until the processing activity is regularized by the controller; suspension of the exercise of the personal data processing activity to which the infringement refers to, for a period of six months, extendable for an equal period; and partial or total prohibition of the exercise of activities related to data processing.

Considering that we offer internet connection services to our customers (individuals or companies), in addition to access to other applications, such as pay television and music streaming packages, we handle personal data of customers and users of these services to enter into agreements with them and provide these services, therefore, we are subject to the LGPD.

Environmental Regulation

Environmental Licensing

According to Federal Law No. 6,938/1981, the Brazilian Environmental Act (Política Nacional do Meio Ambiente), or the PNMA the construction, installation, expansion and operation of establishments or activities that use natural resources or that can be considered effectively or potentially polluting or, that can potentially cause environmental degradation, are subject to environmental licensing, which may occur at the federal, state or municipal level depending on the type, size and location of the enterprise. Complementary Law No. 140/2011 establishes the general criteria of competence to determine the environmental authority responsible for the environmental licensing of the enterprise.

As defined by Resolution No. 237/1997 of the Brazilian Environmental Council (Conselho Nacional do Meio Ambiente) or CONAMA, the environmental licensing process encompasses, as a rule, three different licenses: the preliminary license (licença prévia), or LP, granted in the preliminary phase and which assesses the basic conditions for the location, installation and operation of the enterprise and/or activity; the installation license (licença de instalação), or LI, which authorizes its effective installation and implementation; and, finally, the operating license (licença de operação), or LO, which authorizes the beginning of the operations of the licensed enterprise and/or activity. The environmental licensing process can take place in a simplified way, instead of the three-phase system previously described, however, its applicability will depend on the specifics of the project, the scope of its environmental impacts, the location and the requirement criteria established by the competent environmental agency.

Some of our operating units may be subject to environmental licensing. Licenses have a limited validity, so they must be periodically and timely renewed with the respective licensing environmental agencies, under penalty of loss of validity and irregularity of the activity and/or enterprise. Furthermore, environmental licenses may establish technical conditions for the development of activities, which are valid conditions, and failure to comply with these conditions may impact the regularity of our operations.

The operation of effectively or potentially polluting activities without a valid environmental license or in disagreement with its conditions may result in the application of penalties such as the imposition of fines of up to R\$10.0 million and the suspension of activities, for example, in the administrative sphere.

Environmental Liability

Environmental responsibility can occur in three different and independent spheres: (i) administrative; (ii) civil; and (iii) criminal, pursuant to paragraph 3 of article 225 of the Brazilian Federal Constitution.

The three spheres of responsibility mentioned above are said to be “diverse and independent” because the agent can be held responsible at all three levels and the absence of responsibility in one of these spheres does not necessarily exempt the agent from responsibility in the others.

Administrative Liability

With regard to administrative liability, any action or omission that results in the violation of a rule regarding the preservation of the environment resulting from fault or intent (subjective liability), regardless of the actual occurrence of environmental damage, is considered an environmental administrative infraction.

According to Brazilian law, fines for administrative infractions can reach up to R\$50.0 million, with the maximum fine being generally applied in cases of greater environmental impact or risk to human health. Other penalties include embargo of work or activity and its respective areas; demolition of work; and partial or total suspension of activities. In addition, the regularization of cases of environmental infringement may lead to the executions of terms of commitment with the competent authority.

Civil Liability

In the civil sphere, the liability for damages caused to the environment and to third parties is strict, as provided for in article 14, paragraph 1, of the PNMA and, therefore, is applied regardless of fault.

Furthermore, environmental civil liability is solidary between the agents causing the environmental damage, and can be attributed to all those responsible, directly or indirectly, for the activity that caused environmental degradation. Due to the joint nature of environmental civil liability, one of the agents may be liable for the total environmental damage, who may have right of recourse against the other parties that caused the environmental damage. There is no provision, in Brazilian legislation, for a limitation on the amount to be fixed as indemnity for environmental damage, which must be proportional to the damage caused, nor is it subject to statute of limitations, according to the consolidated position of the Brazilian Supreme Court (Supremo Tribunal Federal).

Thus, the hiring of third parties to perform any service in our projects, including, for example, the removal of vegetation or the disposal of solid waste, does not exempt us from liability for any environmental damage caused by the contracted third parties if they do not carry out their activities in compliance with environmental regulations.

Criminal Liability

Federal Law No. 9,605/1998, the Environmental Crimes Law (Lei de Crimes Ambientais) establishes liability for all those who, in any way, contribute to the practice of crimes against the environment, each being penalized to the extent of their culpability. In addition, a legal entity may be criminally convicted if the environmental crime was committed by decision of its legal or contractual representative, or of its collegiate bodies, in its interest or benefit, if the offender's intent or fault is proven.

The officers, managers and other individuals who act as agents or representatives of the convicted legal entity, and who contribute to the practice of environmental crimes attributed to it, are also subject, to the extent of their culpability, to penalties restrictive of rights and/or deprivation of liberty.

Additionally, the Environmental Crimes Law provides for the possibility of disregarding the legal personality, in relation to the legal entity that causes environmental damages whenever it represents an obstacle to the recovery of damages caused to the environment.

Solid Waste

Federal Law No. 12,305/2010, the Brazilian Solid Waste Policy (Política Nacional de Resíduos Sólidos) establishes that companies that generate solid waste classified as hazardous, industrial or which, by their nature, composition or volume, are not treated as equivalent to households waste by the municipal government, must, obligatorily, prepare a Solid Waste Management Plan (Plano de Gerenciamento de Resíduos Sólidos), or PGRS for the waste they generate, in order to ensure its environmentally appropriate final disposal. In addition, CONAMA Resolution No. 307/2002 establishes the steps that must be included in civil construction waste management plans (planos de gerenciamento de resíduos da construção civil), or PGRCC.

Failure to comply with environmental legislation on solid waste may lead to the application of the administrative and criminal sanctions mentioned above, in addition to the obligation to repair any environmental damages caused.

Federal Technical Registry

The Brazilian Environmental Act also established the Federal Technical Registry of Potentially Polluting Activities or Users of Environmental Resources (Cadastro Técnico Federal de Atividades Potencialmente Poluidoras ou Utilizadoras de Recursos Ambientais), or CTF/APP, managed by the Brazilian Institute for the Environment and Renewable Natural Resources (Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis), or IBAMA, whose registration it is mandatory for all legal entities that carry out potentially polluting activities described in Annex I of IBAMA Normative Instruction No. 06/2013.

According to Federal Law No. 6,938/1981, amended by Federal Law No. 10,165/2000, individuals and legal entities that carry out potentially polluting activities and who are not registered with the CTF/APP will incur an infraction punishable by a fine, ranging from R\$50.00 to R\$9,000.00, without prejudice to the collection of the Environmental Control and Inspection Fee (Taxa de Controle e Fiscalização Ambiental), or the TCFA due for up to five years retroactively, with interest and charges, when applicable. In addition, IBAMA may impose other administrative sanctions, such as fines ranging from R\$1,000.00 to R\$100,000.00, if it understands that the Annual Report on Potentially Polluting Activities (Relatório Annual de Atividades Potencialmente Poluidoras), or RAPP has not been properly delivered by the legal entity.

Note: As of the date of this Report, the Company had not implemented a social and environmental policy in its operations or adhered to international standards for environmental protection. For further information about environmental and sustainability practices adopted by the Company, see item 7.8 below.

Patents, trademarks, licenses, concessions, franchises, royalty agreements relevant to the development of our activities

As of the date of this Report, the Company owns the intellectual property assets detailed in item 9.1.b below, which are relevant to the development of the Company's activities. The following are brief considerations on the regulation to which the Company's intellectual property assets are subject.

Trademarks

In Brazil, brands are visually perceptible distinctive signs that identify and distinguish products and/or services, and therefore do not include sound, taste and/or olfactory signs. In some cases, brands also perform the function of certifying the conformity of products and/or services with certain specified standards and/or technical specifications.

Law No. 9,279/1996, or Industrial Property Law, stipulates that ownership of a particular trademark may only be acquired through registration granted by the National Industrial Property Institute (Instituto Nacional da Propriedade Industrial), or INPI, the federal agency responsible for registering trademarks, patents and other industrial property rights in Brazil.

After the grant of the trademark registration by INPI, the owner now holds the ownership of that trademark and the exclusive right to use it in Brazil for a period of 10 years, renewable for equal and successive periods upon payment of additional fees to INPI.

During the registration process, the entity applying for registration of a given trademark only has the expectation of the right of ownership thereof to identify their products or services and the right to ensure the material integrity and/or reputation of the sign they have applied for.

The registration of a certain trademark is terminated by (i) expiration of the effective term, when renewal is not requested within the appropriate period; (ii) abandonment (voluntary abandonment by the holder or by the legal representative); (iii) forfeiture (lack of use of the trademark); or (iv) failure to comply with the provisions of article 217 of the Industrial Property Law (i.e., the need for a person domiciled abroad to maintain an attorney in Brazil); thus, the continuation of the use of the trademark is a requirement for maintaining the trademark registration, under the terms of the registration application filed with INPI.

Domain Names

A domain name is an identification of autonomy, authority or control within the Internet.

Domain names follow the rules and procedure of the Domain Name System ("DNS"), so that any name registered in the DNS is a domain name. In Brazil, Registro.br is responsible for the distribution and registration of domain names, as well as for the administration and publication of the ".br" DNS and maintenance services.

For more information on our intellectual property rights, see section 9.1.b of this Report.

7.6 - Relevant revenues from abroad

(a) revenue from clients assigned to the issuer's home country and its share in the issuer's total net revenue

Not applicable, since the Company does not have operations in foreign countries and therefore does not earn revenues abroad.

(b) revenue from clients assigned to each foreign country and its share in the issuer's total net revenue

Not applicable, since the Company does not have operations in foreign countries and therefore does not earn revenues abroad.

(c) total revenue from foreign countries and its share in the issuer's total net revenue

Not applicable, since the Company does not have operations in foreign countries and therefore does not earn revenues abroad.

7.7 - Effects of foreign regulation on activities

Not applicable, since the Company does not have operations in foreign countries.

7.8 - Socioenvironmental policies

(a) whether the issuer discloses social and environmental information through an annual, sustainability or integrated report

Not applicable, since the Company does not disclose social and environmental information. However, the practices related to social and environmental issues developed by the Company are described below.

Throughout its history, the Company has brought cost-free connectivity to various social initiatives in cities in its coverage area. We can mention here the Orfanato Jesus Maria José, in Juazeiro do Norte (CE), which offers educational and cultural activities to young people in situations of social vulnerability; Associação Comunitária de Pais e Amigos dos Excepcionais (APAE), in Pau dos Ferros (RN), which provides assistance to people with Intellectual or Multiple Disabilities; Associação Cultural de São Miguel, in São Miguel (RN), which offers associative activities linked to culture, art and sports; and the entity Associação Shalom Missão de Sobral (CE), that welcomes children from zero to six years old in situations of social risk, besides the entity Fortalecimento Familiar e Comunitário, in the city of Assú (RN), that assists children in social vulnerability, including people's issues, first employment, training, seminar jobs, etc..

The company annually holds the Solidary Christmas, an institutional event which focuses on the collection of food for distribution to needy families and social entities in the cities and regions served by Brisagnet. It also collected and donated 400 food baskets for the campaign "It is time to take care", which took place in Teresina (PI), and was organized by the National Confederation of Brazilian Bishops. The campaign aims to help several families in vulnerable situations in the state of Piauí. In many of the lives during the pandemic period, with local, regional and national artists, the Company promotes the collection of food and donations.

Brisagnet also donated 31 Elmo helmets to hospitals in the cities of Limoeiro (CE), Pau dos Ferros (RN), Pereiro (CE) and São Miguel (RN) in order to help hospitals regarding the COVID-19 situation. The donated helmets are an important non-invasive artificial respiration mechanism, being fundamental to avoid intubation of patients.

It is also worth mentioning that Brisagnet was awarded a Digital Sustainability Seal by the company D4Sign, in which it is possible to show the company's contribution to the planet's sustainability. In addition, the company has adopted, definitely, the electronic signature in all its contracts with customers. The initiative, besides making the service contracting process more practical for the subscribers and safer for the company, has made the procedure sustainable, since it directly impacts the reduction of paper consumption and, consequently, contributes to the reduction of waste on the planet. In addition, the company also has initiatives to generate solar energy with photovoltaic panels.

It is worth mentioning that the company's business model, with an internally developed platform that automates its value chain, helps a lot in simplifying the need for previous competencies for the large volume of hiring, concentrated in operational functions. With this, the company can continue its growth, giving many opportunities to young professionals, having today in its staff, which counts more than 6,000 employees, about 30% of people who find their first job in the company. This number becomes even more expressive when we analyze the internal corporate/headquarter staff, and just by analyzing the internal staff at the headquarters, this number of first jobs exceeds 60%..

In addition, in 2020, we started a leadership development program with a behavioral focus, among other programs and actions aimed at enhancing our human capital.

These initiatives are designed to ensure our alignment, quality standards and expansion capacity, by strengthening the skills of our current employees and leaders, as well as the integration and training of new employees. This reinforces our commitment and mission to social inclusion and validates the actions already applied and which are being improved, focusing on the internal training of these professionals, based on formal and “on the job” training and development actions.

(b) methodology for providing such information

Not applicable, since the Company does not disclose social and environmental information.

(c) independent auditors/reviewers of such information

Not applicable, since the Company does not disclose social and environmental information.

(d) World Wide Web page where information can be found

Not applicable, since the Company does not disclose social and environmental information.

(e) UN Sustainable Development Goals (SDGs) and SDGs material to the Company's business

Not applicable, since the Company does not publish a socio-environmental report.

(f) Reason for not meeting the UN Sustainable Development Goals (SDGs) in the disclosed socio-environmental information

The Company understands that the current environmental legislation does not bring this requirement to its operations.

7.9 – Other outstanding information

Social Responsibility, Sponsorship and Cultural Incentive

We strive to support the economic and social development of the locations in which we operate. In this regard, when we choose to sponsor a soccer team, our intention is to go beyond visibility, striving to help boost northeastern clubs in championships, as their prominence means a positive return for the Northeast region. We want and will be closer and closer to the fans, who are often also our customers. For this, we support northeastern soccer, an important flag that synthesizes our essence while contributing to a greater extension of the brand. We officially sponsor teams such as Ceará (CE), Fortaleza (CE), Botafogo (PB), Treze (PB), Campinense (PB), ABC de Natal (RN) and América de Natal (RN). In addition to the latter, we also sponsor clubs in the countryside, such as Nacional de Pombal (PB), Guarany de Sobral (CE), Icasa (CE), among others.

We also support athletes, professionals and amateurs, such as Paulo Ricardo Melo, from Assú (RN), medalist for the Brazilian Taekwondo Team in 2019.

In addition, in 2020, we started a leadership development program with a behavioral focus, among other programs and actions aimed at enhancing our human capital.

These initiatives are designed to ensure our alignment, quality standards and expansion capacity, by strengthening the skills of our current employees and leaders, as well as the integration and training of new employees. This reinforces our commitment and mission to social inclusion and validates the actions already applied and which are being improved, focusing on the internal training of these professionals, based on formal and “on the job” training and development actions.

NeoTV Best of the Year Award (2013, 2015, 2016 and 2017)

Award held annually by the Associação NEOTV, which awards the best companies in the cable TV and internet markets in the country. Founded in August 1999, Associação NEO has 180 member companies that serve in more than 5,000 municipalities, reaching 99% of households in Brazil. We were awarded as one of the best internet companies in 2013, 2015, 2016 and 2017.

Medal of Merit in Communications (2017)

Created by Decree No. 87,479/1982, the honor is given by the Brazilian Federal Government to personalities from different areas for significant services provided to the communication sector. In 2016, we received such honor from the Brazilian Ministry of Communications by the hands of the Minister at the time, Mr. André Figueiredo.

Transformadores Award by Trip Magazine (2017)

The Transformadores Trip award encourages new ways of being and acting by honoring people who help to promote the advancement of collective work and of others with ideas and initiatives of great impact or originality. The 2017 edition, which included our founder, José Roberto Nogueira, celebrated and honored the main personalities who dedicated their time, talent and energy in thinking about a different Brazil.

Ernst & Young Award (2017)

Conceived and promoted by EY since 1998 in Brazil, the Entrepreneur of the Year Program aims to identify, recognize and contribute to business leaders from different sectors and markets who, with their vision of the future, have something in common: the will to transform the reality of the

country, leaving their legacy and contributing to the construction of a better business world. In the 2017 edition, our CEO took the Entrepreneur of the Year award in the Emerging category, which recognizes innovative entrepreneurs in businesses with high potential for expansion.

Recognition by the Global Endeavor Organization (2017)

The recognition was granted by Endeavor, a network formed by entrepreneurs at the head of the fastest growing scale-ups in the world and which are great examples for the country. The organization has been operating in Brazil since 2000, with active operations in eight states, supporting hundreds of high-impact entrepreneurs, fostering the Brazilian entrepreneurial ecosystem.

Veja-Se Award (2017)

VEJA-SE is an award promoted by the Veja magazine that seeks to value the inspiring stories of citizens with exceptional performance who have stood out as agents of change in Brazilian society. The selection of winners is done in stages: popular vote (through the Veja website); votes of members of an External Judging Committee (comprised of 12 important personalities); and votes from an Internal Judging Committee, comprised of three professionals from Veja's newsroom. In 2017, our CEO, José Roberto Nogueira, won in the Innovation category.

ANATEL Satisfaction Survey (2017, 2018, 2019 and 2020)

Survey to measure satisfaction and quality perceived by consumers of telecommunications services carried out annually, since 2015, in the second half of each year. The survey is carried out by ANATEL, the Brazilian state agency responsible for regulating the Brazilian telecommunications sector, by inspecting, editing rules and mediating conflicts between operators and consumers.

Our recognition history:

- 2017: First place in satisfaction in Ceará;
- 2018: First place in satisfaction in Ceará and Rio Grande do Norte;
- 2019: First place in satisfaction in Ceará, Rio Grande do Norte and Paraíba; and first in the Northeast region; and
- 2020: First place in satisfaction in Brazil; and first place in Ceará, Paraíba, Pernambuco and Rio Grande do Norte.

iBest Award Finalist (2020)

Perceived as an "Oscar" in the sector, the iBest award was considered the main quality reference for internet-related projects in the country between 1995 and 2006. In the 2020 edition, iBest awarded the 53 best digital initiatives in the country, in a selection that considers presence not only on websites, but also on apps, on YouTube, Facebook, Instagram and Twitter. In that same year, we were one of the finalists, taking the TOP 3 in the Best Broadband category (popular jury), being considered one of the three most important among the best in the Digital Universe in Brazil.

RA1000 Seal of Excellence from Reclame Aqui (2021)

The RA1000 Seal was created with the purpose of highlighting companies that have excellent service rates on ReclameAQUI. Companies that have this seal demonstrate to their consumers their commitment to after-sales, increasing the trust level in their brand, products and services.

For a company to qualify with the RA1000 seal, it is necessary to meet the five criteria: (i) have a number of evaluations equal to or greater than 50; (ii) have a response rate equal to or greater than 90%; (iii) have a solution rate equal to or greater than 90%; (iv) have an average of ratings (given by the consumer) equal to or greater than seven; and finally, (v) have a new business rate equal to or greater than 70%.

8.1 - Extraordinary deals

All events occurring that involve the acquisition or disposal of any relevant asset are part of the normal operation of the Company's business and have already been duly described in item 15.7.

8.2 - Significant changes in the way the issuer conducts its business

As of the date of this Report, there have been no significant changes in the way the Company conducts its business..

8.3 - Relevant contracts entered into by the issuer and its subsidiaries that are not directly related to its operating activities

As of the date of this Report, no material contracts have been entered into by the Company or its controlled companies that are not directly related to operating activities.

8.4 - Other outstanding information

There is no other information that the Company deems relevant in relation to this item 8.

9.1 - Relevant non-current assets - others

Besides the assets listed in the following items, there are no other non-current assets that the Company deems relevant.

Intangible Assets

Asset Type	Asset description	Duration	Events that may cause the loss of rights	Consequences of loss of rights
Trademarks	Registration No. 919057438 for the mixed mark "ISA" in class NCL (11) 38.	Until 03/02/2031	At the administrative level, the registrations already granted can be contested by means of nullity proceedings or, further, by a forfeiture request, resulting from the unjustified non-use of the trademark or by the use of the trademark with significant modification that implies in alteration of its original distinctive character, as stated in the certificate of registration, for a period equal or superior to 5 (five) years. In the judicial ambit, although the Company holds the registration of several of its brands, it is not possible to ensure that third parties will not allege the violation of its intellectual property rights and eventually obtain success. The maintenance of the trademark registrations is carried out through the periodic payment of retributions to the INPI, which is essential to avoid the extinction of the registrations and the consequent termination of the rights of the holder..	There is no way to qualify the impact. The loss of trademark rights implies the possibility of preventing third parties from using identical or similar trademarks to mark, including, services or competing products, since the owner no longer holds the right of exclusive use. There is also the possibility of the owner suffering legal proceedings in the criminal and civil spheres, for undue use in case of violation of third parties' rights, which may result in the impossibility of using the marks to conduct its activities. As far as registration applications are concerned, until the respective grants, these are only expectations of rights.
Trademarks	Registration No. 919057390 for the figurative mark in class NCL (11) 35.	Until 11/03/2030	At the administrative level, the registrations already granted can be contested by means of nullity proceedings or, further, by a forfeiture request, resulting from the unjustified non-use of the trademark or by the use of the	There is no way to qualify the impact. The loss of trademark rights implies the possibility of preventing third parties from using identical or similar trademarks to mark, including, services or competing products, since the

			<p>trademark with significant modification that implies in alteration of its original distinctive character, as stated in the certificate of registration, for a period equal or superior to 5 (five) years. In the judicial ambit, although the Company holds the registration of several of its brands, it is not possible to ensure that third parties will not allege the violation of its intellectual property rights and eventually obtain success. The maintenance of the trademark registrations is carried out through the periodic payment of retributions to the INPI, which is essential to avoid the extinction of the registrations and the consequent termination of the rights of the holder.</p>	<p>owner no longer holds the right of exclusive use. There is also the possibility of the owner suffering legal proceedings in the criminal and civil spheres, for undue use in case of violation of third parties' rights, which may result in the impossibility of using the marks to conduct its activities. As far as registration applications are concerned, until the respective grants, these are only expectations of rights.</p>
Trademarks	Application for registration No. 922099537, for the mixed mark "BRISANET", in Class NCL(11) 35.	N.A.	<p>Not applicable, this is a registration request. According to Brazilian law, the exclusive use of a trademark to distinguish products or services throughout the national territory, with the prerogative of preventing any unauthorized third party from using it, is only assured to the holder of the registration validly granted by the INPI. However, according to the LPI, the Company has the right of registration precedence over other identical or similar trademarks and is also assured the right to care for the material integrity and reputation of the</p>	<p>Not applicable, this is a registration request, the Company has mere expectation of right.</p>

			trademark, even before the registration is granted by the INPI.	
Trademarks	Application No. 914946889 for the mixed mark "BRISAPLAY" in Class NCL(11) 35.	N.A.	Not applicable, this is a registration request. According to Brazilian law, the exclusive use of a trademark to distinguish products or services throughout the national territory, with the prerogative of preventing any unauthorized third party from using it, is only assured to the holder of the registration validly granted by the INPI. However, according to the LPI, the Company has the right of registration precedence over other identical or similar trademarks and is also assured the right to care for the material integrity and reputation of the trademark, even before the registration is granted by the INPI	Not applicable, this is a registration request, the Company has mere expectation of right
Trademarks	Application No. 914946803 for the mixed trademark "BRISAPLAY" in Class NCL(11) 38.	N.A.	Not applicable, this is a registration request. According to Brazilian law, the exclusive use of a trademark to distinguish products or services throughout the national territory, with the prerogative of preventing any unauthorized third party from using it, is only assured to the holder of the registration validly granted by the INPI. However, according to the LPI, the Company has the right of registration precedence over other identical or similar trademarks and is also assured the right to care for the material integrity and reputation of the	Not applicable, this is a registration request, the Company has mere expectation of right

Trademarks	Application No. 913730769 for the mixed mark "BRISANET" in Class NCL(11) 35.	N.A.	<p>trademark, even before the registration is granted by the INPI</p> <p>Not applicable, this is a registration request. According to Brazilian law, the exclusive use of a trademark to distinguish products or services throughout the national territory, with the prerogative of preventing any unauthorized third party from using it, is only assured to the holder of the registration validly granted by the INPI. However, according to the LPI, the Company has the right of registration precedence over other identical or similar trademarks and is also assured the right to care for the material integrity and reputation of the trademark, even before the registration is granted by the INPI</p>	Not applicable, this is a registration request, the Company has mere expectation of right
Internet domain name	≤ agilityfixo.com.br ≥	08/13/2021	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or</p>	There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.

		<p>registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant.</p>	
<p>Internet domain name agilityfranquia.com.br</p>	<p>09/19/2021</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name agilityfrotas.com.br</p>	<p>06/05/2022</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

		<p>the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	
<p>Internet domain name agilitygestaodefrotas.com.br</p>	<p>06/05/2022</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name agilityiot.com.br</p>	<p>04/05/2022</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

	documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant	
<p>Internet domain name agilitymovel.com.br</p>	<p>08/12/2021</p> <p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name agilitymusic.com.br</p>	<p>07/13/2022</p> <p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid,</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

			<p>incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	
Internet domain name	agilityplay.com.br ;	08/12/2021	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
	<agilitytel.com.br>	08/12/2021	<p>The loss of rights related to such assets is related to (i) non-</p>	<p>There is no way to quantify the impact, being certain, however,</p>

	<p>payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p><agilitytelecom.com.br></p> <p>08/12/2021</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

		court order, or express request of the domain's registrant	
<agilityticket.com.br>	08/12/2021	The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant	There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.
<agilitytv.com.br>	08/12/2021	The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of	There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.

	the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant	
<p>Internet domain name agilityvod.com.br</p> <p style="text-align: right;">09/19/2021</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name agilseguro.com.br</p> <p style="text-align: right;">10/30/2022</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

		<p>trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	
<p>Internet domain name</p>	<p><a href="http://<brisacard.com.br>"><brisacard.com.br></p>	<p>01/08/2023</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p> <p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name</p>	<p><a href="http://<brisaead.com.br>"><brisaead.com.br></p>	<p>10/26/2021</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-</p> <p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

			<p>compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>
<p>Internet domain name <brisafixo.com.br></p>	<p>08/20/2021</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name <brisamovel.com.br></p>	<p>08/20/2021</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification,</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered</p>

			<p>at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>by third parties and can no longer be used by the Company.</p>
<p>Internet domain name</p>	<p>brisanetensina.com.br</p>	<p>06/22/2022</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

Internet domain name	< brisaplay.com.br >	06/19/2022	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
Internet domain name	< brisaplaydsv.com.br >	02/19/2023	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

		<p>registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	
<p>Internet domain name</p> <p>briso@briso.com.br</p>	<p>08/20/2021</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name</p> <p>briso@briso.com.br</p>	<p>08/09/2027</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

		<p>the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	
<p>Internet domain name</p>	<p><timebrisa.com.br></p>	<p>08/08/2021</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p> <p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name</p>	<p><brisa.net.br></p>	<p>04/10/2022</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of</p> <p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

		documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant	
Internet domain name	brisaaplicativos.com.br	04/15/2022	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p> <p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
Internet domain name	brisacamera.com.br	04/15/2022	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid,</p> <p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

		<p>incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	
<p>Internet domain name</p>	<p>brisafiber.com.br</p>	<p>08/17/2021</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p> <p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

Internet domain name	brisafone.com.br	10/16/2023	The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant	There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.
Internet domain name	brisamusic.com.br	04/15/2022	The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or	There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.

		<p>registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	
<p>Internet domain name <brisamusica.com.br></p>	<p>04/15/2022</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name <brisanet.com.br></p>	<p>12/30/2028</p>	<p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

	<p>the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	
<p>Internet domain name <brisanet.net.br></p>	<p>03/24/2030</p> <p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>
<p>Internet domain name <brisarastreamento.com.br></p>	<p>04/15/2022</p> <p>The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of</p>	<p>There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.</p>

Internet domain
name

tvbrisa.com.br

08/22/2021

documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant

The loss of rights related to such assets is related to (i) non-payment of the domain maintenance fee; (ii) verification, at the time of registration or later, of the use of a false, invalid, incorrect or outdated corporate name or name; (iii) non-compliance, in a timely manner, with the presentation of documents; (iv) request for registration made by a holder of a trademark or registered trademark application related to the domain, with right of preference to the former holder of the domain in case of dispute between holders of trademark or registered trademark applications in different classes; and (v) by court order, or express request of the domain's registrant

There is no way to quantify the impact, being certain, however, that with the loss of the domain name rights, it may be registered by third parties and can no longer be used by the Company.

Investments in Companies

Corporate name	CNPJ	CVM Code	Company type	Host Country	Headquarters State	Head Municipality	Description of the activities performed	Issuer Share (%)
Fiscal Year	Book value - % variation	Market value - % variation	Dividends received (Reais)		Date	Amount (Reais)		
Brisanet Serviços de Telecomunicações S.A.	04.601.397/0001-28	N/A	Controlled	Brazil	CE	Pereiro	Multimedia Communication Services	99.99%
04/30/2021	13.379334	0,000000	0,00	Market value				
12/31/2020	53.803798	0,000000	0,00	Book value	04/30/2021	74,107,000.00		
12/31/2019	-363,12679	0,000000	0,00					
12/31/2018	38.579902	0,000000	0,00					

Reasons for acquiring and maintaining such a stake

Acquired to meet the Company's expansion plan

Corporate name	CNPJ	CVM Code	Company type	Host Country	Headquarters State	Head Municipality	Description of the activities performed	Issuer Share (%)
Fiscal Year	Book value - % variation	Market value - % variation	Dividends received (Reais)		Date	Amount (Reais)		
RPS Prestação de Serviços de Informática Ltda.	09.302.646/0001-06	N/A	Controlled	Brazil	CE	Pereiro	Technical support, maintenance and other services in information technology	99.99%

Corporate name	CNPJ	CVM Code	Company type	Host Country	Headquarters State	Head Municipality	Description of the activities performed	Issuer Share (%)
Fiscal Year	Book value - % variation	Market value - % variation	Dividends received (Reais)		Date	Amount (Reais)		
04/30/2021	-9.296257	0,000000	1,904,960.00	Market value				
12/31/2020	-5.078069	0,000000	8,750,000.00	Book value	04/30/2021	42,404,000.00		
12/31/2019	-12.571672	0,000000	30,000,000.00					
12/31/2018	49.630790	0,000000	175,032.00					

Reasons for acquiring and maintaining such a stake

Acquired to meet the Company's expansion plan

Corporate name	CNPJ	CVM Code	Company type	Host Country	Headquarters State	Head Municipality	Description of the activities performed	Issuer Share (%)
Fiscal Year	Book value - % variation	Market value - % variation	Dividends received (Reais)		Date	Amount (Reais)		
Universo Serviços de Telecomunicações Ltda.	13.049.421/0001-59	N/A	Controlled	Brazil	CE	Juazeiro do Norte	Fixed Switched Telephone Services	99.99%
04/30/2021	71.214875	0,000000	0,00	Market value				
31/12/2020	7,509.574468	0,000000	0,00	Book value	04/30/2021	12,247,000.00		
31/12/2019	-109.700722	0,000000	0,00					
31/12/2018	-66.632231	0,000000	0,00					

Reasons for acquiring and maintaining such a stake

Acquired to meet the Company's expansion plan

Corporate name	CNPJ	CVM Code	Company type	Host Country	Headquarters State	Head Municipality	Description of the activities performed	Issuer Share (%)
Fiscal Year	Book value - % variation	Market value - % variation	Dividends received (Reais)		Date	Amount (Reais)		

Corporate name	CNPJ	CVM Code	Company type	Host Country	Headquarters State	Head Municipality	Description of the activities performed	Issuer Share (%)
Fiscal Year	Book value - % variation	Market value - % variation	Dividends received (Reais)		Date	Amount (Reais)		
Interservice Serviços de Elaboração de Dados Ltda.	05.261.547/0001-64	N/A	Controlled	Brazil	CE	Pereiro	Technical support, maintenance and other services in information technology	99.99%
04/30/2021	8.006984	0,000000	0,00	Market value				
12/31/2020	68.045270	0,000000	900,000.00	Book value	04/30/2021	12,990,000.00		
31/12/2019	-72.467782	0,000000	39,209,000.00					
12/31/2018	56.804198	0,000000	3,419,988.00					

Reasons for acquiring and maintaining such a stake

Acquired to meet the Company's expansion plan

Corporate name	CNPJ	CVM Code	Company type	Host Country	Headquarters State	Head Municipality	Description of the activities performed	Issuer Share (%)
Fiscal Year	Book value - % variation	Market value - % variation	Dividends received (Reais)		Date	Amount (Reais)		
Brisanet Gerenciadora de Ativos Ltda.	19.796.576/0001-35	N/A	Controlled	Brazil	CE	Pereiro	Information Technology Consulting	99.99%
04/30/2021	37.416210	0,000000	0,00	Market value				
12/31/2020	286.572438	0,000000	0,00	Book value	04/30/2021	-4,510,000.00		
12/31/2019	131.967213	0,000000	0,00					
12/31/2018	1,009.090909	0,000000	0,00					

Reasons for acquiring and maintaining such a stake

Acquired to meet the Company's expansion plan

9.2 – Other outstanding information

Administrative proceeding before the INPI involving the registration of the trademark "Brisanet"

On November 14, 2021, we filed a registration application for the trademark "Brisanet" (registration No. 913730769) with the INPI. On June 16, 2020, INPI decided to reject our registration request, due to the opposition of the third party, Brisa Sociedade para o Desenvolvimento da Tecnomoliga da Informação Ltda. We filed an appeal against this decision, which resulted in an administrative proceeding.

On February 17, 2021, we filed a new registration application with the INPI, which is still under analysis.

If the decision of rejection is upheld by the INPI, or the new registration application is rejected by INPI, the matter may be discussed in court, or the use of the trademark may be negotiated extrajudicially with Brisa Sociedade para o Desenvolvimento da Tecnomoliga da Informação Ltda.

Any discussion about our right to use and exploit trademarks may adversely affect our reputation, negatively impacting our results. . For more information on the risks involved in an eventual loss of the brand, see "Risk Factors—Risks Related to Our Business and Industry—We may not be able or may fail to protect our intellectual property rights, which could have a negative impact on our results of operations".

10.1 - Selected Financial Information

The tables below set forth a summary of our consolidated financial information as of the dates and for each of the periods indicated. The following summary financial information is derived from our financial statements. Our financial statements have been prepared in accordance with Brazilian GAAP and IFRS. Certain information included in this section is derived from the April 30, 2021 audited individual and consolidated interim financial statements, that were prepared by us exclusively for registration purposes with the CVM to adequately reflect the equity effects arising from the first issuance of debentures by our subsidiary, Brisamet Serviços de Telecomunicações S.A., in compliance with CVM Instruction No. 480, dated December 7, 2009, as amended. For additional information see item 10.1(f) below.

In this item the Company's Officers present information that is intended to assist investors and interested parties in understanding and analyzing the Company's financial and equity condition

You should read and analyze the information below together with our financial statements and the notes thereto included in our financial statements. Historical results for any prior period are not necessarily indicative of results to be expected for any future period.

Impacts of the COVID-19 pandemic

We closely monitor the effects of the COVID-19 pandemic on world markets and, in particular, on the Brazilian market. We are monitoring all possible impacts in the short-, medium- and long-term and taking the necessary measures regarding our operation and maintenance of our balance sheet strength. The adverse effects of the current pandemic have occurred and continue to occur after the issuance of our financial statements for the four-month period ended April 30, 2021. As of the date of submission of this offering memorandum, there is no additional information available that contradicts our assessment of the effects of the COVID-19 pandemic on our business.

(a) comments on liquidity and capital resources

Our management regularly reviews our growth, liquidity and indebtedness metrics and, based on the information described below, believes that our financial and equity conditions are sufficient to implement our business plan and cover our short, medium and long-term capital requirements. We believe that our cash generation, together with available credit lines, are sufficient to meet financing of our activities and cover our need for funding to execute our business plan, as well as to face the challenging times of the national economy.

In the table below, we present our main ratios as of April 30, 2021, and as of December 31, 2020, 2019 and 2018, respectively:

	At and/or in the four months ended April 30		On December 31 and/or the fiscal year ended		
	2021	2020	2020	2019 (restated)	2018 (restated)
(R\$thousand except %)					
Net Operating Revenue	218,983	131,311	471,774	292,962	214,859
Gross Profit	107,941	70,086	234,633	162,441	119,597
% Gross Margin	49.3%	53.4%	49.7%	55.4%	55.7%
Net (loss) profit	6,262	(7,430)	29,123	51,080	25,228

Net margin	2.9%	-5.7%	6.2%	17.4%	11.7%
EBITDA ⁽¹⁾	75,517	37,890	173,474	136,589	83,797
Adjusted EBITDA ⁽²⁾	93,183	47,320	208,085	150,772	95,977
% Adjusted EBITDA Margin ⁽³⁾	42.6%	36.0%	44.1%	51.5%	44.7%
Net Debt ⁽⁴⁾	625,988	N/A	492,685	231,321	121,934
Net Debt / EBITDA ⁽⁵⁾	3.0	N/A	2.8	1.7	1.5

⁽¹⁾ EBITDA is a non-accounting measurement prepared by the Company in accordance with CVM Instruction No. 527 of October 4, 2012, reconciled with its financial statements and consists of profit adjusted for net financial income, income tax and social contribution on profit, and depreciation and amortization expenses. EBITDA is not a recognized measure in accordance with accounting practices adopted in Brazil or IFRS, does not have a standard meaning and may not be comparable to EBITDA prepared by other companies. EBITDA has limitations that may impair its use as a measure of profitability, and should not be considered as a substitute for net income or for the Company's cash flow, a basis for distribution of dividends, or an indicator of liquidity.

⁽²⁾ The Company uses Adjusted EBITDA to measure its result without the influence of costs related to the expansion of its activities. For more information about Adjusted EBITDA, see item 3.2..

⁽³⁾ The EBITDA Margin is a non-accounting measure prepared by the Company, and corresponds to the division of EBITDA by net operating revenue.

⁽⁴⁾ For more information about Net Debt, see item 3.2.

⁽⁵⁾ For the four months ending April 30, 2021, consider the EBITDA of the last twelve months.

Additionally, the Company presented the ratios for assessing liquidity and indebtedness for the last four months ended April 30, 2021 and fiscal years ended December 31, 2020, 2019 and 2018:

	As of April 30	At December 31st		
	2021	2020	2019 (restated)	2018 (restated)
Current liquidity ratio ⁽¹⁾	1.12x	0.65x	0.68x	0.46x
General liquidity ratio ⁽²⁾	1.09x	1.14x	1.30x	1.33x
Dry liquidity ratio ⁽³⁾	1.12x	0.65x	0.67x	0.46x
Immediate liquidity ratio	0.94x	0.41x	0.25x	0.12x

(1) Current liquidity ratio corresponds to the division of current assets by current liabilities.
(2) General liquidity ratio corresponds to the division of total assets by total liabilities
(3) Dry liquidity ratio corresponds to current assets subtracted by the value of inventories divided by current liabilities
(4) The immediate liquidity ratio corresponds to the immediately available resources (sum of the cash and cash equivalents accounts, and financial investments divided by current liabilities)

Our Executive Board believes that our financial and equity conditions are sufficient to implement our business plan and cover our short, medium and long-term capital requirements. We believe that our cash generation, together with available credit lines, are sufficient to meet financing of our activities.

On April 30, 2021, the Company's current assets were R\$638,532 thousand, and were R\$70,095 thousand greater than its current liabilities, which were R\$568,437 thousand, representing a current liquidity ratio of 1.12x.

The Company and its subsidiaries generated positive cash flow of R\$120,562 thousand through their operating activities during the four-month period ended April 30, 2021.

As of December 31, 2020, the Company's current assets were R\$286,999 thousand, and were R\$154,793 thousand less than current liabilities, which were R\$441,792 thousand, representing a current liquidity ratio of 0.65x.

As of December 31, 2019, the Company's current assets were R\$116,362 thousand, and were R\$55,819 thousand lower than current liabilities, which were R\$172,181 thousand, representing a current liquidity ratio of 0.68x.

As of December 31, 2018, the Company's current assets were R\$45,979 thousand, and were R\$53,075 thousand lower than current liabilities, which were R\$99,054 thousand, representing a current liquidity ratio of 0.46x.

Management believes that the Company has operating cash generation and current assets that assure the fulfillment of its short-term obligations. Moreover, the Company believes it has conditions to raise funds in the market in order to implement its business and investment plans and meet its long-term financial obligations, in view of the recent raising of debentures that demonstrated the Company's ability to finance itself in the long term.

(b) comments on the capital structure

Our management believes that our current capital structure is adequate for our levels of leverage. Nonetheless, given the fact that the activities we carry out are capital intensive in nature, our management believes that access to financial and equity markets is essential to adequately finance the expansion of our business and strengthen our liquidity position.

As of April 30, 2021, our shareholders' equity amounted to R\$131.8 million, compared to R\$127.2 million as of December 31, 2020, R\$107.7 million as of December 31, 2019, and R\$61.4 million as of December 31, 2018.

Despite having a high third-party capital to equity ratio, we do not use this metric for the management of our capital structure. Like other companies in the telecommunications sector, we manage our indebtedness based on the net debt to EBITDA ratio and our balance with the average indebtedness term, considering the high demand for investments. In this way, we consider the leverage level adequate to our cash generation and expansion plans.

Our leverage degree, expressed by the indebtedness ratio (sum of current and non-current liabilities divided by shareholders' equity) has shown significant growth in recent years, resulting in 11.0x on April 30, 2021, 7.0x on December 31, 2020, 3.3x on December 31, 2019 and 3.1x on December 31, 2018. This increase in recent years was mainly due to new financing agreements entered into with financial institutions, in order to make the investments in our business plan to increase the coverage of our serviced area, in particular through our entry into new cities in the States where we already had business. Our management understands that, after the capital increase arising from this offering, there will be a considerable increase in our equity, which, consequently, may reduce our leverage.

The following is the composition of the Company's capital structure as of April 30, 2021 and December 31, 2020, 2019 and 2018:

(in R\$ thousand, except %)	As of April 30	As of December 31		
	2021	2020	2019 (restated)	2018 (restated)
Third-party capital (current and non-current liabilities)	1,452,208	891,053	355,866	187,189
Equity (shareholders' equity)	131,753	127,197	107,725	61,352
Total capital (third parties and own)	1,583,961	1,018,250	463,591	248,541
Third party equity/total equity	91.7%	87.5%	76.8%	75.3%
Shareholders' equity/total equity	8.3%	12.5%	23.2%	24.7%

(c) comments on payment capacity

The Directors understand that the Company has complied with the obligations related to its financial commitments and has maintained the assiduity of the payments referred to these commitments.

(in R\$ thousand, except %)	As of April 30	As of December 31		
	2021	2020	2019 (restated)	2018 (restated)
Current Gross Debt ⁽¹⁾	300,840	253,889	107,014	60,553
Non-current Gross Debt ⁽²⁾	860,959	419,565	167,786	73,407
Gross Debt	1,161,799	673,454	274,800	133,960
% Current Gross Debt	25.9%	37.7%	38.9%	45.2%
% Non-current Gross Debt	74.1%	62.3%	61.1%	54.8%
⁽¹⁾ Corresponds to the sum of the balances of debentures, loans and financing, current lease obligations and derivative operations, recorded in liabilities and current assets.				
⁽²⁾ Corresponds to the sum of the balances of debentures, loans and financing, current lease obligations and derivative operations, recorded in liabilities and non-current assets.				

Therefore, considering our indebtedness profile (primarily non-current debt), our business model and cash flow, in line with a predictability of future cash resulting from our long-term agreements, results in our management's understanding that we believe we have sufficient capital resources to fund our investments and honor our short and long-term contractual obligations, although we cannot guarantee that this situation will remain so in the future given the country's unstable scenario.

As previously presented in item 10.1(b), considering the Company's indebtedness profile, with 74.1% of gross non-current debt as of April 30, 2021, its high net operating cash generation, amounting to R\$221,074 thousand in the fiscal year ending December 31, 2020, and its cash and cash equivalents and financial investments position of R\$535,811 thousand as of April 30, 2021, the Company's management understands that it has and generates sufficient capital resources to finance its investments and honor its short-term contractual obligations, in the amount of R\$300,840 thousand as of April 30, 2021, presented below:

Last Accounting Info (04/30/2021)							
In thousands of R\$		1st Year	2nd Year	3rd Year	4th Year	5th Year	Above 5th Year
Obligation (Current and non-current)	Balance 04/30/2021	1 to 12	13 to 24	25 to 36	37 to 48	49 to 60	OVER 5 YEARS
Loans and Financing	659,411	287,529	165,648	110,776	54,080	23,554	17,824
Debentures	467,688	334	-	-	71,450	83,107	312,797
Lease Obligations	44,342	16,605	8,878	8,384	5,519	3,052	1,904

Operations with Derivatives (assets/liabilities)	(9,642)	(3,628)	(2,245)	(1,935)	(1,834)	-	-
Total	1,161,799	300,840	172,281	117,225	129,215	109,713	332,525

(d) financing sources for working capital and investments in non-current assets

The Company's main sources of financing for working capital and investment in non-current assets have been the cash generated from its operating activities and the use of loans and financing from third parties, as described in item 10.1(f) below.

(e) financing sources for working capital and for investments in non-current assets to cover liquidity shortfalls

The Company intends to continue to use cash generated through its operating activities and, if necessary, short and long-term loans and financing with third parties as sources of financing for working capital and investment in non-current assets.

(f) levels of indebtedness and its characteristics

On April 30, 2021, the Company's total gross debt reached the amount of R\$1,161,799 thousand, representing, an increase of 72.5% when compared to the total debt on December 31, 2020.

As of December 31, 2020, the Company's total gross debt amounted to R\$673,454 thousand, representing, an increase of 145.1% when compared to the total debt as of December 31, 2019.

As of December 31, 2019, the Company's total gross debt amounted to R\$274,800 thousand, representing, an increase of 105.1% when compared to the total debt as of December 31, 2018.

As of December 31, 2018, the Company's total gross debt amounted to R\$133,960 thousand.

(i) outstanding loan and financing contracts

The Company's indebtedness consists of loans and financing agreements with financial institutions and the issuance of debentures, the main purpose of which is to provide funds for our investments. As of April 30, 2021, the Company's loans and financing and debentures balances were R\$1,127,099 thousand and R\$651,747 thousand as of December 31, 2020.

The Company presents in the table below a summary of loans and financing contracted on April 30, 2021 and at the closing date of the last three fiscal years:

Debentures									
Consolidated									
Type	Quantity	Issuance	Maturity	Compensation	Fundraising (in R\$ thousand)	Balance (in R\$ thousand)			
						April 30, 2021	December 31, 2020	December 31, 2019	December 31, 2018
1st Issuance Deed Brisamet Serviços de Telecomunicações S.A.	500,000	03/15/2021	03/15/2028	IPCA + 5.7694% p.y.	500,000	467,688	NA	NA	NA

Loans and Financing						
Consolidated						
Credit Line	Financial Institution	Index	Guarantee	Amortization	Maturity Date	Balance (in R\$ thousand)

						April 30, 2021	December 31, 2020	December 31, 2019	December 31, 2018
BNDES	BNDES	TJLP(2)	Fiduciary Assignment of Credit Rights	Monthly	03/15/2023	9,730	11,424	12,992	15,941
BNDES	BNDES	TJLP	Fiduciary Assignment of Credit Rights	Monthly	06/15/2023	11,179	12,899	14,460	18,534
BNDES	BNDES	TLP	Fiduciary Assignment of Credit Rights	Monthly	04/15/2026	53,813	54,632	17,690	-
BNDES	BNDES	TLP	Fiduciary Assignment of Credit Rights	Monthly	01/15/2024	10,500	11,701	11,165	-
CCB	Banco do Brasil	100% CDI + 3.57% p.y.	Guarantee (aval)	Monthly	11/28/2024	49,800	50,032	-	-
CCB	BTG Pactual	100% CDI + 3.25% p.y.	Fiduciary Assignment and Chattel Mortgage	Monthly	08/28/2024	58,364	64,205	-	-
CCB	BTG Pactual	100% CDI + 3.25% p.y.	Fiduciary Assignment and Chattel Mortgage	Monthly	09/23/2024	42,000	46,922	-	-
CCB	BTG Pactual	100% CDI + 3.25% p.y.	Fiduciary Assignment and Chattel Mortgage	Monthly	02/26/2025	19,100	-	-	-
CCB	BTG Pactual	100% CDI + 3.25% p.y.	Fiduciary Assignment and Chattel Mortgage	Monthly	02/26/2025	19,100	-	-	-
CCB	Banco Votorantim	3.70% p.y.	Guarantee (aval)	Monthly	11/13/2023	10,100	10,009	-	-
International Loan (Notes)	Banco Votorantim	2.31% p.y.	Fiduciary Assignment of Share Deposit Certificate	Quarterly	03/20/2023	9,000	-	-	-
CCB	Itaú Unibanco	100% CDI + 4.577% p.y.	Fiduciary Assignment of Credit Rights	Monthly	06/10/2021	800	2,940	8,673	13,797
CCB	Itaú Unibanco	100% CDI + 4.574% p.y.	Fiduciary Assignment of Credit Rights	Monthly	05/20/2022	3,000	4,940	8,293	-
CCB	Itaú Unibanco	100% CDI + 4.577% p.y.	Fiduciary Assignment of Credit Rights	Monthly	04/11/2022	3,000	4,679	8,057	-
CCB	Itaú Unibanco	100% CDI + 3.715% p.y.	Fiduciary Assignment of Credit Rights	Monthly	12/23/2024	9,000	10,011	-	-
International Loan	Itaú Unibanco	1.1733% p.y.	Standby letter of Credit	Monthly	01/16/2024	38,500	42,510	-	-
CCB	Santander	10.78862% p.y.	Fiduciary Assignment and Chattel Mortgage	Monthly	06/28/2022	19,800	23,494	35,187	-
CCB	Santander	100% CDI + 2.14% p.y.	Chattel Mortgage	Monthly	11/06/2023	30,100	37,881	43,022	-
CCB	Santander	100% CDI + 5.34% p.y.	Fiduciary Assignment and Chattel Mortgage	Quarterly	05/15/2023	25,500	30,327	-	-
CCB	Santander	100% CDI + 4.5% p.y.	Fiduciary Assignment and Chattel Mortgage	Monthly	07/05/2021	1,500	3,576	9,725	15,888
CCB	Santander	6.33% p.y.	Fiduciary Assignment and Chattel Mortgage	Quarterly	11/22/2021	11,843	11,388	-	-
CCB	Santander	10.30% p.y.	Complementary guarantee of the Emergency Access to Credit Program	Monthly	10/22/2025	10,000	10,024	-	-
CCB	Santander	10.30% p.y.	Complementary guarantee of the Emergency Access to Credit Program	Monthly	10/21/2025	10,200	10,027	-	-

CCB	Banco De Lage Landen Brasil	9.8572% p.y.	Credit assignment	Monthly	06/23/2025	10,096	10,747	-	-
CCB	BOCOM BBM	100% CDI + 4.5% p.y.	Complementar y guarantee of the Emergency Access to Credit Program	Monthly	10/28/2025	10,000	10,060	-	-
CCB	BOCOM BBM	100% CDI + 4.5% p.y.	Emergency Credit Access Program complementar y guarantee	Monthly	12/09/2024	10,010	10,060	-	-
Leasing	Bradesco	CDI	Promissory Note	Monthly	01/07/2030	17,410	17,873	-	-
Empréstimo	Bradesco	4.75%	Standby Letter of Credit	Trimestral	12/21/2023	2,500	4,884	16,417	18,211
CCB	BOCOM BBM	100% CDI + 4.5% p.y.	Complementar y guarantee of the Emergency Access to Credit Program	Monthly	12/09/2024	10,800	10,060	-	-
CCB	China Construction Bank Banco Múltiplo	1.62% p.y.	Standby letter of Credit	Monthly	07/30/2021	10,700	10,392	-	-
Empréstimo	Banco do Nordeste	IPCA	Fiduciary Assignment	Monthly	01/15/2027	43,600	51,134	26,577	0
Financiamento	BOCOM BBM	5.63% p.y.	Promissory Note and Surety (fiança)	Monthly	09/17/2021	15,200	14,576	-	-
Other loans and financing						92,266	58,340	52,725	51,589
Current						287,529	251,877	104,747	60,553
Non-current						371,882	399,870	160,236	73,407
Total						659,411	651,747	264,983	133,960

(1) Bank credit certificate (*cédula de crédito bancário*), or CCB.

(2) Long Term Interest Rate (*Taxa de Juros de Longo Prazo*), or TJLP.

The Company presents the description of loans and financing in effect on April 30, 2021:

Debentures

First Issuance of Debentures of Brisamet Serviços de Telecomunicações S.A.

On March 15, 2021, Brisamet Serviços issued 500,000 non-convertible debentures, secured (real state and fiduciary guarantees), with additional personal guarantee, with unit par value of R\$1,000.00, in the aggregate principal amount of R\$500.0 million, or First Issuance Debentures, placed through a public offering with restricted placement efforts.

The First Issuance Debentures have a term of 84 months from the issuance date, maturing on March 15, 2028. The unit par value's debit balance of the First Issuance Debentures bears interest corresponding to 100% of the IPCA plus 5.7694% per year, based on 252 business days, from the payment date to the first payment date, inclusive, or from the payment date of the immediately previous payment date, inclusive, until the maturity date, as the case may be. Compensatory interest is paid semiannually in March and September from the issuance date of the First Issuance Debentures, with first payment due on September 15, 2021, and other payments every March and September 15th, subsequently, with the last payment on the maturity date. The unit par value or the outstanding balance of the unit par value of the First Issuance Debentures, in turn, must be paid in

seven semiannual and consecutive installments during the agreement term, to be paid every March and September 15th, from March 15, 2025.

As of April 30, 2021, the outstanding amount of the First Issuance Debentures was R\$467.7 million

Loans and Financing

Credit Financing Contract No. 17.2.0703.1

On March 8, 2018, contracted by Brisagnet Serviços with BNDES, in the amount of R\$15,800 thousand, bearing interest of 3.27% p.y. Debt to be paid in 48 monthly installments, first installment due on April 15, 2019.

Credit Financing Contract nº 16.2.0181.1

On June 7, 2016, contracted by Brisagnet Serviços, through a Loan Agreement with BNDES in the amount of R\$20,000 thousand, to be made available in 2 installments and bearing interest of 3.48% per year.

Debt to be paid in 60 monthly installments, first installment due on July 15, 2018.

Credit Financing Contract nº 18.2.0647.1

On March 25, 2019, contracted by Brisagnet Serviços, through a Credit Facility Agreement with BNDES, in the amount of R\$52,500 thousand to be made available in 2 installments. The first one bearing interest of 2.84% p.y., plus the accumulated IPCA variation and a BNDES spread of 2.56% p.y and the second one bearing interest of 3.76% p.a., above TR226.

Debt to be paid in 60 monthly installments, first installment due on May 15th , 2021.

Loan Agreement Intended for Working Capital Through Credit Opening nº 18.2.0584.1

On March 25, 2019, contracted by Brisagnet Serviços with BNDES, in the amount of R\$11,000 thousand, bearing interest of 2.98% p.y., plus the accumulated IPCA variation and with a spread of 2.72% p.y. Debt to be paid in 36 installments, first installment due on February 15, 2021.

Bank Credit Note nº 160.403.017

On October 29, 2020, issued by Brisagnet Serviços in favor of Banco do Brasil S.A., maturing on November 28, 2024, in the total amount of R\$50,000 thousand to be made available in a single installment. The principal will be paid in 36 monthly installments, with the first installment due on December 28, 2021.

An interest of 100% of CDI compounded with the fixed rate of 3.57% p.y. will be paid over the above value, quarterly, starting on December 28, 2021.

Bank Credit Note nº 765.20

On August 28, 2020, issued by Brisagnet Serviços in favor of Banco BTG Pactual S.A., maturing on August 28, 2024, in the total amount of R\$70,000 thousand, to be made available in a single installment. The principal will be paid in 48 monthly installments, with the first installment due on September 28, 2020. Interest of 100% of the CDI (Interbank Deposit Certificate) plus a surcharge of 3.25% p.a. will be paid monthly starting September 28, 2020.

Bank Credit Note nº 859/20

On March 23, 2020, issued by Brisagnet Serviços in favor of Banco BTG Pactual S.A., maturing on September 23, 2024, in the total amount of R\$50,000 thousand, to be made available in a single

installment. The principal will be paid in 48 monthly installments, with the first installment due on October 23, 2020. Interest of 100% of the CDI plus a surcharge of 3.25% p.y. will be paid monthly starting October 23, 2020.

Bank Credit Note n° 120/21

On February 26, 2021, issued by Brisanet Serviços in favor of Banco BTG Pactual S.A., maturing on February 26, 2025, in the total amount of R\$20,000 thousand, to be made available in a single installment. The principal will be paid in 48 monthly installments, with the first installment due on March 26, 2021. Interest of 100% of CDI plus a surcharge of 3.25% p.y. will be paid monthly starting March 26, 2021..

On June 25, 2021, it was amended to change (i) the term of said BCN to 1,737 calendar days; (ii) the final maturity of said BCN to February 26, 2026; (iii) the payment schedule of said BCN to reflect the new payment dates due to the alteration of the term and the final maturity date mentioned above; and (iv) certain conditions of said Bank Credit Note.

Bank Credit Note n° 121/21

On February 26, 2021, issued by Agility Serviços de Telecomunicações Ltda in favor of Banco BTG Pactual S.A., maturing on February 26, 2025, in the total amount of R\$20,000 thousand, to be made available in a single installment. The principal will be paid in 48 monthly installments, with the first installment due on March 26, 2021. Interest of 100% of CDI plus a surcharge of 3.25% p.y. will be paid monthly starting March 26, 2021.

On February 26, 2021, it was amended to change (i) the term of said BCN, to 1,737 calendar days; (ii) the final maturity of said BCN, to February 26, 2026; (iii) the payment schedule of said BCN, to reflect the new payment dates due to the alteration of the term and the final maturity date mentioned above; and (iv) certain conditions of said Bank Credit Note.

Bank Credit Note n° 6112011040002

On November 5, 2020, issued by Brisanet Serviços in favor of Banco Votorantim S.A., maturing on February 26, 2025, in the total amount of US\$3,552,168.58, which were made available in a single installment. The principal will be paid in 36 monthly installments, with the first installment due on December 11, 2020 and an interest rate of 1.30% p.y..

Loan Agreement (note) n° 6112103120019

On March 19, 2021, Brisanet Serviços entered into that loan ("Note") with Banco Votorantim S.A. (Nassau Branch), maturing on March 20, 2023, in the total amount of US\$ 1,795,815.75, which were made available in a single installment. The principal will be paid in five quarterly installments, with the first installment due on March 21, 2022, and an interest of 2.03% p.y. to be paid quarterly starting June 21, 2021.

In addition to the loan agreement, the following agreements were executed as collateral for the referred Note: (i) Contract for Fiduciary Assignment of Bank Deposit Certificates n° 122940-1, between Brisanet Serviços (grantor) and Banco Votorantim S.A. (creditor); (ii) Contract for Derivative Operations (swap) with fiduciary assignment covenant n° 10251178, between Brisanet Serviços, José Roberto Nogueira (as guarantor) and Banco Votorantim S.A. (creditor); (ii) Contract for Derivative Operations (swap) with fiduciary assignment covenant no. 10251178, between Brisanet Serviços, José Roberto Nogueira (as guarantor) and Banco Votorantim S.A. (creditor); and (iii) Contract for Fiduciary Assignment of Bank Deposit Certificates no. 122940-1, between Brisanet Serviços (grantor) and Banco Votorantim S.A. (creditor). (creditor); and (iii) Contract of Provision of Guarantee no. 10251375, between Banco Votorantim S.A. and the Company, as guarantors,

Brisanet Serviços, as guarantor, and Banco Votorantim S.A. (Nassau Branch), as beneficiary in relation to the Note entered into with Brisanet Serviços on March 19, 2021.

Bank Credit Note nº 7623.6718-3

On May 30, 2018, issued by Brisanet Serviços in favor of Banco Itaú Unibanco S.A., maturing on June 10, 2021, in the total amount of R\$16,000 thousand, made available in a single installment. The principal will be paid in 36 monthly installments, with the first installment due on July 10, 2018. Interest of 100% of CDI plus a surcharge of 4.577% p.y. will be paid monthly starting July 10, 2018..

Bank Credit Note nº 30542121

On May 20, 2019, issued by Brisanet Serviços in favor of Banco Itaú Unibanco S.A., maturing on May 20, 2022, in the total amount of R\$10,000 thousand, made available in a single installment. The principal will be paid in 36 monthly installments, with the first installment due on June 21, 2019. Interest of 100% of CDI plus a surcharge of 4.574% p.y.

Bank Credit Note nº 18331984

On April 11, 2019, issued by Brisanet Serviços in favor of Banco Itaú Unibanco S.A., maturing on April 11, 2022, in the total amount of R\$10,000 thousand, made available in a single installment. The principal will be paid in 36 monthly installments, with the first installment due on May 10, 2019. Interest of 100% of CDI plus a surcharge of 4.577% p.y.

Bank Credit Note nº 48222167

On December 23, 2020, issued by Brisanet Serviços in favor of Banco Itaú Unibanco S.A., maturing on December 23, 2024, in the total amount of R\$10,000 thousand, to be made available in a single installment. The principal will be paid in 48 monthly installments, with the first installment due on January 22, 2021. Interest of 100% of CDI plus a surcharge of 3.715% p.y.

International Loan Agreement nº AGE1142082

On January 30, 2020, signed by Brisanet Serviços and Banco Itaú Unibanco S.A. - Nassau Branch, in the amount of EUR8,650,000.00. The principal will be paid in 48 monthly installments, with the first installment due on March 4, 2020 and an interest of 1.1733% p.y. to be paid monthly.

Bank Credit Note nº 1015731

On August 13, 2019, issued by Brisanet Serviços in favor of Banco Santander (Brasil) S.A., maturing on June 28, 2022, in the total amount of R\$35,000 thousand, made available in a single installment. The principal will be paid in 28 monthly installments, with the first installment due on March 10, 2020. Interest of 10.78862% p.y. is payable monthly starting September 12, 2019.

Bank Credit Note nº 1019917

On November 25, 2019, issued by Brisanet Serviços in favor of Banco Santander (Brasil) S.A., maturing on November 6, 2023, in the total amount of R\$43,000 thousand, made available in a single installment. The principal will be paid in 42 monthly installments, with the first installment due on June 24, 2020. Interest of 100% of CDI plus a surcharge of 2.14% p.y. will be paid monthly starting December 27, 2019.

Bank Credit Note nº 1028283

On May 26, 2020, issued by Brisanet Serviços in favor of Banco Santander (Brasil) S.A., maturing on May 15, 2023, in the total amount of R\$33,000 thousand, made available in a single installment. The principal will be paid in 11 quarterly installments, with the first installment due on November 25, 2020. Interest of 100% of CDI plus a surcharge of 5.34% p.y.

Bank Credit Note nº 270238718

On June 1, 2018, issued by Brisnet Serviços in favor of Banco Santander (Brasil) S.A., maturing on July 5, 2021, in the total amount of R\$18,308,911.00, made available in a single installment. The principal was paid in 36 monthly installments, with the first installment due on August 06, 2018. Interest of 100% of CDI plus a surcharge of 4.5% p.y..

Bank Credit Note nº 1028327

On May 27, 2020, issued by Brisnet Serviços in favor of Banco Santander (Brasil) S.A., maturing on May 25, 2021, in the total amount of US\$2,191,725.46, made available in a single installment. The principal was paid in 36 monthly installments, with the first installment due on August 06, 2018. Interest of 6.33% p.a. will be due every two months starting from May 25, 2021..

Bank Credit Note nº 00330932300000012960

On October 22, 2020, issued by Universo Serviços de Telecomunicações Ltda in favor of Banco Santander (Brasil) S.A., maturing on October 22, 2025, in the total amount of R\$10,000 thousand. The principal will be paid in 48 monthly installments, with the first installment due on November 22, 2021. Interest of 10.30% p.y. will be due monthly starting November 22, 2020.

Bank Credit Note nº 00334458300000017300

On October 21, 2020, issued by Brisnet Serviços in favor of Banco Santander (Brasil) S.A., maturing on October 21, 2025, in the total amount of R\$10,000 thousand, available in a single installment. The principal will be paid in 48 monthly installments, with the first installment due on November 21, 2021. Interest of 10.30% p.y. will be due monthly starting November 21, 2020..

Bank Credit Note nº 627304

On June 23, 2020, issued by Brisnet Serviços in favor of Banco De Lage Landen Brasil S.A., maturing on June 23, 2025, in the total amount of R\$11,661,201.22, available in a single installment. The principal will be paid in 60 monthly installments, starting from the date of disbursement and the last installment will mature on June 23, 2025. Interest of 9.8572% p.y. will be paid monthly.

Bank Credit Note nº 602279

On October 29, 2020, issued by Brisnet Serviços in favor of Banco Bocom BBM S.A., maturing on October 28, 2025, in the total amount of R\$10,000 thousand, made available in a single installment. The principal will be paid in 48 monthly installments, with the first installment due on November 26, 2021. Interest of 100% of CDI plus a surcharge of 4.5% p.y. to be paid monthly as of November 30, 2020.

Bank Credit Note nº 602.629

On November 26, 2020, issued by RPS-Prestação de Serviços de Informática S.A. in favor of Banco Bocom BBM S.A., maturing on December 9, 2024, in the total amount of R\$10,000 thousand. The principal will be paid in 35 monthly installments, with the first installment due on January 10, 2022. Interest of 100% of CDI plus a surcharge of 4.5% p.y. to be paid monthly starting January 11, 2021.

Import Financing Agreement

On September 23, 2020, Brisnet Serviços entered into an Import Financing Agreement with Banco Bocom BBM S.A. in the total amount of US\$2,801,481.80. The principal will be paid in a single installment until September 17, 2021. The principal will bear interest of 5.63% p.y. As guarantee, a promissory note was issued and a guarantee was given.

Loan Agreement

On June 21, 2018, Brisanet Serviços entered into a Loan Agreement with Banco Bradesco Europa S.A., in the amount of \$4,700 thousand. The principal will be paid in 10 quarterly installments, with the first installment due on March 18, 2019 and the last installment due on September 18, 2021. The contract value is subject to interest of 4.75% p.y..

Leasing Contract nº 001379204-7

On January 7, 2020, Brisanet Serviços entered into a Leasing Contract with Bradesco Leasing S/A Arrendamento Mercantil, whose total cost of the assets being financed is R\$21,001,219.98. The payment of the principal was instituted in 120 installments, to be paid monthly, with the maturity of the last installment scheduled for January 07, 2030. The principal is subject to charges at the CDI rate.

As guarantee, a promissory note was issued by Brisanet Serviços in the amount of R\$28,142,888.28.

The Bradesco Leasing was used to finance the King Air 250 aircraft, PREF: OS-JJR-BY365-Textron Aviation Inc., in the total amount of R\$21,001,219.98.

Bank Credit Note nº 602.628

On November 26, 2020, issued by Universo Serviços de Telecomunicações Ltda in favor of Banco Bocom BBM S.A., maturing on December 9, 2024, in the total amount of R\$10,000 thousand. The principal will be paid in 36 monthly installments, with the first installment due on January 10, 2022. Interest of 100% of CDI plus a surcharge of 4.5% p.y. will be paid monthly starting January 11, 2021..

Bank Credit Note nº FIMP 068/00/20

On June 30, 2020, issued by Brisanet Serviços in favor of China Construction Bank Banco Múltiplo S.A., maturing on July 30, 2021, in the total amount of US\$2,000 thousand. The principal will be paid in 364 days after the disbursement of the contracted amount. Interest of 1.62% p.y. will be charged over the value.

Credit Agreement by Private Instrument nº 16.2018.11599.24908

On December 28, 2018, Brisanet Serviços entered into a Credit Agreement by private instrument with Banco do Nordeste S.A., in the total amount of R\$73,380,021.42, provided with funds from the Constitutional Financing Fund of the Northeast (FNE). The payment of the principal was instituted in 70 installments, to be paid monthly, with the last installment due on January 15, 2027. The debt is subject to the Constitutional Funds Interest Rate (CFR). As guarantee, a bank guarantee was issued, as well as an instrument of fiduciary assignment.

(ii) other long-term relations with financial institutions

The Company has no other long-term relations with financial institutions, other than those already described in item 10.1(f)(i).

(iii) Company's debt subordination level

Except for the guarantees provided in connection with each debt, as the case may be, there is no degree of subordination among the debts. In an eventual universal competition of creditors, the subordination among the obligations recorded in the liabilities payable will take place in accordance with the provisions of Law 11.101, dated February 9, 2005, as amended: (i) social and labor obligations; (ii) taxes payable; (iii) credits with collateral; (iv) loans and financing; (v) unsecured credits; (vi) subordinated credits; and (vii) dividends and interest on own capital.

(iv) restrictions imposed on the Company, particularly in relation to indebtedness limits and contracting new debt, dividend distribution, asset disposal, issuing of new securities and disposal of corporate control

The Company complies with all the obligations contained in the loan and financing agreements signed by the Company with financial institutions. These contracts have restrictive clauses (covenants), including in relation to the maintenance of financial indexes, such as Net Debt over EBITDA.

These obligations refer to certain restrictions, related to the disposal of assets, disposal of corporate control and corporate reorganization, and other clauses on default of obligations, judicial reorganization and bankruptcy, death, insolvency, interdiction, change in corporate purpose or significant portion of assets and final and unappealable judgments on issues such as race and gender discrimination, child labor, slave labor, harassment or crime against the environment, as described below:

Debentures	
<i>First Issuance</i>	<p>The debentures may be considered automatically past due, among others, in the following hypotheses:</p> <ul style="list-style-type: none"> • accelerated maturity of any debt and/or obligations of a financial nature of the Issuer, whose individual or aggregate value is equal to or greater than 3% of the net worth of the Brisagnet group, calculated based on its latest audited and/or reviewed consolidated financial statements and/or of the Guarantors Legal Entities and/or their Relevant Subsidiaries, whose individual or aggregate value is equal to or greater than 3% of the net worth of the Brisagnet group; • spin-off, merger, incorporation or merger of or any form of corporate reorganization involving the Issuer, the Corporate Guarantors and/or their Relevant Subsidiaries, without the prior approval of the debenture holders, excepting from this item any corporate reorganizations carried out between companies of the same economic group or related to the Issuer and/or the Corporate Guarantors, or any incorporation by the Issuer and/or the Corporate Guarantors, provided that the Company and Mr. José Roberto Nogueira remain as controllers (direct or indirect) of the Issuer and/or the Corporate Guarantors; • change in the direct or indirect controlling interest of the Issuer and/or the Corporate Guarantors, without prior approval of the debenture holders, except if the Company and Mr. José Roberto Nogueira remain as (direct or indirect) controlling interest of the Issuer and/or the Corporate Guarantors; • declaration of anticipated maturity of any debt or obligation under the responsibility of the Issuer and/or Guarantors, whose individual and/or aggregate value is equal to or higher than R\$5,000 thousand, or even its equivalent value in foreign currency; • delay or default on any debt or obligation under the responsibility of the Issuer and/or Guarantors, which individual and/or aggregate value is equal or superior to R\$5,000 thousand, or even its equivalent value in foreign currency; • reduction of the Issuer's share capital and/or by the Corporate Guarantors, except if (a) to absorb losses, as set forth in the Brazilian Corporate Law, or (b) previously approved by the Debenture Holders, in a Debenture Holders' General Meeting; • sale or transfer of assets to third parties, by the Issuer and/or its

	<p>Relevant Subsidiaries, whose value, individually or in aggregate, is superior to, in the case of the Issuer and Relevant Subsidiaries, 10% of the total assets of the Issuer, for each fiscal year, venda, alienação ou constituição de ônus sobre os ativos da Emissora em valor superior ao equivalente a 10% do ativo total da Emissora; and</p> <ul style="list-style-type: none"> the Company does not observe, in each annual calculation period, the financial covenant of the ratio between Net Debt and EBITDA, to be determined based on the audited and consolidated financial statements of the Brisamet Group, which should be equal or less than 3.5x until the maturity date of the debentures. <p>For the purpose of these issuances:</p> <ul style="list-style-type: none"> "Net Debt" means (i) discounted securities with return and anticipation of receivables; (ii) onerous liabilities with financial institutions or similar entities; (iii) leasing/financial leasing; (iv) securities fruit of public or private issue, representing debt issued by the Issuer; (v) acknowledgement of debt of companies of the Brisamet Group; (vi) liabilities arising from financial instruments - derivatives; and (vii) Acquisition Debt (as defined below), less cash balances and short-term investments; "EBITDA" means the sum of (i) earnings before income tax and social contribution, (ii) depreciation and amortization, and (iii) financial expenses less financial income, as each item is reported in the consolidated financial statements of the Brisamet Group; "Acquisition Debt" means the sum of the short and long term balances payable, referring exclusively to the acquisition(s) of other companies made by any Brisamet Group entity in which the seller finances part of the sale; and "Brisamet Group" means, together, the Issuer and/or any subsidiary (as defined in article 116 of the Brazilian Corporations Law) or affiliated company of the Issuer (direct or indirect), of any controller (as defined in article 116 of the Brazilian Corporations Law) or companies under common control of the Issuer, as applicable. <p>Considering that the debentures were issued in March 2021, as of the date of this Form, no monitoring of the financial covenant described above had been performed.</p>
Financing Contracts	
<p><i>Credit Financing Contract nº 17.2.0703.1</i></p>	<p>The BNDES may declare the referred contract as having early maturity, with demandability of the debt and immediate suspension of any disbursement, among other hypotheses, in case of:</p> <ul style="list-style-type: none"> the merger, split, dissolution, incorporation (as incorporator or incorporated), reduction or closing of capital, or the change in the control, direct or indirect, of Brisamet Serviços or its successors, without the previous and express consent of BNDES; and the inclusion in the corporate agreement, bylaws or articles of incorporation of Brisamet Serviços, or its controlling companies, of a provision that implies restrictions or damages to the ability to pay the financial obligations assumed in the contract;
<p><i>Credit Financing Contract nº 16.2.0181.1</i></p>	<p>The BNDES may declare the referred contract as having early maturity, with demandability of the debt and immediate suspension of any disbursement, among other hypotheses, in case of:</p> <ul style="list-style-type: none"> the inclusion in the corporate agreement, bylaws or articles of incorporation of Brisamet Serviços, or its controlling companies, of a

	<p>provision that implies restrictions or damages to the ability to pay the financial obligations assumed in the contract;</p> <ul style="list-style-type: none"> • transfer, assignment, encumbrance, or disposal, under no circumstances or in any form, of the property right over the technology or products developed by Brisagnet Serviços with resources from the contract; • distribution of payments to the Company's shareholders that are greater than 30% of the ascertained profit and/or the making of payments from retained earnings; and • not to contract loans directly or indirectly, including the issuance of debentures, from individuals or companies belonging to the same economic group or not, with the exception of loans intended for the ordinary management of Brisagnet Serviços.
<p><i>Credit Financing Contract nº 18.2.0647.1</i></p>	<p>The BNDES may declare the referred contract as having early maturity, with demandability of the debt and immediate suspension of any disbursement, among other hypotheses, in case of:</p> <ul style="list-style-type: none"> • the merger, split, dissolution, incorporation (as incorporator or incorporated), reduction or closing of capital, or the change in the control, direct or indirect, of Brisagnet Serviços or its successors, without the previous and express consent of BNDES; • the inclusion in the corporate agreement, bylaws or articles of incorporation of Brisagnet Serviços, or its controlling companies, of a provision that implies restrictions or damages to the ability to pay the financial obligations assumed in the contract; • non-compliance with the criteria for dividend distribution, related to EBITDA; and • does not maintain the financial indexes Net Debt/EBITDA: equal or lower than 3.0; and EBITDA/Debt Service (payment of amortization and interest in the period): equal or higher than 1.0
<p><i>Bank Credit Note nº 1028327 - Import Financing</i></p>	<p>The Banco Santander may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • if Brisagnet Serviços, the guarantors, any third party guarantors and/or any companies directly or indirectly related, affiliated, controlling or controlled by Brisagnet Serviços, the guarantors and/or any third party guarantors, including those abroad, default on their obligations and/or fail to pay, when due, debts under their responsibility resulting from other contracts, loans, or discounts entered into with third parties, including those abroad, and/or any companies directly or indirectly related, affiliated, controlling or controlled by Brisagnet Serviços, by the guarantors and/or by any third-party guarantors, including those abroad; • if Brisagnet Serviços, the guarantors and/or any third party guarantors have their direct or indirect corporate control transferred to a third party, or are merged, or there is a merger, or transfer, whether by spin-off or otherwise, of operational assets to another entity without the Banco Santander having formally manifested its decision to maintain the bills in force prior to such transfer; • change or alteration in the corporate purpose of Brisagnet Serviços, the guarantors and/or any third-party guarantors, in such a way as to alter the current main activities of Brisagnet Serviços, the guarantors and/or any third-party guarantors, respectively, or to add to these activities new businesses that take precedence or may represent deviations from the activities currently carried out;

	<ul style="list-style-type: none"> • if there is a transfer to third parties of the rights and obligations of Brisagnet Serviços, the guarantors and/or any third party guarantors, provided in the bill and other documents arising from it, without the written agreement of the Banco Santander; • if Brisagnet Serviços and/or the guarantors, as of this year and until the settlement of the bill, distribute(s) dividends to its partners/shareholders in an annual amount higher than 10% of its net profit, noting that, on July 5, 2021, Banco Santander granted (i) consent for non-compliance with said obligation, in view of the provisions of the Company's Bylaws, and (ii) waived the right to accelerate maturity of the debt due to non-compliance with said obligation; and • the ratio between (i) Net Financial Debt and (ii) EBITDA of Brisagnet Serviços, to be determined annually, should be less than or equal to 2.5x in August of each year, until the liquidation of the Note.
<i>Import Financing Agreement</i>	<p>BOCOM BBM Bank may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • change of control of the obligor and/or any guarantor (with the exception of the BOCOM Bank), without the express consent of the BOCOM Bank; • the occurrence of any corporate reorganization, related to Brisagnet Serviços and/or its affiliates, that may affect the financial and payment capacity of Brisagnet Serviços; and • transfer or assignment of assets that imply in compromising the capacity to comply with the economic-financial obligations signed in the contract.
Loan Agreements	
<i>Loan Agreement Intended for Working Capital Through Credit Opening nº 18.2.0584.1</i>	<p>The BNDES may declare the referred contract as having early maturity, with demandability of the debt and immediate suspension of any disbursement, among other hypotheses, in case of:</p> <ul style="list-style-type: none"> • the merger, split, dissolution, incorporation (as incorporator or incorporated), reduction or closing of capital, or the change in the control, direct or indirect, of Brisagnet Serviços or its successors, without the previous and express consent of BNDES; • the inclusion in the corporate agreement, bylaws or articles of incorporation of Brisagnet Serviços, or its controlling companies, of a provision that implies restrictions or damages to the ability to pay the financial obligations assumed in the contract; and • non-compliance with the criteria for distribution of dividends, related to EBITDA, which are: (i) during the grace period for the payment of principal and/or interest, payments to shareholders will be limited to twenty-five percent (25%) of the net income calculated in the Previous Financial Year, as of 2019, inclusive, based on the annual audited statements; and (ii) during the amortization period, payments to shareholders will be limited to the following percentages of the net income calculated in the Previous Financial Year, based on the annual audited statements: twenty-five percent (25%), if the Net Debt/EBITDA ratio of the Postulant is greater than or equal to 3.50 or fifty percent (50%), if the Net Debt/EBITDA ratio of the Beneficiary by less than 3.50.
<i>Bank Credit Note nº 160.403.017</i>	<p>Banco do Brasil may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • direct or indirect control of the capital stock of Brisagnet Serviços is

	<p>transferred;</p> <ul style="list-style-type: none"> • there is a change in the ownership of the capital stock of Brisagnet Serviços, involving any shareholder, direct or indirect, including transfers among themselves, with a variation greater than 10% (ten percent) of the total capital stock; • communicate to the Bank of Brazil if, during the term of this credit operation, the bylaws are changed or any of the current directors are replaced; • there is a change in the capital stock of any of the controlled companies that results in the loss of direct or indirect corporate control of these companies.
<p><i>Bank Credit Notes nº 765.20, nº 859/20, nº 120/21; e nº 121/21</i></p>	<p>Banco BTG Pactual may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • non-performance of financial obligations, subject to the respective maturities, or early maturity of any contract, security or other financial instrument entered into or to be entered into with any third party, in the amount, individually or in aggregate, equal to or exceeding 20% of the Net Worth of Brisagnet Serviços; • a change in the direct control of Brisagnet Serviços occurs, except (i) with the prior consent of Banco BTG Pactual; or (ii) if Brisagnet Participações Ltda. and José Roberto Nogueira remain the controlling shareholders (direct or indirect) of Brisagnet Serviços; • occurs a spin-off, merger, incorporation or any other type of corporate reorganization involving an amount higher than 20% of the Net Worth in the last fiscal year, except (i) with the prior written consent of Banco BTG Pactual; or (ii) by merger, by Brisagnet Participações Ltda. (so that Brisagnet Participações Ltda. is the incorporating company); or (iii) if such spin-off, merger, incorporation or any other type of corporate reorganization occurs between companies of the same economic group or linked to the partners of Brisagnet Participações Ltda. and, if it involves companies different from Brisagnet Participações Ltda. and the Guarantors and/or results in new companies, such companies will guarantee the bill, or (iv) by transformation of the corporate type of Brisagnet Participações Ltda.; • a reduction in share capital occurs, except if (i) with the prior written consent of Banco BTG Pactual; or (ii) undertaken exclusively for absorption of losses; • the sale, assignment, donation, contribution to the share capital or the transfer, by any means, of goods, assets or rights owned by the Bank, the individual or aggregate value of which exceeds 20% of the Net Worth of Brisagnet Serviços and that, in the opinion of Banco BTG Pactual, may lead to the non-fulfillment of obligations under these Notes, except for the assignments and/or sales made in a fiduciary capacity and the guarantees established or that may be established for the payment of these Notes; and • Brisagnet Serviços' Current Liquidity Index is less than 1.0.
<p><i>Bank Credit Note nº 6112011040002</i></p>	<p>Banco Votorantim may consider the credit operation as expired and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • the occurrence of default or the decree of early maturity of any other contract that Brisagnet Serviços or any third-party guarantor has entered into with any third party, with Banco Votorantim and/or with any other company associated, controlled and/or controlling, directly or indirectly,

	<p>with Banco Votorantim;</p> <ul style="list-style-type: none"> • a change in the composition of the capital stock of Brisnet Serviços or of any of the third-party guarantors, as well as any change, transfer, or assignment of its direct or indirect corporate control, or even the occurrence of a merger, consolidation, or spin-off of Brisnet Serviços or of any of the third-party guarantors; • Brisnet Serviços' corporate purpose is altered in such a way as to change its main activities currently carried out; and • the occurrence, as determined by the criteria adopted by Banco Votorantim, of any change in the economic-financial, equity or operational conditions of Brisnet Serviços.
<i>Loan Agreement (note) n° 6112103120019</i>	<p>Banco Votorantim (Nassau Branch) may consider the credit operation as expired and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • the occurrence of default or the decree of early maturity of any other contract that Brisnet Serviços or any third-party guarantor has entered into with any third party; and • a change in the composition of the capital stock of Brisnet Serviços or of any of the third-party guarantors, as well as any change, transfer, or assignment of its direct or indirect corporate control, or even the occurrence of a merger, consolidation, or spin-off of Brisnet Serviços or of any of the third-party guarantors.
<i>Bank Credit Note n° 7623.6718-3</i>	<p>Banco Itaú Unibanco may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • any process of corporate reorganization or change of control, direct or indirect, in which Brisnet Serviços is involved; • qualquer processo de reorganização empresarial ou mudança de controlo, directo ou indirecto, em que a Brisnet Serviços esteja envolvida; and • if Brisnet Serviços fails to maintain, during the term of the Note, the following financial ratios to be determined based on its individual and consolidated financial statements duly audited, for the calculation period referring to the last 12 months of the current fiscal year, and having its first measurement based on the financial statements for the fiscal year that will end in December 2018. (I) The ratio between Net Debt and EBITDA shall be less than or equal to 2.5 until the settlement of all obligations assumed in this bill
<i>Bank Credit Notes n° 30542121, n° 18331984 e n° 48222167</i>	<p>Banco Itaú Unibanco may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • any process of corporate reorganization or change of control, direct or indirect, in which Brisnet Serviços is involved; and • alteration of the corporate purpose or main activity of Brisnet Serviços or disposal of a commercial establishment or of a significant portion of the goods or rights of its permanent assets.
<i>International Loan Agreement n° AGE1142082</i>	<p>Banco Itaú Unibanco may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • lack of compliance by Brisnet Serviços and/or any joint obligor, in the due time and manner, with any financial obligation, principal or

	<p>accessory, arising from this Agreement or any other financial obligation of the obligor and/or any joint obligor, including financial obligations before third parties;</p> <ul style="list-style-type: none"> • there is a change or modification in the composition of the share capital of Brisagnet Serviços and/or of any joint debtor, or if there is any change, transfer or assignment, direct or indirect, of the corporate/shareholder control, or even the incorporation, merger or spin-off of Brisagnet Serviços and/or of any joint debtor, without the prior and express consent of Banco Itaú Unibanco; • there is the assignment, sale, disposal and/or any other form of transfer, whether free of charge or not, by Brisagnet Serviços or by any jointly and severally liable debtor (i) of assets recorded as fixed assets, the value of which corresponds to more than 19% of the value of this accounting item, or (ii) of assets and/or equity interests in subsidiaries and/or controlled companies that generate individually or in the aggregate, more than 10% of the net revenue of Brisagnet Serviços or of the jointly and severally liable debtor, as the case may be, considering a 12-month period ended on the base date of the most current individual and consolidated financial statements available; • material change in the economic-financial condition of Brisagnet Serviços and/or any of the joint debtors; and • if, in the opinion of Banco Itaú Unibanco, a materially adverse change has occurred with respect to the business, financial condition, operations, performance or assets of Brisagnet Serviços, any joint obligor and/or any of their respective subsidiaries.
<p><i>Bank Credit Notes nº 1015731, nº 1019917, nº 1028283 e nº 270238718</i></p>	<p>The Banco Santander may consider the credit operation as matured and require its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • if Brisagnet Serviços, the guarantors, any third party guarantors and/or any companies directly or indirectly linked, affiliated, controlling or controlled by Brisagnet Serviços, by the guarantors and/or any third party guarantors, including abroad, default on their obligations and/or fail to settle, on the respective due date, the debit of their responsibility resulting from other contracts, loans, or discounts entered into with third parties, including those abroad, and/or any companies directly or indirectly related, affiliated, controlling or controlled by Brisagnet Serviços, by the guarantors and/or by any third-party guarantors, including those abroad; • if Brisagnet Serviços, the guarantors and/or any third-party guarantors have their direct or indirect corporate control transferred to a third party, or if they merge, merge, or transfer, whether by spin-off or otherwise, operational assets to another entity without the Banco Santander having formally manifested its decision to maintain the bills in force prior to such transfer; • change or alteration in the corporate purpose of Brisagnet Serviços, the guarantors and/or any third-party guarantors, in such a way as to change the current core activities of Brisagnet Serviços, the guarantors and/or any third-party guarantors, respectively, or to add to such activities new businesses that have prevalence or may represent deviations from the activities currently developed; • if the transfer to third parties of the rights and obligations of Brisagnet Serviços, the guarantors and/or any third party guarantors, as provided in the bill and other documents arising therefrom, occurs without the written consent of Banco Santander;

	<ul style="list-style-type: none"> • if Brisagnet Serviços and/or the guarantors, as of this year and until the settlement of the bill, distribute(s) dividends to its partners/shareholders in an annual amount higher than 10% of its net profit, observing that, on July 5, 2021, the Banco Santander granted (i) consent for the breach of said obligation, in view of the provisions in the Company's Bylaws, and (ii) waives the right to early maturity of the debt due to the breach of said obligation; and • the ratio between (i) Net Financial Debt and (ii) EBITDA of Brisagnet Serviços, to be annually determined, should be less than or equal to 2.5x in August of each year, until the settlement of the Note.
<p><i>Bank Credit Note n° 00330932300000012960</i></p>	<p>The Banco Santander may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • if Brisagnet Serviços, the guarantors (i) have their direct or indirect corporate control transferred to a third party or are merged; (ii) if they undergo a merger, or the transfer, whether by spin-off or otherwise, of operational assets to another entity without the Banco Santander having formally manifested its decision to maintain the bill in force prior to such transfer; • change or alteration in the corporate purpose of Brisagnet Serviços, the guarantors and/or any third-party guarantors, in such a way as to alter the current main activities of Brisagnet Serviços, the guarantors and/or any third-party guarantors, respectively, or to add to these activities new businesses that take precedence or may represent deviations from the activities currently carried out; and • if there is a transfer to third parties of the rights and obligations of Brisagnet Serviços, the guarantors and/or any third party guarantors, provided in the bill and other documents arising from it, without the written agreement of the Banco Santander.
<p><i>Bank Credit Note n° 00334458300000017300</i></p>	<p>The Banco Santander may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • if Universo Serviços de Telecomunicações Ltda., the guarantors (i) have their direct or indirect corporate control transferred to a third party or are merged; (ii) are merged, or transfer, by spin-off or otherwise, of operational assets to another entity without the Banco Santander having formally manifested its decision to maintain the bill in force prior to such transfer; • change or alteration of the corporate purpose of Universo Serviços de Telecomunicações Ltda., the guarantors and/or any third-party guarantors, in such a way as to alter the current main activities of Universo Serviços de Telecomunicações Ltda.; and • if there is a transfer to third parties of the rights and obligations of Universo Serviços de Telecomunicações Ltda., the guarantors and/or any third party guarantors, provided in the bill and other documents arising from it, without the written agreement of the Banco Santander.
<p><i>Bank Credit Note n° 627304</i></p>	<p>Banco de Lage Landen Brasil may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • if the rights and obligations arising from the title are assigned or transferred, as well as if the financed product(s) are sold or in any way alienated, without the express authorization of the creditor; and

	<ul style="list-style-type: none"> • if, in the case of a legal entity, it is proven that the corporate agreement, bylaws or articles of incorporation of Brisagnet Serviços, or its controlling company(ies), contain provisions that restrict or impair the ability to pay the financial obligations resulting from this financing.
<p><i>Bank Credit Note nº 602279</i></p>	<p>BOCOM BBM Bank may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • If Brisagnet Services and/or the Guarantor(s) and/or Affiliates of Brisagnet Services and/or the Guarantor(s) have any change in shareholding control, understood for these purposes as any event in which an individual, company or entity, whether personalized or not, becomes or ceases to, as of the present date: (i) directly or indirectly own and/or benefit from shares, quotas or any title representing at least 50% of the capital stock of a company; or (ii) have the power to direct the corporate activities and guide the operation of the company's bodies, its management or its internal policies, or determine the majority of votes in the company's resolutions or in the election of its directors, officers and executives; • If it is verified that a change of control is being negotiated in relation to Brisagnet Serviços, and/or the Guarantors and/or Affiliates of Brisagnet Serviços and/or the Guarantors, which shall be verified, including but not limited to, through (i) public statements issued in the local capital markets, pursuant to CVM Instruction 358; (ii) announcement of a public offering of shares of Brisagnet Serviços and/or the Guarantors and/or Affiliates of Brisagnet Serviços and/or the Guarantors in the local capital markets; (iii) request for authorization to carry out M&A transactions to any creditor or to CADE involving Brisagnet Serviços and/or the Guarantor and/or Affiliates of Brisagnet Serviços and/or Guarantor; and (iv) press conferences, statements or articles, indicating the intention or interest in Change of Control by the Issuer and/or Guarantor and/or Affiliates of Brisagnet Serviços and/or Guarantors; • occurrence of incorporation, merger, spin-off of Brisagnet Serviços and/or the Guarantor(s) and/or Affiliates of Brisagnet Serviços and/or the Guarantor(s); (i) In the occurrence of any fact or event that characterizes deviation from the purpose and/or modification of the corporate purpose of Brisagnet Serviços and/or the Guarantor(s), which, at the sole discretion of BOCOM Bank, may compromise the solvency and payment capacity of Brisagnet Serviços and/or the Guarantor(s); and • The establishment of any onus or lien as of this date, judicial or extra-judicial, on relevant assets of Brisagnet Serviços and/or the Guarantor(s), being considered relevant assets those whose individual or aggregate value equals or exceeds the equivalent of R\$100,000.00.
<p><i>Bank Credit Note nº 602.629</i></p>	<p>BOCOM BBM Bank may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • If RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s) and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s) have any change in shareholding control, understood for these purposes as any event in which an individual, company or entity, whether personalized or not, becomes or ceases to, as of the present date: (i) directly or indirectly own and/or benefit from shares, quotas or any title representing at least 50% of the capital stock of a company; or (ii) have the power to direct the corporate activities and guide the operation of the company's

	<p>bodies, its management or its internal policies, or determine the majority of votes in the company's resolutions or in the election of its directors, officers and executives;</p> <ul style="list-style-type: none"> • If it is verified that a change of control is being negotiated with respect to RPS- Prestação de Serviços de Informática S.A., and/or the Guarantors and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantors, which shall be verified, including but not limited to, through (i) public statements issued in the local capital markets, pursuant to CVM Instruction 358; (ii) announcement of a public offering of shares of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantors and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or Guarantors in the local capital market; (iii) request for authorization to carry out M&A transactions for any creditor or for CADE involving RPS- Prestação de Serviços de Informática S.A. and/or the Guarantors and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or Guarantors; and (iv) press conferences, statements or articles, indicating the intention or interest in Change of Control by the Issuer and/or Guarantors and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or Guarantors; • occurrence of incorporation, merger, spin-off of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s) and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s); (i) In the occurrence of any fact or event that characterizes a change of purpose and/or modification of the corporate purpose of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s), which, at the sole discretion of BOCOM Bank, may compromise the solvency and payment capacity of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s); and • constitution of any onus or lien as of this date, judicial or extra-judicial, on relevant assets of RPS - Prestação de Serviços de Informática S.A. and/or the Guarantor(s), being considered relevant assets those whose value, individual or aggregate, is equal to or greater than the equivalent to R\$100,000.00.
<i>Loan Agreement</i>	<p>Banco Bradesco may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • change of control of the obligor and/or any guarantor (with the exception of the BOCOM Bank), without the express consent of the BOCOM Bank; • the occurrence of any corporate reorganization, related to Brisamet Serviços and/or its affiliates, that may affect the financial and payment capacity of Brisamet Serviços; and • transfer or assignment of assets that imply in compromising the capacity to comply with the economic-financial obligations signed in the contract.
<i>Bank Credit Note nº 602.628</i>	<p>BOCOM BBM Bank may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • If RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s) and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s) have any change in shareholding control, understood for these purposes as any event in which an individual, company or entity, whether personalized or not, becomes or ceases to, as of the present date: (i) directly or indirectly own and/or benefit from shares, quotas or any title representing at least

	<p>50% of the capital stock of a company; or (ii) have the power to direct the corporate activities and guide the operation of the company's bodies, its management or its internal policies, or determine the majority of votes in the company's resolutions or in the election of its directors, officers and executives;</p> <ul style="list-style-type: none"> • If it is verified that a change of control is being negotiated with respect to RPS- Prestação de Serviços de Informática S.A., and/or the Guarantors and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantors, which shall be verified, including but not limited to, through (i) public statements issued in the local capital markets, pursuant to CVM Instruction 358; (ii) announcement of a public offering of shares of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantors and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or Guarantors in the local capital market; (iii) request for authorization to carry out M&A transactions for any creditor or for CADE involving RPS- Prestação de Serviços de Informática S.A. and/or the Guarantors and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or Guarantors; and (iv) press conferences, statements or articles, indicating the intention or interest in Change of Control by the Issuer and/or Guarantors and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or Guarantors; • occurrence of incorporation, merger, spin-off of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s) and/or Affiliates of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s); (i) In the occurrence of any fact or event that characterizes a change of purpose and/or modification of the corporate purpose of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s), which, at the sole discretion of BOCOM Bank, may compromise the solvency and payment capacity of RPS- Prestação de Serviços de Informática S.A. and/or the Guarantor(s); and • constitution of any onus or lien as of this date, judicial or extra-judicial, on relevant assets of RPS - Prestação de Serviços de Informática S.A. and/or the Guarantor(s), being considered relevant assets those whose value, individual or aggregate, is equal to or greater than the equivalent to R\$100,000.00.
<p><i>Bank Credit Note nº FIMP 068/00/20</i></p>	<p>China Construction Bank Banco Múltiplo may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement:</p> <ul style="list-style-type: none"> • if there is a change in the corporate control of Brisagnet Serviços or of any of the Guarantors/Coobligors/Secured Guarantors, being understood as a change in corporate control (i) any change or modification in the composition of the capital stock of Brisagnet Serviços or of any of the Guarantors/Coobligors/Secured Guarantors; (ii) any contractual amendment, whether in the articles of incorporation of Brisagnet Serviços or of any of the Guarantors/Obligors/Secured Guarantors or in separate instruments, which results in a change of the natural or legal person or group of persons bound by a voting agreement or under common control, that holds the majority of votes in corporate resolutions, the power to elect the majority of the managers of Brisagnet Serviços or any of the Guarantors/Accountholders/Secured Guarantors, and to direct the corporate activities and guide the operation of the bodies of Brisagnet Serviços or any of the Guarantors/Accountholders/Secured Guarantors; and • change or alteration of the corporate purpose of Brisagnet Serviços, or

	of any of the Guarantors/Coobligors/Secured Debtors, in such a way as to alter the current main activities of Brisagnet Serviços, or of the respective Guarantors/Coobligors/Secured Debtors, or to add to such activities new businesses that prevail or may represent deviations in relation to the activities currently developed; (i) the merger, consolidation or spin-off of Brisagnet Serviços and/or any of the Guarantors/Coobligors/Secured Debtors, or if the transfer of operational assets of Brisagnet Serviços or any of the Guarantors/Coobligors/Secured Debtors occurs, without the prior express consent of China Construction Bank.
<i>Credit Agreement by Private Instrument n° 16.2018.11599.24908</i>	Banco do Nordeste may consider the credit operation as overdue and demand its immediate settlement if, during its term and without express agreement: <ul style="list-style-type: none"> remove the financed assets, under any pretext and to any location, as well as encumber, alienate, lease, assign, transfer in any way in favor of third parties the financed assets or the real estate in which they have been incorporated, whether the financed assets are guarantors or not of the credit instrument.
Leasing	
<i>Leasing Contract n° 001379204-7</i>	Lessor is entitled to declare the automatic and early termination of the contract in the event of certain situations, among others, the change of control of the capital stock, corporate reorganization, disposal, assignment or transfer of the goodwill of Brisagnet Serviços.

The financial covenants are measured on an annual basis. The table below shows the financial covenants assumed by the Company in its loan and financing agreements as described above, as well as the amount effectively calculated by the Company as of December 31, 2020, 2019 and 2018:

Loan or Financing	Financial Covenant	As of December 31			As of March 31, 2021
		2020	2019	2018	
First Issuance	Net Debt/EBITDA: equal or less than 3.5x(1)	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾
Credit Financing Contract n° 18.2.0647.1	Net Debt/EBITDA: equal or less than 3.0x ⁽²⁾	2.8	1.7	N/A ⁽⁴⁾	2.9
	EBITDA/Debt Service: equal or greater than 1.0 ⁽²⁾	1.2	1.8		1.1
Bank Credit Note n° 1028327 – Import Financing Agreement	Net Financial Debt/EBITDA: less than or equal to 2.5x(3)	N/A ⁽⁵⁾	N/A ⁽⁵⁾	N/A ⁽⁵⁾	2.9
Loan Agreement Intended for Working Capital Through Credit Opening n° 18.2.0584.1	Net Debt/EBITDA: below 3.50(2)	2.8	1.7	1.5	2.9
Bank Credit Notes n° 765.20, n° 859/20 e n° 120/21	Brisagnet Serviços' Current Liquidity Index: less than 1.0x ⁽²⁾	0.6	N/A ⁽⁶⁾	N/A ⁽⁶⁾	0.4
Bank Credit Note n° 7623.6718-3	Net Debt/EBITDA: less than or equal to 2.5 ⁽²⁾	4.3	5.9	4.7	2.9
Bank Credit Notes n° 1015731, n° 1019917, n° 1028283 e n° 270238718	Net Financial Debt/EBITDA: less than or equal to 2.5x ⁽²⁾	4.3	5.9	4.7	2.9
Bank Credit Note n° 270238718	Net Financial Debt/EBITDA: less than or equal to 2.5x	2.8	1.7	N/A ⁽⁷⁾	2.9

(1) Financial covenant to be determined based on the audited consolidated financial statements of the Company.

(2) Financial covenant to be determined based on the audited financial statements of Brisagnet Serviços.

(3) Not applicable, considering that the referred issuance was carried out in 2021.

(4) Not applicable, given that said instrument was entered into on March 25, 2019.

(5) Not applicable, given that said instrument was executed on May 27, 2020.

(6) Not applicable, given that said instrument was entered into as of August 2020.

(8) Illustrative estimated values based on unaudited financial information, since the covenants are not measured for this period, according to the terms of the referred financial agreements.

(7) Not applicable, given that this instrument was entered into on June 1, 2018.

(g) use of loans and financing hired

On April 30, 2021, our balances of loans and financing and debentures were R\$1,127.1 million, as shown in item 10.1.f above and all of them have been fully disbursed.

(h) significant changes in each item of the financial statements

The figures and analyses below are presented on a consolidated basis and are derived from the revised individual and consolidated interim financial statements for the four-month period ended April 30, 2021 and the Company's individual and consolidated financial statements for the fiscal years ended December 31, 2020, 2019 and 2018, respectively, which were prepared in accordance with IFRS, and with accounting practices adopted in Brazil. The accounting practices adopted in Brazil comprise those set forth in the Brazilian corporate law and the pronouncements, guidance and interpretations issued by the Accounting Pronouncements Committee and approved by the CVM.

FINANCIAL STATEMENTS

Comparative Analysis of the Consolidated Financial Statements for the Four-Month Periods Ending April 30, 2021 and 2020

(in R\$ thousand, except %)	Four-month period ended April 30				
	2021	AV (%)	2020	AV (%)	AH (%)
Net operating revenue	218,983	100.0%	131,311	100.0%	66.8%
Cost of services	(111,042)	(50.7)%	(61,225)	(46.6)%	81.4%
Gross profit	107,941	49.3%	70,086	53.4%	54.0%
Operating expenses					
Administrative expenses	(48,116)	(22.0)%	(26,858)	(20.5)%	79.1%
Selling expenses	(18,866)	(8.6)%	(10,896)	(8.3)%	73.1%
Tax expenses	(1,168)	(0.5)%	(1,364)	(1.0)%	(14.4)%
Other operating expenses, net	(7,180)	(3.3)%	(17,952)	(13.7)%	(60.0)%
Income before financial income (expenses) and taxes	32,611	14.9%	13,016	9.9%	150.5%
Financial income	26,525	12.1%	5,701	4.3%	365.3%
Financial expenses	(50,226)	(22.9)%	(25,322)	(19.3)%	98.3%
Financial income/(expenses)	(23,701)	(10.8)%	(19,621)	(14.9)%	20.8%
Income (loss) before income tax and social contribution	8,910	4.1%	(6,605)	(5.0)%	234.9%-
Income tax and social contribution	(2,648)	(1.2)%	(825)	(0.6)%	221.0%

Net income (loss) for the period	6,262	2.9%	(7,430)	(5.7)%	184.3%
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Net operating revenue

Net operating revenue increased by 66.8%, or R\$87.7 million, to R\$219.0 million in the four-month period ended April 30, 2021, from R\$131.3 million in the four-month period ended April 30, 2020. This variation is mainly due to the 64.9% increase in our subscribers to 697,064 customers as of April 30 of 2021, from 422,647 customers as of April 30, 2020.

Cost of services

Cost of services increased by 81.4%, or R\$49.8 million, to R\$111.0 million in the four-month period ended April 30, 2021, from R\$61.2 million in the four-month period ended April 30, 2020. This increase in costs is mainly due to higher costs with salaries and wages related to the increase in the number of our employees, reaching 3,766 employees in April 2021, from 2,904 employees in April 2020, supporting our operations following a 64.9% increase of our subscribers' in the same period, as well as higher depreciation costs, related to investments made in the expansion of our fiber optic network.

Gross profit

Our gross profit increased by 53.9%, or R\$37.8 million, to R\$107.9 million in the four-month period ended April 30, 2021, from R\$70.1 million in the four-month period ended April 30, 2020. The increase is mainly due to the effects mentioned in net operating revenue and cost of services. Our gross profit as a percentage of our net revenue decreased 4.1 percentage points, from 53.4% in the four-month period ended April 30, 2020, to 49.3% in the four-month period ended April 30, 2021.

Operating Expenses

Administrative expenses

Administrative expenses increased by 78.8%, or R\$21.2 million, to R\$48.1 million in the four-month period ended April 30, 2021, from R\$26.9 million in the four-month period ended April 30, 2020. This variation is mainly due to higher salaries and wages following the increase of our employees to 2,551, as of April 30, 2021, from 1,389 as of April 30, 2020, and to the hiring of outsourced management consulting services during the course of 2020, aiming at improving our controls and governance.

Selling expenses

Selling expenses increased by 73.4%, or R\$8.0 million, to R\$18.9 million in the four-month period ended April 30, 2021, from R\$10.9 million in the four-month period ended April 30, 2020. This variation is mainly due to higher expenses resulting from the increase in our subscribers' number, which grew 64.9% during the same period.

Tax expenses

Tax expenses decreased by 14.3%, or R\$0.2 million, to R\$1.2 million in the four-month period ended April 30, 2021, from R\$1.4 million in the four-month period ended April 30, 2020. This variation is mainly due to the decrease in administrative charges.

Other operating expenses, net

Other operating expenses, net decreased by 60.0%, or R\$10.8 million, to R\$7.2 million in the four-month period ended April 30, 2021, from R\$18.0 million in the four-month period ended April 30,

2020. This variation is mainly due to the decrease of R\$8.9 million for the four-month period ended April 30, 2021 related to provisioning for expected losses from doubtful accounts.

Income (loss) before financial income (expenses) and taxes

Income (loss) before financial income (expenses) and taxes increased by 150.8%, or R\$19.6 million, to an income of R\$32.6 million in the four-month period ended April 30, 2021, from an expense of R\$13.0 million in the four-month period ended April 30, 2020. This variation is mainly due to the explanations already mentioned above.

Financial income

Financial income increased by 364.9%, or R\$20.8 million, to R\$26.5 million in the four-month period ended April 30, 2021, from R\$5.7 million in the four-month period ended April 30, 2020. This variation is mainly due to: (i) an increase of R\$17.7 million in active exchange variations, as we import most of the inputs related to our expansion and operation, resulting in the active exchange variation for the suppliers accounting line for months in which the real appreciates against the U.S. dollar; and (ii) an increase of R\$5.3 million in foreign exchange swap operations, as a result of U.S. dollar-denominated indebtedness that are hedged by derivative instruments resulting in related income or expenses depending on the current exchange rate.

Financial expenses

Financial expenses decreased by 98.4%, or R\$24.9 million, to R\$50.2 million in the four-month period ended April 30, 2021, from R\$25.3 million in the four-month period ended April 30, 2020. This variation is mainly due to higher interest expenses in the amount of R\$8.2 million, resulting from higher gross debt in the period, and higher passive foreign exchange variations in the amount of R\$12.3 million.

Financial income (expenses)

Financial income (expenses) increased by 20.9%, or R\$4.1 million, to a loss of R\$23.7 million in the four-month period ended April 30, 2021, from a loss of R\$19.6 million in the four-month period ended April 30, 2020. This variation is explained by the effects on financial income and expenses mentioned above.

Income tax and social contribution

Income tax and social contribution increased by 225.0%, or R\$1.8 million, to an expense of R\$2.6 million in the four-month period ended April 30, 2021, from an expense of R\$0.8 million in the four-month period ended April 30, 2020. This variation is mainly due to higher income before income tax and social contribution in 2021.

Net income (loss) for the period

As a result of the foregoing, our net income (loss) for the period varied 185.1%, or R\$13.7 million, to a profit of R\$6.3 million in the four-month period ended April 30, 2021, from a loss of R\$7.4 million in the four-month period ended April 30, 2020.

Year Ended December 31, 2020 Compared to Year Ended December 31, 2019

(in thousands of R\$, except %)	For the year ended December 31,				
	2020	AV (%)	2019 (restated)	AV (%)	AH (%)
Net operating revenue	471,774	100.0%	292,962	100.0%	61.0%
Cost of services	(237,141)	(50.3)%	(130,521)	(44.6)%	81.7%

Gross profit	234,633	49.7%	162,441	55.4%	44.4%
Operating expenses	(86,591)	(18.4)%	(49,230)	(16.8)%	75.9%
Administrative expenses	(34,693)	(7.4)%	(19,950)	(6.8)%	73.9%
Selling expenses	(2,143)	(0.5)%	(925)	(0.3)%	131.7%
Tax expenses	(25,350)	(5.4)%	(3,768)	(1.3)%	572.8%
Other operating expenses, net	85,856	18.2%	88,568	30.2%	(3.1)%
Income before financial income (expenses) and	66,416	14.1%	8,831	3.0%	652.1%
Financial income	(108,528)	(23.0)%	(27,341)	(9.3)%	296.9%
Financial expenses	(42,112)	(8.9)%	(18,510)	(6.3)%	127.5%
Financial income/(expenses)	43,744	9.3%	70,058	23.9%	(37.6)%
Income (loss) before income tax and social contribution	(14,621)	(3.1)%	(18,978)	(6.5)%	(23.0)%
Income tax and social contribution	29,123	6.2%	51,080	17.4%	(43.0)%
Net income for the year					

(1) Restated. See "Independent Auditors" and note 2.7 to the annual audited consolidated financial statements for further information.

Net operating revenue

Net operating revenue increased by 61.0%, or R\$178.8 million, to R\$471.8 million in the year ended December 31, 2020, from R\$293.0 million in the year ended December 31, 2019. This variation is mainly due to the geographic expansion of our access network to fixed broadband and the corresponding subscribers' number of this service, which increased by 77.7 %, to 624,313 as of December 31, 2020, from 351,405 as of December 31, 2019.

Cost of services

Cost of services increased by 81.7%, or R\$106.6 million, to R\$237.1 million, or 50.3% of net revenue, in the year ended December 31, 2020, from R\$130.5 million, or 44.5% of net revenue, in the year ended December 31, 2019, which is considered satisfactory in relation to revenue growth. Thus, we demonstrate that we continue to seek for balance between our expenses and efficiency gains. Our cost of services increased primarily as a result of: (i) an 82.7% increase of employees expenses due to growth in the number of our employee head count, which increased to 3,757 employees as of December 31, 2020, from 2,679 employees as of December 31, 2019; and (ii) an increase in depreciation of property, plant and equipment additions as a result of our expansion, to R\$80.4 million in the year ended December 31 2020, from R\$46.1 million in the year ended December 31, 2019.

Gross profit

Our gross profit increased by 44.5%, or R\$72.2 million, to R\$234.6 million in the year ended December 31, 2020, compared to the year ended December 31, 2019, representing 49.7% of our to net operating revenue, 5.3 percentage points above compared to the year ended December 31, 2019, mainly due to the reflection of the aforementioned in net operating revenue and cost of services rendered.

Operating Expenses

Administrative expenses

Administrative expenses increased by 76.0%, or R\$37.4 million, to R\$86.6 million in the year ended December 31, 2020, from R\$49.2 million in the year ended December 31, 2019. This variation is mainly due to higher expenses with salaries and wages, primarily as a result of increasing our employee headcount to 5,554 employees as of December 31, 2020, from 4,073 employees as of

December 31, 2019, as well as the hiring of third-party services relating to management consulting and mentoring since 2020, aimed at improving our controls and governance.

Selling expenses

Selling expenses increased by 73.5%, or R\$14.7 million, to R\$34.7 million in the year ended December 31, 2020, from R\$20.0 million in the year ended December 31, 2019. This variation is mainly due to higher selling expenses resulting from the increase of 77.7% in the number of our subscribers between the year ended December 31, 2020, and the year ended on December 31, 2019.

Tax expenses

Tax expenses increased by 133.3%, or R\$1.2 million, to R\$2.1 million in the year ended December 31, 2020, from R\$0.9 million in the year ended December 31, 2019. This variation is mainly due to higher property tax (Imposto Predial e Territorial Urbano), or IPTU, and IPVA expenses related to the increase in our operations.

Other operating expenses, net

Other operating expenses, net increased by 568.4%, or R\$21.6 million, to R\$25.4 million in the year ended December 31, 2020, from R\$3.8 million in the year ended December 31, 2019. This variation is mainly due to the provision for doubtful accounts in the amount of R\$25.5 million in the year ended 2020. In the same period, the accounting line for other operating expenses, net corresponded to 5.4% of the net operating revenue, compared to 1.3% of the net operating revenue in the year ended December 31, 2019.

Financial income

Financial income increased by 654.5%, or R\$57.6 million, to R\$66.4 million in the year ended December 31, 2020, from R\$8.8 million in the year ended December 31, 2019. This variation is mainly due to: (i) an increase of R\$32.5 million in active exchange variations, as we import most of the inputs related to our expansion and operation, resulting in the active exchange variation for the suppliers accounting line for months in which the real appreciates against the U.S. dollar; and (ii) an increase of R\$17.4 million in foreign exchange swap operations, as a result of U.S. dollar-denominated indebtedness that are hedged by derivative instruments resulting in related income or expenses depending on the current exchange rate.

Financial expenses

Financial expenses increased by 297.4%, or R\$81.2 million, to R\$108.5 million in the year ended December 31, 2020, from R\$27.3 million in the year ended December 31, 2019. This variation is mainly due to higher interest over loans and financings expenses in the amount of R\$26.0 million, resulting from higher gross debt in the period, and higher passive foreign exchange variations in the amount of R\$49.4 million.

Financial income (expenses)

Financial income (expenses) increased by 127.6%, or R\$23.6 million, to a loss of R\$42.1 million in the year ended December 31, 2020, from a loss of R\$18.5 million in the year ended December 31, 2019. This performance is mainly explained by the effects on financial expenses and income as above mentioned.

Income tax and social contribution

Income tax and social contribution (current and deferred) decreased by 23.2%, or R\$4.4 million, to an expense of R\$14.6 million in the year ended December 31, 2020, from an expense of R\$19.0 million in the year ended December 31, 2019. This variation is mainly due to the 37.7% decrease in income before income tax and social contribution in the year ended December 31, 2020.

Net income for the year

As a result of the foregoing, Net income for the year decreased by 43.1%, or R\$22.0 million, to R\$29.1 million, corresponding to a net margin of 6.2%, in the year ended December 31, 2020, from R\$51.1 million, corresponding to a net margin of 17.4%, in the year ended December 31, 2019.

Year Ended December 31, 2019 Compared to Year Ended December 31, 2018

(in thousands of R\$, except %)	For the year ended December 31,				
	2019 (restated)	AV (%)	2018 (restated)	AV (%)	AH (%)
Receita operacional líquida	292,962	100.0%	214,859	100.0%	36.4%
Net operating revenue	(130,521)	(44.6)%	(95,262)	(44.3)%	37.0%
Cost of services	162,441	55.4%	119,597	55.7%	35.8%
Gross profit	(49,230)	(16.8)%	(32,025)	(14.9)%	53.7%
Administrative expenses	(19,950)	(6.8)%	(7,323)	(3.4)%	172.4%
Selling expenses	(925)	(0.3)%	(1,457)	(0.7)%	(36.5)%
Tax expenses	(3,768)	(1.3)%	(22,322)	(10.4)%	(83.1)%
Other operating expenses, net	88,568	30.2%	56,470	26.3%	56.8%
Income before financial income (expenses) and	8,831	3.0%	3,948	1.8%	123.7%
Financial income	(27,341)	(9.3)%	(21,947)	(10.2)%	24.6%
Financial expenses	(18,510)	(6.3)%	(17,999)	(8.4)%	2.8%
Financial income/(expenses)	70,058	23.9%	38,471	17.9%	82.1%
Income (loss) before income tax and social	(18,978)	(6.5)%	(13,243)	(6.2)%	43.3%
Income tax and social contribution	51,080	17.4%	25,228	11.7%	102.5%
Net income for the year					

(1) Restated. See "Independent Auditors" and note 2.7 to the annual audited consolidated financial statements for further information

Net operating revenue

Net operating revenue increased by 36.3%, or R\$78.1 million, to R\$293.0 million in the year ended December 31, 2019, from R\$214.9 million in the year ended December 31, 2018. This variation is mainly due to the geographic expansion of our access network to fixed broadband and the corresponding subscribers' number of this service, which increased by 46.0%, to 351,405 on December 31, 2019, from 242,419 on December 31, 2018.

Cost of services

Cost of services increased by 36.9%, or R\$35.2 million, to R\$130.5 million in the year ended December 31, 2019, from R\$95.3 million in the year ended December 31, 2018, which is considered satisfactory in relation to revenue growth. We thus demonstrate that we continue to seek for balance between our expenses and efficiency gains. Our cost of services primarily consist of: (i) expenses with employees, which increased during this period, from 1,584 employees as of December 31, 2018 to 2,679 employees as of December 31, 2019; and (ii) depreciation costs related to property, plant

and equipment additions in connection to our expansion movement, which varied to R\$48.0 million in the year ended December 31 2019, from R\$27.3 million in the year ended December 31, 2018.

Gross profit

Our gross profit increased by 35.8%, or R\$42.8 million, to R\$162.4 million in the year ended December 31, 2019, from R\$119.6 million, representing 55.7% to the net operating revenue, in the year ended December 31, 2018.

Operating Expenses

Administrative expenses

Administrative expenses increased by 53.8%, or R\$17.2 million, to R\$49.2 million, corresponding to 16.8% of net operating revenue, in the year ended December 31, 2019, from R\$32.0 million, corresponding to 14.9% of net operating revenue, in the year ended December 31, 2018. This variation is mainly due to higher expenses with salaries and wages, due to an increase in employee headcount to 1,394 employees as of December 31, 2019, from 815 employees as of December 31, 2018, to support the growth of the subscriber base.

Selling expenses

Selling expenses increased by 174.0%, or R\$12.7 million, to R\$20.0 million, corresponding to 6.8% of net revenue, in the year ended December 31, 2019, from R\$7.3 million, corresponding to 3.4% of net revenue, in the year ended December 31, 2018. This variation is mainly due to higher expenses with sales personnel, which increased to R\$9.2 million in the year ended December 31, 2019, from R\$3.5 million in the year ended December 31, 2018.

Tax expenses

Tax expenses decreased by 40.0%, or R\$0.6 million, to R\$0.9 million in the year ended December 31, 2019, from R\$1.5 million in the year ended December 31, 2018. This variation is mainly due to the decrease and reclassification of the Tax on Foreign Exchange Transactions (Imposto sobre Operações Financeiras), or IOF.

Other operating expenses, net

Other operating expenses, net decreased by 83.0%, or R\$18.5 million, to R\$3.8 million in the year ended December 31, 2019, from R\$22.3 million in the year ended December 31, 2018. This variation is mainly due to the provision for doubtful accounts in the amount of R\$22.2 million in the year ended 2018 and the reversion of R\$1.9 million in the year ended December 31, 2019. In the year ended December 31, 2019, the accounting line for other operating expenses, net corresponded to 1.3% of the net operating revenue, compared to 10.4% of the net revenue in the year ended December 31, 2018.

Financial income

Financial income increased by 125.6%, or R\$4.9 million, to R\$8.8 million in the year ended December 31, 2019, from R\$3.9 million in the year ended December 31, 2018. This variation is mainly due to an increase of R\$2.6 million in active exchange variations in the year ended December 31, 2019, as we import most of the inputs related to our expansion and operation, and the exchange rate fluctuation during the fiscal year of 2019 resulted in the record of exchange rate variations, sometimes active, when the real appreciated, and sometimes passive, when the real depreciated against the U.S. dollar.

Financial expenses

Financial expenses increased by 24.7%, or R\$5.4 million, to R\$27.3 million in the year ended December 31, 2019, from R\$21.9 million in the year ended December 31, 2018. This variation is mainly due to interest on the Tax Recovery Program, or REFIS, and Special Tax Regularization Program, or PERT, installments in 2019.

Financial income (expenses)

Financial income (expenses) increased by 2.8%, or R\$0.5 million, to a loss of R\$18.5 million in the year ended December 31, 2019, from a loss of R\$18.0 million in the year ended December 31, 2018. This performance is mainly explained by the variations in financial expenses and income as above mentioned.

Income tax and social contribution

Income tax and social contribution increased by 43.9%, or R\$5.8 million, to an expense of R\$19.0 million in the year ended December 31, 2019, from an expense of R\$13.2 million in the year ended December 31, 2018. This variation in deferred income tax and social contribution is mainly due to the higher income before income tax and social contribution.

Net income for the year

As a result of the foregoing, Net income for the year increased by 102.8%, or R\$25.9 million, to R\$51.1 million in the year ended December 31, 2019, from R\$25.2 million in the year ended December 31, 2018.

Consolidated Statements of Financial Position

As of April 30, 2021 compared to December 31, 2020

(in thousands of R\$, except %)	On April 30, 2021	AV (%)	On December 31, 2020	AV (%)	AH (%)
Assets					
Current assets					
Cash and cash equivalents	453,476	28.6%	171,104	16.8%	165.0%
Short-term investments	82,335	5.2%	9,665	0.9%	751.9%
Trade accounts receivable	75,631	4.8%	69,555	6.8%	8.7%
Inventories	236	0.0%	525	0.1%	-55.0%
Taxes recoverable	18,390	1.2%	18,424	1.8%	-0.2%
Derivative operations	3,858	0.2%	3,701	0.4%	4.2%
Prepaid expenses	570	0.0%	1,398	0.1%	-59.2%
Other assets	4,036	0.3%	12,627	1.2%	-68.0%
Total current assets	638,532	40.3%	286,999	28.2%	122.5%
Non-current assets					
Long-term receivables					
Short-term investments	19,950	1.3%	6,480	0.6%	207.9%
Taxes recoverable	28,298	1.8%	23,166	2.3%	22.2%
Transactions with related parties	1,095	0.1%	1,153	0.1%	-5.0%
Court-related deposits	861	0.1%	905	0.1%	-4.9%
Derivative operations	6,014	0.4%	8,217	0.8%	-26.8%
Prepaid expenses	-	-	778	0.1%	(100.0)%

Deferred income and social contribution taxes	2,448	0.2%	2,144	0.2%	14.2%
Other assets	898	0.1%	38	0.0%	n.m.
Right-of-use	44,704	2.8%	34,117	3.4%	31.0%
Property, plant and equipment	826,591	52.2%	647,532	63.6%	27.7%
Intangible assets	14,570	0.9%	6,721	0.7%	116.8%
Total non-current assets	945,429	59.7%	731,251	71.8%	29.3%
Total assets	1,583,961	100.0%	1,018,250	100.0%	55.6%
Liabilities and equity					
Current liabilities					
Trade accounts payable	196,293	12.4%	137,229	13.5%	43.0%
Loans and financing	287,529	18.2%	251,877	24.7%	14.2%
Debentures	334	0.0%	-	0.0%	-
Lease obligations	16,605	1.0%	5,562	0.5%	198.5%
Labor and social obligations	36,791	2.3%	27,100	2.7%	35.8%
Taxes payable	18,796	1.2%	18,100	1.8%	3.8%
Taxes paid in installments	854	0.1%	1,274	0.1%	-33.0%
Derivative operations	230	0.0%	151	0.0%	52.3%
Debenture costs payable	10,047	0.6%	-	-	-
Other accounts payables	958	0.1%	499	0.0%	92.0%
Total current liabilities	568,437	35.9%	441,792	43.4%	28.7%
Non-current liabilities					
Loans and financing	371,882	23.5%	399,870	39.3%	-7.0%
Debentures	467,354	29.5%	-	-	-
Lease obligations	27,737	1.8%	27,912	2.7%	-0.6%
Transactions with related parties	851	0.1%	12,161	1.2%	-93.0%
Taxes paid in installments	6,560	0.4%	6,589	0.6%	-0.4%
Future capital contribution	8,359	0.5%	-	-	-
Provision for contingencies	1,028	0.1%	2,729	0.3%	-62.3%
Total non-current liabilities	883,771	55.8%	449,261	44.1%	96.7%
Equity					
Capital	66,209	4.2%	66,209	6.5%	0.0%
Income reserves	59,276	3.7%	60,982	6.0%	-2.8%
Retained earnings (accumulated losses)	6,259	0.4%	-	-	-
Future capital contributions	-	0.0%	-	0.0%	50.0%
Non-controlling interests	-	-	-	-	-
Total equity	131,753	8.3%	127,197	12.5%	3.6%
Total liabilities and equity	1,583,961	100.0%	1,018,250	100.0%	55.6%

ASSETS

As of April 30, 2021, the Company's asset balance was R\$1,583,961 thousand, representing a 55.6% or R\$565,711 thousand increase over the Company's asset balance as of December 31, 2020 of R\$1,018,250 thousand.

Current Assets

As of April 30, 2021, the Company's current assets increased by 122.5% or R\$351,553 thousand from R\$286,999 thousand as of December 31, 2020 to R\$638,532 thousand as of April 30, 2021. This increase occurred mainly due to the increase in cash and cash equivalents and financial investments by R\$355,042 thousand, due to the entry of debentures resources in April 2021.

Non-Current Assets

As of April 30, 2021, the Company's non-current assets increased by 29.3% or R\$214,178 thousand from R\$731,251 thousand as of December 31, 2020 to R\$945,429 thousand as of April 30, 2021. This increase occurred mainly due to the increase in property, plant and equipment by R\$179,059 thousand as a result of the investments in geographic expansion made by the Company in the period.

LIABILITIES AND EQUITY

As of April 30, 2021, the Company showed an increase in its liabilities and shareholders' equity of 55.6% or R\$565,711 thousand compared to December 31, 2020. This increase occurred mainly due to the factors described below.

Current Liabilities

As of April 30, 2021, the Company's current liabilities increased 28.7% or R\$126,645 thousand, from R\$441,792 thousand as of December 31, 2020 to R\$568,437 thousand as of April 30, 2021. This variation was mainly due to:

- increase in loans and financing in the amount of R\$35,652 thousand due to the transfer to current assets of the outstanding portion of long-term loans and financing;
- increase in suppliers in the amount of R\$59,064 thousand due to the impact of the exchange rate variation on the Company's imports;
- increase in lease obligations in the amount of R\$11,043 thousand related to the higher number of leased land resulting from the Company's regional expansion; and
- increase in labor and social security obligations in the amount of R\$9,691 thousand related to the higher number of employees as of April 30, 2021.

Non-current Liabilities

As of April 30, 2021, the Company's non-current liabilities increased by 96.7% or R\$434,510 thousand, from R\$449,261 thousand as of December 31, 2020 to R\$883,771 thousand as of April 30, 2021. This increase occurred mainly from the issuance of Brisagnet Serviços Debentures in the amount of R\$500,000 thousand on March 15, 2021.

Equity

As of April 30, 2021, the Company's shareholders' equity increased 3.6% from R\$127,197 thousand as of December 31, 2020 to R\$131,753 thousand as of April 30, 2021, representing an increase of R\$4,556 thousand. This increase primarily reflects net income for the four-month period ended April 30, 2021.

Year ended on December 31, 2020 compared to year ended on December 31, 2019

(in R\$ thousand, except %)	On December 31 December 31, 2020	AV (%)	On December 31 December 31, 2019 (restated)	AV (%)	AH (%)
Assets					
Current assets					
Cash and cash equivalents	171,104	16.8%	38,810	8.4%	340.9%
Short-term investments	9,665	0.9%	4,669	1.0%	107.0%

Trade accounts receivable	69,555	6.8%	59,285	12.8%	17.3%
Inventories	525	0.1%	771	0.2%	-31.9%
Taxes recoverable	18,424	1.8%	8,154	1.8%	126.0%
Derivative operations	3,701	0.4%	-	-	-
Prepaid expenses	1,398	0.1%	153	0.0%	813.7%
Other assets	12,627	1.2%	4,520	1.0%	179.4%
Total current assets	286,999	28.2%	116,362	25.1%	146.6%
Non-current assets					
Long-term receivables					
Short-term investments	6,480	0.6%	38	0.0%	-
Taxes recoverable	23,166	2.3%	13,292	2.9%	74.3%
Transactions with related parties	1,153	0.1%	1,200	0.3%	-3.9%
Court-related deposits	905	0.1%	742	0.2%	22.0%
Derivative operations	8,217	0.8%	-	-	-
Prepaid expenses	778	0.1%	-	-	-
Deferred income and social contribution taxes	2,144	0.2%	2,333	0.5%	-8.1%
Right-of-use	34,117	3.4%	9,901	2.1%	244.6%
Property, plant and equipment	647,532	63.6%	316,748	68.3%	104.4%
Intangible assets	6,721	0.7%	2,975	0.6%	125.9%
Total non-current assets	731,251	71.8%	347,229	74.9%	110.6%
Total assets	1,018,250	100.0%	463,591	100.0%	119.6%
Liabilities and equity					
Current liabilities					
Trade accounts payable	137,229	13.5%	28,705	6.2%	378.1%
Loans and financing	251,877	24.7%	104,747	22.6%	140.5%
Lease obligations	5,562	0.5%	2,267	0.5%	145.3%
Labor and social obligations	27,100	2.7%	17,705	3.8%	53.1%
Taxes payable	18,100	1.8%	16,390	3.5%	10.4%
Taxes paid in installments	1,274	0.1%	1,574	0.3%	-19.1%
Derivative operations	151	0.0%	-	-	-
Other accounts payables	499	0.0%	793	0.2%	-37.1%
Total current liabilities	441,792	43.4%	172,181	37.1%	156.6%
Non-current liabilities					
Loans and financing	399,870	39.3%	160,236	34.6%	149.6%
Lease obligations	27,912	2.7%	7,550	1.6%	269.7%
Transactions with related parties	12,161	1.2%	6,869	1.5%	77.0%
Taxes paid in installments	6,589	0.6%	7,092	1.5%	-7.1%
Provision for contingencies	2,729	0.3%	1,938	0.4%	40.8%
Total non-current liabilities	449,261	44.1%	183,685	39.6%	144.6%
Equity					
Capital	66,209	6.5%	66,209	14.3%	-

Income reserves	60,982	6.0%	41,506	9.0%	46.9%
Non-controlling interests	6	0.0%	10	0.0%	-40.0%
Total equity	127,197	12.5%	107,725	23.2%	18.1%
Total liabilities and equity	1,018,250	100.0%	463,591	100.0%	119.6%

ASSETS

As of December 31, 2020, the Company showed an increase in assets of 119.6% or R\$554,659 thousand compared to December 31, 2019.

Current Assets

As of December 31, 2020, the Company's current assets increased by 146.6% or R\$170,637 thousand from R\$116,362 thousand as of December 31, 2019 to R\$286,999 thousand as of December 2020. This increase occurred mainly due to the increase in cash and cash equivalents (cash, cash equivalents and financial investments) in the amount of R\$137,290 thousand, mainly due to the higher net cash generated by operating activities and financing activities in the fiscal year ended December 31, 2020.

Non-current Assets

As of December 31, 2020, the Company's non-current assets increased by 110.6% or R\$384,022 thousand from R\$347,229 thousand as of December 31, 2019 to R\$731,251 thousand as of December 31, 2020. This increase occurred mainly due to the increase in property, plant and equipment in the amount of R\$330,784 thousand related to investments in infrastructure within the Company's growth strategy.

LIABILITIES AND EQUITY

As of December 31, 2020, the Company showed an increase in its liabilities and equity of 119.6% or \$554,659 thousand compared to December 31, 2019. This increase occurred mainly, to the factors described below.

Current Liabilities

As of December 31, 2020, the Company's current liabilities increased by 156.6% or R\$269,611 thousand, from R\$172,181 thousand as of December 31, 2019 to R\$441,792 thousand as of December 31, 2020. This change was mainly due to:

- increase of R\$108,524 thousand in the suppliers account due to the effect of the devaluation of the real on equipment imports; and
- increase of R\$147,130 thousand in the loans and financing account due to the greater need for funds for investments.

Non-Current Liabilities

As of December 31, 2020, the Company's non-current liabilities increased 144.6% or R\$265,576 thousand from R\$183,685 thousand as of December 31, 2019 to R\$449,261 thousand as of December 31, 2020. This increase occurred mainly due to the increase of R\$239,634 thousand in the loans and financing account related to the need for funds for expansion investments.

Equity

As of December 31, 2020, the Company's shareholders' equity increased by 18.1% from R\$107,725 thousand as of December 31, 2019 to R\$127,197 thousand as of December 31, 2020, representing

an increase of R\$19,472 thousand. This increase primarily reflects the profit recorded in the fiscal year ended December 31, 2020.

Year ended December 31, 2019 compared to year ended on December 31, 2018

(in R\$ thousand, except %)	On December 31, 2019 (restated)	AV (%)	On December 31, 2018 (restated)	AV (%)	AH (%)
Assets					
Current assets	38,810	8.4%	12,026	4.8%	222.7%
Cash and cash equivalents	38,810	8.4%	12,026	4.8%	222.7%
Short-term investments	4,669	1.0%	-	-	-
Trade accounts receivable	59,285	12.8%	29,155	11.7%	103.3%
Inventories	771	0.2%	168	0.1%	358.9%
Taxes recoverable	8,154	1.8%	3,686	1.5%	121.2%
Prepaid expenses	153	0.0%	403	0.2%	-62.0%
Other assets	4,520	1.0%	541	0.2%	735.5%
Total current assets	116,362	25.1%	45,979	18.5%	153.1%
Non-Current Assets					
Long-term receivables					
Short-term investments	38	0.0%	2,000	0.8%	(98.1)%
Taxes recoverable	13,292	2.9%	6,084	2.4%	119.1%
Transactions with related parties	1,200	0.3%	1,780	0.7%	-34.0%
Court-related deposits	742	0.2%	761	0.3%	-2.5%
Deferred income and social contribution taxes	2,333	0.5%	1,520	0.6%	53.5%
Other assets	-	-	38	0.0%	-100.0%
Right-of-use	9,901	2.1%	-	-	-
Property, plant and equipment	316,748	68.3%	190,173	76.5%	66.6%
Intangible assets	2,975	0.6%	206	0.1%	n.m
Total non-current assets	347,229	74.9%	202,562	81.5%	71.4%
TOTAL ASSETS	463,591	100.0%	248,541	100.0%	86.5%
LIABILITIES AND EQUITY					
Current liabilities					
Trade accounts payable	28,705	6.2%	19,137	7.7%	50.0%
Loans and financing	104,747	22.6%	60,553	24.4%	73.0%
Lease obligations	2,267	0.5%	-	-	-
Labor and social obligations	17,705	3.8%	8,386	3.4%	111.1%
Taxes payable	16,390	3.5%	8,482	3.4%	93.2%
Taxes paid in installments	1,574	0.3%	1,781	0.7%	-11.6%
Other accounts payables	793	0.2%	715	0.3%	10.9%
Total current liabilities	172,181	37.1%	99,054	39.9%	73.8%
Non-current liabilities					
Loans and financing	160,236	34.6%	73,407	29.5%	118.3%
Lease obligations	7,550	1.6%	-	-	-
Transactions with related parties	6,869	1.5%	5,148	2.1%	33.4%

Taxes paid in installments	7,092	1.5%	9,128	3.7%	-22.3%
Provision for contingencies	1,938	0.4%	452	0.2%	328.8%
Total non-current liabilities	183,685	39.6%	88,135	35.5%	108.4%
Equity					
Capital	66,209	14.3%	5	0.0%	n.m.
Income reserves	41,506	9.0%	59,650	24.0%	-30.4%
Future capital contributions	-	-	1,700	0.7%	(100.0)%
Non-controlling interests	10	0.0%	2	0.0%	400.0%
Total equity	107,725	23.2%	61,352	24.7%	75.6%
TOTAL LIABILITIES AND EQUITY	463,591	100.0%	248,541	100.0%	86.5%

ASSETS

As of December 31, 2019, the Company showed an increase in assets of 86.5% or R\$215,050 thousand compared to December 31, 2018.

Current Assets

As of December 31, 2019, the Company's current assets increased 153.1% or R\$70,383 thousand, from R\$45,979 thousand as of December 31, 2018 to R\$116,362 thousand as of December 31, 2019, mainly as a result of the changes commented below:

- R\$26,784 thousand increase in the balance of cash and cash equivalents, as a result of the higher cash generation at December 31, 2019; and
- increase of R\$30,130 thousand in the balance of trade accounts receivable, due to the higher number of customers as of December 31, 2019.

Non-Current Assets

As of December 31, 2019 the Company's non-current assets increased by 71.4% or R\$144,667 thousand, from R\$202,562 thousand as of December 31, 2018 to R\$347,229 thousand as of December 31, 2019, mainly due to the growth in Property, Plant and Equipment by R\$126,575 thousand, as a reflection of investment activities in its geographic expansion.

LIABILITIES AND EQUITY

As of December 31, 2019, the Company showed an increase in its liabilities and equity of 86.5% or R\$215,050 thousand compared to December 31, 2018.

Current Liabilities

As of December 31, 2019, the Company's current liabilities increased 73.8% or R\$73,127 thousand, from R\$99,054 thousand as of December 31, 2018 to R\$172,181 thousand as of December 31, 2019. This change was mainly due to the increase of R\$44,194 thousand in the loans and financing account, related to obtaining funds for expansion investments.

Non-Current Liabilities

As of December 31, 2019, the Company's non-current liabilities increased by 108.4% or R\$95,550 thousand, from R\$88,135 thousand as of December 31, 2018 to R\$183,685 thousand as of December 31, 2019, resulting mainly from the increase in the balance of loans and financing in the amount of R\$86,829 thousand, due to the raising of funds for investment.

Equity

As of December 31, 2019, the Company's shareholders' equity increased 75.6% from R\$61,352 thousand as of December 31, 2018 to R\$107,725 thousand as of December 31, 2019, representing an increase of R\$46,373 thousand. This increase primarily reflects net income for the year.

Consolidated Cash Flows

Four-month period ended April 30, 2021 compared to four-month period ended April 30, 2020

(in thousands of R\$, except %)	Four-month period ended April 30,		
	2021	2020	Var. (%)
Net cash generated from operating activities	120,562	63,778	89.0%
Net cash used in investing activities	(308,520)	(152,298)	102.6%
Net cash generated from financing activities	470,330	53,100	785.7%
Net increase (decrease) in cash and cash equivalents	282,372	(35,420)	897.2%

Net Cash Generated from Operating Activities

Net cash generated from operating activities increased by 89.0%, or R\$56.8 million, to R\$120.6 million in the four-month period ended April 30, 2021, from R\$63.8 million in the four-month period ended April 30, 2020.

This variation is mainly due to: (i) an increase in operating profit recorded in the four-month period ended April 30, 2021 compared to the corresponding period in 2020; and (ii) an increase in suppliers payable, resulting from exchange rate variation between the periods, since most of our inputs are imported, and an increase in the terms agreed with such suppliers, also for the exchange rate effect, in the four-month period ended April 30, 2021 compared to the corresponding period in 2020, as previously most imports were immediately paid (*pagamento à vista*).

Net Cash Used in Investing Activities

Net cash used in investing activities increased by 102.6%, or R\$156.2 million, to R\$308.5 million in the four-month period ended April 30, 2021, from R\$152.3 million in the four-month period ended April 30, 2020.

This variation is mainly due to the increase of R\$122.4 million in investments to expand the fixed broadband infrastructure network in the four-month period ended April 30, 2021, evidenced by the 64.9% increase in our customer base.

Net Cash Generated from Financing Activities

Net cash generated from financing activities increased by 785.7%, or R\$417.2 million, to R\$470.3 million in the four-month period ended April 30, 2021, from R\$53.1 million in the four-month period ended April 30, 2020.

This variation is mainly due to the proceeds in the amount of R\$500.0 million from debentures issued on March 15, 2021.

Year Ended December 31, 2020, Compared to Year Ended December 31, 2019

(in thousands of R\$, except %)	Fiscal Year ended December 31,		
	2020	2019 (restated)	Var. (%)

Net cash generated from operating activities	221,074	77,897	183.8%
Net cash used in investing activities	(418,198)	(177,752)	135.3%
Net cash generated from financing activities	329,418	126,639	160.1%
Net increase (decrease) in cash and cash equivalents	132,294	26,784	393.9%

Cash and cash equivalents

In the fiscal year ending December 31, 2020, there was an increase in the Company's cash and cash equivalents balance of R\$132,294 thousand, a growth of R\$105,510 thousand, or 25.4% compared to the growth the company showed in the fiscal year ending December 31, 2019.

Net Cash Generated from Operating Activities

Net cash generated from operating activities increased by 183.8%, or R\$143.2 million, to R\$221.1 million in the year ended December 31, 2020, from R\$77.9 million in the year ended December 31, 2019.

This variation is mainly due to the increase in operating profit recorded in the year ended December 31, 2020, and to the increase in suppliers payable, resulting from exchange rate variation between the years, with a depreciation of the real by 28.9%, since most of our inputs are imported and for the increase in the terms agreed with such suppliers, also for the exchange rate effect, as previously most imports were immediately paid.

Net Cash Used in Investing Activities

Net cash used in investing activities increased by 135.2%, or R\$240.4 million, to R\$418.2 million in the year ended December 31, 2020, from R\$177.8 million in the year ended December 31, 2019. This increase is mainly due to investments in the amount of R\$403.4 million made by us to expand the fixed broadband infrastructure network throughout 2020, evidenced by the inauguration of our services in certain capitals from the Northeast region and a 77.7% increase our customer base.

Net Cash Generated from Financing Activities

Net cash generated from financing activities varied R\$202.8 million, to R\$329.4 million in the year ended December 31, 2020, from R\$126.6 million in the year ended December 31, 2019. This variation is mainly due to loans and financings contracted during 2020 to fund planned investments.

Year Ended December 31, 2019, Compared to Year Ended December 31, 2018

(in thousands of R\$, except %)	For the year ended December 31,		
	2019 (restated)	2018 (restated)	Var. (%)
Net cash generated from operating activities	77,897	67,822	14.9%
Net cash used in investing activities	(177,752)	(117,766)	50.9%
Net cash generated from financing activities	126,639	50,944	148.6%
Net increase (decrease) in cash and cash equivalents	26,784	1,000	-

Cash and cash equivalents

For the fiscal year ending December 31, 2019, there was an increase in the Company's cash and cash equivalents balance in the amount of R\$26,784 thousand.

Net Cash Generated from Operating Activities

Net cash generated from operating activities increased by 14.9%, or R\$10.1 million, to R\$77.9 million in the year ended December 31, 2019, from R\$67.8 million in the year ended December 31, 2018. This variation is mainly due to the increase in gross profit in 2019, and to the increase in suppliers' payable as of December 31, 2019, compared to the amount as of December 31, 2018.

Net Cash Used in Investing Activities

Net cash used in investing activities increased by 50.9%, or R\$60.0 million, to R\$177.8 million in the year ended December 31, 2019, from R\$117.8 million in the year ended December 31, 2018. This variation is mainly due to the increase of R\$58.8 million in investments to expand the fixed broadband infrastructure network in 2019, evidenced by the 46.0% increase in customers' number.

Net Cash Generated from Financing Activities

Net cash generated from financing activities increased R\$75.7 million, to R\$126.6 million in the year ended December 31, 2019, from R\$50.9 million in the year ended December 31, 2018. This variation is mainly due to loans and financings contracted during the year to fund planned investments.

10.2 – Operational and Financial Results

(a) operational results

(i) important parts of the revenue

The Company, through its direct and indirect subsidiaries, works in a single telecommunications operating segment, with operations in the States of Ceará, Paraíba, Pernambuco, Alagoas, Sergipe, Piauí and Rio Grande do Norte. Below is a brief description of the telecommunications services comprised within the company's single segment:

Multimedia Communication Services (SCM)

The company offers a digital streaming service (BrisaMusic) that gives instant access to millions of songs, podcasts, videos and other content from artists around the world and in particular from the Northeast region.

Value-Added Services

The company offers auto-support and replay services for pay TV and caller ID in telephony.

IT Services

The company offers fixed broadband to homes and businesses over fiber-to-the-home (FTTH) and Gigabit passive network (GPON) networks, delivering speeds of up to 1 Gbps.

Equipment rental services

The Company leases to its customers the equipment made available - modem and landline phone.

Pay TV service operation – SeAC

The Company offers pay TV services with several options of packages with channels and options to meet the different types of customers.

Sale of Fixed Commuted Telephony Services (STFC)

The Company's portfolio of fixed and mobile telephone services includes local calls and national and international long distance calls, provided on a private basis.

Sale of goods

Comprises the sale of chips for mobile devices, within the context of the MVNO ("Mobile Virtual Network Operator") services provided by the Company.

The table below presents the Company's net revenue for the four-month periods ending April 30, 2021 and 2020, as well as for the fiscal years ending December 31, 2020, 2019, 2018:

(in thousands of R\$, except %)	Four-month period ended April 30				Fiscal year ending December 31					
	2021	%	2020	%	2020	%	2019	%	2018	%
Gross sales revenue										
Services provided	244,782	111.8%	146,475	111.5%	539,405	114.3%	336,020	114.7%	242,761	113.0%
Resale of goods	187	0.1%	-	-	650	0.1%	-	-	1	0.0%
Receivables	6,182	2.8%	5,243	4.0%	10,373	2.2%	4,927	1.7%	3,768	1.8%
Total gross revenue	251,151	114.7%	151,718	115.5%	550,428	116.7%	340,947	116.4%	246,530	114.7%
Deductions										
Taxes on turnover	(50,421)	(23.0)%	(26,382)	(20.1)%	(112,412)	(23.8)%	(47,985)	(16.4)%	(31,671)	(14.7)%

Tax benefits	18,253	8.3%	5,975	4.6%	33,758	7.2%	-	-	-	-
Total deductions	(32,168)	(14.7)%	(20,407)	(15.5)%	(78,654)	(16.7)%	(47,985)	(16.4)%	(31,671)	(14.7)%
Net operating revenue	218,983	100.0%	131,311	100.0%	471,774	100.0%	292,962	100.0%	214,859	100.0%

The average growth in the Company's net operating revenue reflects the increase in the fixed broadband subscriber base, which grew 45.0% in the fiscal year ending December 31, 2019 and 77.7% in the fiscal year ending December 31, 2020.

(ii) factors that materially affected the operational results

The Company's results of operations for the four months ended April 30, 2021 were influenced by the following main factors: (i) fixed broadband subscriber numbers, which grew by 64.9% compared to the four-month period ended April 30, 2020 grew ; and (ii) costs related to salaries and wages, which represented 35.2% of the Company's total costs and expenses.

The Company's results of operations for the fiscal year ended December 31, 2020 were influenced by the following main factors: (i) fixed broadband subscriber numbers, which grew 77.7% in 2020; and (ii) costs related to salaries and wages, which represented 38.6% of the Company's total costs and expenses.

The Company's results of operations for the fiscal year ended December 31, 2019 were influenced by the following main factors: (i) fixed broadband subscriber numbers, which grew 45.0% in 2019; and (ii) costs related to salaries and wages, which represented 39.7% of the Company's total costs and expenses.

The Company's results of operations for the fiscal year ended December 31, 2018 were influenced by the following main factors: (i) fixed broadband subscriber numbers, which grew 62.1% in 2018; and (ii) costs related to salaries and wages, which represented 34.8% of the Company's total costs and expenses.

(b) variations in revenues due to changes in prices, exchange rates, inflation, changes in volumes and introduction of new products and services

The Directors understand that the Company's revenues are impacted only by the change in the volume of services provided by the Company, especially due to the increase in subscribers, derived from the growing demand for fixed broadband internet and the Company's expansion movement to new cities. Item 10.2(a)(ii) presents the changes in the number of subscribers between the periods and years presented.

(c) impact of inflation, price variation, exchange and interest rates on the Company's operating and financial results

Our net operating revenue is directly impacted by changes in inflation rates considering that certain operating costs and expenses are incurred in reais and are, directly or indirectly, indexed to inflation rates such as the IGP-M and the IPCA.

For example, our salaries and wages are tied to the IPCA, affecting negotiations with labor unions with respect to compensation adjustments under collective bargaining agreements and, consequently our overall salaries and wages expenses.

Our operating results may be affected by variation of interests rates and foreign exchange rates since we have entered into financial agreements that are indexed to the CDI and approximately 14% of our Gross Debt is denominated in U.S. dollars.

Historically, we have not monitored the impacts of inflation, of the changes in the prices of the main inputs and products and of the exchange and interest rates on our operating and financial results. For more information, see “Risk Factors—Risks Related to Our Business and Industry—Historically, we have not monitored the impacts of inflation, of the changes in the prices of the main inputs and products and of the exchange and interest rates on our operating and financial results.

10.3 - Events with relevant effects, both actual and expected, on the financial statements

(a) inclusion or alienation of an operating segment

There was not, in the last fiscal year, the inclusion or alienation of any of the Company's operating segments.

(b) incorporation, acquisition or disposal of ownership interest

Material information on the incorporation, acquisition or disposal of equity interest involving the Company and a company of its economic group has already been disclosed in item 15.7 of this Reference Form. The effects of the acquisitions made by the Company are described in item 10.1(f).

(c) unusual events or operations

With the exception of the impacts caused by COVID-19 on the Company's results, as detailed in item 10.9, we inform that there were no unusual events or operations in the last fiscal year regarding the Company or its activities that have caused or are expected to cause a material effect on the Company's financial statements or results.

10.4 - Significant Changes in Accounting Practices

(a) Significant Changes in Accounting Practices

Standards adopted as of January 1, 2020

Amendments to CPC 15 (R1): Business Definition

The amendments to CPC 15 (R1) clarify that, to be considered a business, an integrated set of activities and assets must include, at least, an input - resources entry and a substantive process that, together, significantly contribute to the ability to generate output (resources output).

Furthermore, it clarified that a business can exist without including all the inputs (resources entry) and processes necessary to create outputs (resources output). These changes had no impact on ours and our subsidiaries' individual and consolidated financial statements but may impact future periods if we enter into any business combinations.

Amendments to CPC 38, CPC 40 (R1) and CPC 48: Reference Interest Rate Reform

Amendments to Pronouncements CPC 38 and CPC 48 provide for exemptions that apply to all protective relationships directly affected by the reference interest rate reform. A protective relationship is directly affected if the reform raises uncertainties about the period or cash flows amount based on the reference interest rate of the hedged item or hedging instrument. These changes have no impact on ours and our subsidiaries' individual and consolidated financial statements.

Amendments to CPC 26 (R1) and CPC 23: Definition of Material

The amendments provide a new definition of "material," clarifying that the information is material whether its omission, distortion or obscurity could reasonably influence decisions that primary users of general purpose financial statements make based on those financial statements, which provide financial information on an entity's specific report. The changes clarify that the materiality will depend on the nature or magnitude of the information, individually or in combination with other information, in the context of the financial statements. Distorted information is material if it could reasonably be expected to influence decisions made by primary users. These amendments had no impact on our current financial statements, nor is it expected to have any future impact for us.

New standards and interpretations not yet in force

New and amended standards and interpretations issued, but not yet in force until the issuance date of ours and our subsidiaries' individual and consolidated financial statements, are described below. We and our subsidiaries intend to adopt these new and amended standards and interpretations, if applicable, when they come into force:

IFRS 17 - Insurance agreements

In May 2017, IASB issued the IFRS 17 - Insurance Agreements (rule not yet issued by CPC in Brazil, but which will be codified as CPC 50 - Insurance Agreements, replacing CPC 11 - Insurance Agreements), a new accounting standard including insurance agreements that comprises recognition and measurement, presentation and disclosure. Once effective, IFRS 17 (CPC 50) will replace IFRS 4 - Insurance Agreements (CPC 11) issued in 2005. IFRS 17 applies to all types of insurance agreements (such as life, loss, damage or liability (ramos elementares), direct insurance and reinsurance), regardless of the type of entity that issues them, as well as certain guarantees and financial instruments with characteristics of discretionary participation. This rule does not apply to us and our subsidiaries.

Amendments to IAS 1: Classification of liabilities as current or non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1, related to CPC 26, in order to specify the requirements for classifying liabilities as current or non-current. The changes clarify:

- what a right to postpone settlement means;
- that the right to postpone must exist on the reporting date;
- that this classification is not affected by the chance that an entity will exercise its postponement right; and
- that only if a derivative embedded in a convertible liability is itself an equity instrument, the terms of a liability would not affect its classification.

Changes are effective for periods beginning January 1, 2023, and must be applied retrospectively.

(b) significant effects of changes in accounting practices

There were no significant effects as a result of changes in accounting practices in the current period and in the last three fiscal years.

(c) reservations and emphases in the auditor's report

There were no reservations and no emphases present in the independent auditor's review report for the four-month period ended April 30, 2021 and in the audit report for the fiscal year ended December 31, 2020.

However, it is important to pay attention to note 2.7 of the financial statements for the years ended December 31, 2019 and 2018, which were amended and were restated on May 27, 2021, to present the statements of value added and earnings per share aiming at correcting errors and reclassifying the accounting balances described in such note and improving certain disclosures in explanatory notes. On September 1, 2020 and May 28, 2020, the auditors issued unmodified audit reports on the Company's financial statements for the years ended December 31, 2019 and 2018, respectively, which are being restated as of July 6, 2021. The independent auditors' opinion remains unmodified, since the financial statements and their amounts corresponding to prior periods have been retrospectively adjusted.

10.5 - Critical Accounting Policies

Our financial statements have been prepared in accordance with IFRS and the accounting practices adopted in Brazil, including the pronouncements issued by the CPC and approved by the CVM. However, in the preparation of our financial statements, we apply critical accounting policies, including estimates and judgments, as set forth below.

Decrease to assets' recoverable amount

At each fiscal year-end, we and our subsidiaries review balances of property, plant and equipment and intangible assets, assessing the existence of indicators that these assets have suffered a decrease in their recoverable amounts (amount in use). If such indicators are identified, management performs a detailed analysis of the recoverable amount for each asset by calculating the individual future cash flow discounted at present value, adjusting the respective asset balance, if necessary.

Provision for labor, tax and civil risks

We and our subsidiaries are parties to legal and administrative proceedings. Provisions are made for all legal proceedings with a probable chance of loss, estimated with a certain degree of certainty. The assessment of the chance of loss includes the evaluation of available evidence, hierarchy of laws, available precedents, the most recent court decisions and their importance in the legal system, as well as the assessment of external counsel.

Management believes that these provisions for tax, civil and labor risks are properly recorded in the financial statements and are sufficient to cover possible losses.

Current and deferred taxes

There are uncertainties regarding the interpretation of complex tax regulations and the amount and timing of future taxable income. We and our subsidiaries record provisions deemed sufficient to cover possible risks related to the interpretation of certain legal matters.

Deferred tax assets are calculated based on a study on expected future taxable income. This study is annually reviewed and approved by management. Projections for future results consider the main variables of the Brazilian economy performance, the volume and margin of sales contribution and tax rates.

Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in active markets is determined using valuation techniques. We and our subsidiaries use our best judgment to choose different methods and define assumptions that are mainly based on market conditions existing at the balance sheet date.

Useful life of intangible and property, plant and equipment assets

Depreciation or amortization of property, plant and equipment and intangible assets consider management's best estimate of these assets use throughout our operations. Changes in the economic scenario and/or in the consumer market may require the revision of these useful life estimates.

10.6 - Relevant items not evidenced in the financial statements

(a) Off-balance sheet items

(i) operating leasings

Our Management clarifies that there are no operating leases, assets or liabilities, not evidenced in the Company's balance sheets in the current period and in the last fiscal year.

(ii) portfolios of receivables written-offs

Our Management clarifies that there are no written-off receivables portfolios over which the entity maintains risks and responsibilities not evidenced in the Company's balance sheets in the current period and in the last fiscal year.

(iii) future purchase and sale contracts

Our Management clarifies that there are no future purchase and sale contracts for products or services that are not evidenced in the Company's balance sheets in the current period and in the last fiscal year.

(iv) unfinished construction contracts

Our Management clarifies that there are no unfinished construction contracts that are not evidenced in the Company's balance sheets in the current period and in the last fiscal year.

(v) receivable financing future contracts

Our Management clarifies that there are no receivable financing future contracts that are not evidenced in the Company's balance sheets in the current period and in the last fiscal year.

(b) other items not evidenced in the financial statements

Our Management informs that there are no other items not evidenced in the financial statements for the current and last fiscal year.

10.7 - Items not evidenced in the financial statements

(a) how such items change or may change revenues, expenses, operating income, financial expenses or other financial statement items

Not applicable, since there are no items not evidenced in the Company's financial statements for the last fiscal year.

(b) nature and purpose of the operation

Not applicable, since there are no items not evidenced in the Company's financial statements for the last fiscal year.

(c) the nature and amount of the obligations assumed and the rights generated in favor of the issuer as a result of the operation

Not applicable, since there are no items not evidenced in the Company's financial statements for the last fiscal year.

10.8 – Business Plan

(a) investments

(i) quantitative and qualitative description of ongoing and planned investments

The Company informs that in the four-month period ended April 30, 2021, it disbursed R\$222,951 thousand in investments, of which R\$214,581 thousand were invested in expanding the Company's fiber optic network and R\$8,370 thousand were invested in telecommunications infrastructure exploration rights.

As of the date of this Report, the Company continues to invest in the expansion of its geographic area and foresees investments in the amount of approximately R\$450,000 thousand in 2021 to be allocated to its organic growth plan and to the expansion of the franchise project.

(ii) investment financing sources

The Directors clarify that the investments will be financed through the company's own resources, derived from its cash generation, and third-party resources. In addition, the company is going through a registration process for a primary and secondary public offering of shares ("**Offering**"), and if the Offering is actually carried out, the funds raised as a result of the primary part of the Offering will be used for the following purposes: (i) Brisagnet's organic growth plan; and (ii) expansion of the Company's franchise project.

(iii) relevant divestitures in progress and planned divestitures

Not applicable, since the Company has no business plan or relevant divestitures in progress or planned.

(b) once already disclosed, indicate the acquisition of plants, equipment, patents or other assets that should materially influence the Company's production capacity

Not applicable, since there was no acquisition of any plants, equipment or other assets that could significantly influence the Company's production capacity.

(c) new products and services

- **Família Protegida** (Protected Family): consists of filtering adult content from the Internet; it has a block list with more than 700,000 sites with content unsuitable for children;
- **Conecta+** (Connect more): provides the client with high performance equipment via cable and wi-fi where it will be possible to cover areas of the home that were previously unreachable;
- **Novo Play** : new TV and VOD streaming service, unifying on a single video platform to provide a multi-screen experience; e
- **Videomonitoring**: is a service that provides public monitoring with intelligence and various analytics such as facial recognition, vehicle identification, people counting, and many other features.

(i) description of the disclosed research in progress

Not applicable, since the Company has no research in progress.

(ii) total amounts spent on research for development of new products or services

Not applicable, according to item (i) above.

(iii) ongoing projects already disclosed

Not applicable, according to item (i) above.

(iv) total amounts spent on the development of new products or services

Not applicable, according to item (i) above.

10.9 - Other factors with relevant influence

Our Tax Benefits and Subsidies

Our subsidiaries enjoy the following tax benefits:

Brisanet Serviços de Telecomunicações S.A.

- State tax benefit, granted by the state of Ceará as established in the Value-Added Tax (Imposto sobre Circulação de Mercadorias e Serviços), or ICMS, Agreement 19/18 (Convênio ICMS 19/18) together with Decree No. 32,691/18 and Decree No. 33,327/19. This benefit allows the reduction of the ICMS tax base by 75% on the internal provision of communication services in the state of Ceará, with a six-month term always renewable for the same period upon request to the State Finance Secretariat (Secretaria da Fazenda do Estado), or SEFAZ/CE. Currently, the term of the agreement in force is valid until July 31, 2021, and a renewal request has already been filed with SEFAZ/CE.
- State tax benefit, granted by the state of Paraíba as established in the ICMS Agreement 19/18 (Convênio ICMS 19/18) together with Decree No. 39,992/19. This benefit allows the reduction of the ICMS tax base by 75% on the internal provision of communication services in the state of Paraíba, with a 10-year term. The term of the agreement in effect is valid until September 30, 2030.
- SUDAN/SUDENE, tax benefit established by Provisional Measure No. 2,199/14 together with Decree No. 4,213/02, granted through Constitutive Reports No. 0214/2017, 0147/2018 and 0171/2018. This benefit allows the reduction of income tax and additional taxes by 75%, calculated based on the operating profit, with a 10-year term. In the case of Brisanet Serviços de Telecomunicação Ltda., the term of the agreement is valid until December 31, 2027, whereas in the case of its branches, the term is valid until December 31, 2028.

Universo Serviços de Telecomunicações Ltda. ME

- State tax benefit, granted by the state of Ceará as established in the ICMS Agreement 19/18 (Convênio ICMS 19/18) together with Decree No. 32,691/18 and Decree No. 33,327/19. This benefit allows the reduction of the ICMS tax base by 75% on the internal provision of communication services in the state of Ceará, with a six-month term always renewable for the same period upon request to the SEFAZ/CE. Currently, the term of the agreement is valid until April 30, 2021.
- SUDAN/SUDENE, tax benefit established by Provisional Measure No. 2,199/14 together with Decree No. 4,213/02, granted through Constitutive Reports No. 0081/2019. This benefit allows the reduction of income tax and additional taxes by 75%, calculated based on the operating profit, with a 10-year term. The term of the agreement in effect is valid until December 31, 2028.

Selected unaudited financial information of certain companies under common control

As of the date of this offering memorandum, we acted as guarantors in respect of certain financing agreements with certain financial institutions, entered into by certain companies under common control (Nossa Fruta Brasil Indústria de Alimentos Ltda., Agility Segurança Ltda., Agility Serviços de Telecomunicações Ltda. and Agritec Semiárido Ltda.). These companies are directly or indirectly controlled by Mr. José Roberto Nogueira (our controlling shareholder and CEO) and perform activities unrelated to the sector of activity of our economic group. As of April 30, 2021, the aggregate

outstanding amount of these financing agreements for which we acted as guarantors was R\$25.3 million.

Because of the provision of such guarantees, the Company monitors the financial condition of these jointly-controlled companies on an annual basis. The following is certain unaudited financial information for the companies:

	Nossa Fruta Brasil Indústria de Alimentos Ltda.		Agility Segurança Ltda.		Agritech Semiárido Ltda.	
	2019	2020	2019	2020	2019	2020
	<i>(in millions of R\$)</i>		<i>(in millions of R\$)</i>		<i>(in thousands of R\$)</i>	
Gross Revenue	28,5	40,4	1,7	3,8	208	57
Gross Profit	10,4	14,8	1,1	1,7	-	-
Net (Loss) Profit	-10,1	-9,0	-0,8	-0,9	-378	-651
Net Debt	19,9	31,2	0,5	1,9	-210	447
Equity	-7,8	-14,0	0,002	-0,9	738	1.586

The granting of guarantees, by us or our subsidiaries, for the benefit of companies under common control with us may not be aligned with our best interests, and may expose us to risks that are different than our corporate purpose, our activities and even other risks otherwise described in this report. For more information about the risks related to such guarantees, see the risk factor under the heading "As of the date of this Reference Form, the Company provided guarantees for the benefit of certain companies under common control" in item 4.1.

For more information about the risks related to the use of selected unaudited financial information of certain companies under common control with the Company as collateral, see the risk factors in item 4.1 above.

Impacts of the COVID-19 pandemic on our activities

Since the beginning of the pandemic, our managers have been monitoring the impacts of the COVID-19 and possible material uncertainties related to events or conditions that could cast significant doubts on our ability to continue our operations.

The impacts of the COVID-19 pandemic did not affect our cash flow and revenue, as there was a significant increase in customers with greater demand for internet access, which led to an increase in the generation of cash and cash equivalents.

Due to the beginning of the lockdown in March 2020, we renegotiated our lease agreements so that we would have a reduction in the installments between the months of March and June. The decision taken by our management resulted from the uncertainties that the pandemic would bring to the continuity of our business.

In line with government decrees and guidelines issued by the health authorities, we have also adopted all measures to guarantee health protocols and full feasibility of the activities' routine of our employees, suppliers and customers, including the adoption of videoconferences for meetings and training, home office work and personalized remote customer service, in addition to other security measures.

Except for the appreciation of the U.S. dollar, to R\$5.585 on March 16, 2021, from R\$4.031 on December 31, 2019, as a reflection of the recession in Brazil, we have not identified so far, with respect to our operations, significant material impacts related to the COVID-19 pandemic. In this scenario, we used derivative hedging instruments, exchange protection, to minimize the effects and manage cash flow, without harming our growth plans.

Social Responsibility, Sponsorship and Cultural Incentive

Patrocínio a Times de Futebol

When we choose to sponsor a soccer team, our intention is to go beyond visibility, striving to help boost northeastern clubs in championships, as their prominence means a positive return for the Northeast region. We want and will be closer and closer to the fans, who are often also our customers. For this, we support northeastern soccer, an important flag that synthesizes our essence while contributing to a greater extension of the brand. We officially sponsor teams such as Ceará (CE), Fortaleza (CE), Botafogo (PB), Treze (PB), Campinense (PB), ABC de Natal (RN) and América de Natal (RN).

NeoTV Best of the Year Award (2013, 2015, 2016 and 2017)

Award held annually by the Associação NEOTV, which awards the best companies in the cable TV and internet markets in the country. Founded in August 1999, Associação NEO has 180 member companies that serve in more than 5,000 municipalities, reaching 99% of households in Brazil. We were awarded as one of the best internet companies in 2013, 2015, 2016 and 2017.

Medal of Merit in Communications (2017)

Created by Decree No. 87,479/1982, the honor is given by the Brazilian Federal Government to personalities from different areas for significant services provided to the communication sector. In 2016, we received such honor from the Brazilian Ministry of Communications by the hands of the Minister at the time, Mr. André Figueiredo.

Transformadores Award by Trip Magazine (2017)

The Transformadores Trip award encourages new ways of being and acting by honoring people who help to promote the advancement of collective work and of others with ideas and initiatives of great impact or originality. The 2017 edition, which included our founder, José Roberto Nogueira, celebrated and honored the main personalities who dedicated their time, talent and energy in thinking about a different Brazil.

Ernst & Young Award (2017)

Conceived and promoted by EY since 1998 in Brazil, the Entrepreneur of the Year Program aims to identify, recognize and contribute to business leaders from different sectors and markets who, with their vision of the future, have something in common: the will to transform the reality of the country, leaving their legacy and contributing to the construction of a better business world. In the 2017 edition, our CEO took the Entrepreneur of the Year award in the Emerging category, which recognizes innovative entrepreneurs in businesses with high potential for expansion.

Recognition by the Global Endeavor Organization (2017)

The recognition was granted by Endeavor, a network formed by entrepreneurs at the head of the fastest growing scale-ups in the world and which are great examples for the country. The organization has been operating in Brazil since 2000, with active operations in eight states, supporting hundreds of high-impact entrepreneurs, fostering the Brazilian entrepreneurial ecosystem.

Veja-Se Award (2017)

VEJA-SE is an award promoted by the Veja magazine that seeks to value the inspiring stories of citizens with exceptional performance who have stood out as agents of change in Brazilian society. The selection of winners is done in stages: popular vote (through the Veja website); votes of members of an External Judging Committee (comprised of 12 important personalities); and votes from an Internal Judging Committee, comprised of three professionals from Veja's newsroom. In 2017, our CEO, José Roberto Nogueira, won in the Innovation category.

ANATEL Satisfaction Survey (2017, 2018, 2019 and 2020)

Survey to measure satisfaction and quality perceived by consumers of telecommunications services carried out annually, since 2015, in the second half of each year. The survey is carried out by ANATEL, the Brazilian state agency responsible for regulating the Brazilian telecommunications sector, by inspecting, editing rules and mediating conflicts between operators and consumers.

Our recognition history:

- 2017: First place in satisfaction in Ceará;
- 2018: First place in satisfaction in Ceará and Rio Grande do Norte;
- 2019: First place in satisfaction in Ceará, Rio Grande do Norte and Paraíba; and first in the Northeast region; and
- 2020: First place in satisfaction in Brazil; and first place in Ceará, Paraíba, Pernambuco and Rio Grande do Norte.

iBest Award Finalist (2020)

Perceived as an "Oscar" in the sector, the iBest award was considered the main quality reference for internet-related projects in the country between 1995 and 2006. In the 2020 edition, iBest awarded the 53 best digital initiatives in the country, in a selection that considers presence not only on websites, but also on apps, on YouTube, Facebook, Instagram and Twitter. In that same year, we were one of the finalists, taking the TOP 3 in the Best Broadband category (popular jury), being considered one of the three most important among the best in the Digital Universe in Brazil.

RA1000 Seal of Excellence from Reclame Aqui (2021)

The RA1000 Seal was created with the purpose of highlighting companies that have excellent service rates on ReclameAQUI. Companies that have this seal demonstrate to their consumers their commitment to after-sales, increasing the trust level in their brand, products and services. For a company to qualify with the RA1000 seal, it is necessary to meet the five criteria: (i) have a number of evaluations equal to or greater than 50; (ii) have a response rate equal to or greater than 90%; (iii) have a solution rate equal to or greater than 90%; (iv) have an average of ratings (given by the consumer) equal to or greater than seven; and finally, (v) have a new business rate equal to or greater than 70%.

Informações contábeis referentes ao período de três meses findo em 31 de março de 2021

Com a finalidade de permitir uma melhor comparabilidade com outras companhias abertas no setor de telecomunicações, a Companhia apresenta nas tabelas abaixo as informações contábeis selecionadas referentes ao período de três meses findo em 31 de março de 2021, de forma complementar as informações apresentadas ao longo do item 10.

Statements of Profit and Loss Data

Three-month period ended March 31, 2021 compared to three-month period ended March 31, 2020

(in thousands of R\$, except %)	Three-month period ended March 31				
	2021	AV (%)	2020	AV (%)	Var. (%)
Net operating revenue	164,129	100.0%	98,014	100.0%	67.5%
Cost of services	(81,208)	(49.5)%	(46,193)	(47.1)%	75.8%
Gross profit	82,921	50.5%	51,821	52.9%	60.0%
Administrative expenses	(35,031)	(21.3)%	(21,107)	(21.5)%	66.0%
Selling expenses	(13,777)	(8.4)%	(9,320)	(9.5)%	47.8%
Tax expenses	(964)	(0.6)%	(1,182)	(1.2)%	(18.4)%
Other operating expenses, net	(6,640)	(4.0)%	(17,782)	(18.1)%	(62.7)%
Income before financial income (expenses) and taxes	26,509	16.2%	2,430	2.5%	990.9%
Financial income	10,242	6.2%	2,030	2.1%	404.5%
Financial expenses	(40,383)	(24.6)%	(19,818)	(20.2)%	103.8%
Financial income/(expenses)	(30,141)	(18.4)%	(17,788)	(18.1)%	69.4%
Income (loss) before income tax and social contribution	(3,632)	(2.2)%	(15,358)	(15.7)%	(76.4)%
Income tax and social contribution	(3,592)	(2.2)%	(3,396)	(3.5)%	5.8%
Net income (loss) for the period/year	(7,224)	(4.4)%	(18,754)	(19.1)%	(61.5)%

Net operating revenue

The Company's net operating revenue increased by 67.5% or R\$66,115 thousand, from R\$98,014 thousand in the three-month period ended March 31, 2020 to R\$164,129 thousand in the three-month period ended March 31, 2021. This change occurred mainly due to the growth in the number of fixed broadband subscribers, which increased from 403,852 as of March 31, 2020 to 674,821 as of March 31, 2021, a growth of 67.1%.

Cost of services

In the three-month period ended March 31, 2021, the Company's costs of services rendered increased by 75.8% or R\$35,015 thousand from R\$46,193 thousand in the three-month period ended March 31, 2020 to R\$81,208 thousand in the three-month period ended March 31, 2021. This increase in costs, can be observed due to the growth in variable costs related to the growth in the number of subscribers and the higher depreciation for the period due to the investments made in the expansion of the Company's fiber optic network infrastructure.

Gross profit

In the three-month period ended March 31, 2021, the Company's gross profit increased 60.0% or R\$31,100 thousand from R\$51,821 thousand in the three-month period ended March 31, 2020 to R\$82,921 thousand in the three-month period ended March 31, 2021. The increase in gross profit is mainly associated with the increase in net operating revenue due to the growth in the number of

subscribers, from 52.9% in the three-month period ended March 31, 2020 to 50.5% in the same period of 2021.

Operating Expenses

Administrative expenses

The Company's administrative expenses increased 66.0% to R\$35,031 thousand for the three-month period ended March 31, 2021, compared to R\$21,107 thousand for the three-month period ended March 31, 2020. This variation occurred mainly due to the growth of the support structure - accounting, legal, collection, human resources - to keep up with the Company's regional expansion.

Selling expenses

The Company's selling expenses increased 47.8%, or R\$4,457 thousand, to R\$13,777 thousand for the three-month period ended March 31, 2021, compared to R\$9,320 thousand for the three-month period ended March 31, 2020. This variation occurred mainly due to the higher number of sales and sales commissions, in line with the growth of the Company's subscriber base.

Tax expenses

The Company's tax expenses decreased by 18.4%, or R\$218 thousand, to R\$964 thousand for the three-month period ended March 31, 2021, compared to R\$1,182 thousand for the three-month period ended March 31, 2020. This variation occurred mainly due to the lower IPVA with the rental of the vehicle fleet as from January 2021..

Other operating expenses, net

Other net operating expenses decreased 62.7% to R\$6,640 thousand for the three months ended March 31, 2021 compared to R\$17,782 thousand for the three months ended March 31, 2020. This change occurred mainly due to the lower allowance for doubtful accounts in the three-month period ended March 31, 2021.

Income before financial income (expenses) and taxes

The Company's Income before financial results and taxes increased by R\$24,079 thousand or 990.9%, representing a profit of R\$26,509 thousand for the three-month period ended March 31, 2021, compared to a profit of R\$2,430 thousand for the three-month period ended March 31, 2020. This variation occurred due to the points already listed above.

Financial income

Financial income showed a positive variation of R\$8,212 thousand or 410.0%, from R\$10,242 thousand in the three-month period ended March 31, 2021, compared to R\$2,030 thousand in the three-month period ended March 31, 2020. This variation occurred due to the positive results from derivative operations (currency hedge) in 2021, these operations were contracted as of the second half of 2020.

Financial expenses

As despesas financeiras apresentaram um aumento de R\$20.565 mil ou 103,8%, de R\$40.383 mil no período de três meses findo em 31 de março de 2021, comparado às despesas de R\$19.818 mil no período de três meses findo em 31 de março de 2020. Essa variação ocorreu devido a maior despesa de juros, que cresceu R\$19.266 mil no período de três meses findo em 31 de março de 2021 quando comparado ao mesmo período de 2020.

Financial income/(expenses)

In the three-month period ended March 31, 2021, the Company's financial result was an expense of R\$30,141 thousand, an increase of 69.4% or R\$12,353 thousand when compared to R\$17,788 thousand in the three-month period ended March 31, 2020. This performance is mainly explained by the variations in financial expenses and income as explained above.

Income tax and social contribution

The Company's income tax and social contribution increased by R\$196 thousand or 5.8% to R\$3,592 thousand for the three months ended March 31, 2021 compared to R\$3,396 thousand for the three months ended March 31, 2020. This change was primarily due to lower income before tax in the three months ended March 31, 2021, as seen above.

Net income (loss) for the period/year

In the three-month period ended March 31, 2021, the Company's loss varied by 61.5% or R\$11,530 thousand from a loss of R\$18,754 thousand in the three-month period ended March 31, 2020, to a loss of R\$7,224 thousand in the three-month period ended March 31, 2021. This change occurred due to the factors identified in the items above and their relative impact.

Consolidated Statements of Financial Position

As os March 31, 2021 compared to December 31, 2020

(in thousands of R\$, except %)	On March 31, 2021	AV (%)	On December 31, 2020	AV (%)	Var. (%)
ASSETS					
Current assets					
Cash and cash equivalents	57,423	5.3%	171,104	16.8%	(66.4)%
Short-term investments	45,487	4.2%	9,665	0.9%	370.6%
Trade accounts receivable	81,560	7.5%	69,555	6.8%	17.3%
Inventories	277	0.0%	525	0.1%	(47.2)%
Taxes recoverable	20,885	1.9%	18,424	1.8%	13.4%
Derivative operations	3,502	0.3%	3,701	0.4%	(5.4)%
Prepaid expenses	784	0.1%	1,398	0.1%	(43.9)%
Other assets	10,249	0.9%	12,627	1.2%	(18.8)%
Total current assets	220,167	20.2%	286,999	28.2%	(23.3)%
Non-current assets					
Short-term investments	6,480	0.6%	6,480	0.6%	-
Taxes recoverable	25,283	2.3%	23,166	2.3%	9.1%
Transactions with related parties	984	0.1%	1,153	0.1%	(14.7)%
Court-related deposits	937	0.1%	905	0.1%	3.5%
Derivative operations	9,555	0.9%	8,217	0.8%	16.3%

(in thousands of R\$, except %)	On March 31, 2021	AV (%)	On December 31, 2020	AV (%)	Var. (%)
Prepaid expenses	-	-	778	0.1%	(100.0)%
Deferred income and social contribution taxes	1,904	0.2%	2,144	0.2%	(11.2)%
Other assets	814	0.1%	38	0.0%	n.m.
Right-of-use	44,270	4.1%	34,117	3.4%	29.8%
Property, plant and equipment	764,432	70.2%	647,532	63.6%	18.1%
Intangible assets	14,700	1.3%	6,721	0.7%	118.7%
Total non-current assets	869,359	79.8%	731,251	71.8%	18.9%
TOTAL ASSES	1,089,526	100.0%	1,018,250	100.0%	7.0%
LIABILITIES					
Current liabilities					
Trade accounts payable	174,960	16.1%	137,229	13.5%	27.5%
Loans and financing	285,995	26.2%	251,877	24.7%	13.5%
Lease obligations	16,384	1.5%	5,562	0.5%	194.6%
Labor and social obligations	36,715	3.4%	27,100	2.7%	35.5%
Taxes payable	17,997	1.7%	18,100	1.8%	(0.6)%
Taxes paid in installments	968	0.1%	1,274	0.1%	(24.0)%
Derivative operations	-	-	151	0.0%	(100.0)%
Other accounts payables	897	0.1%	499	0.0%	79.8%
Total current liabilities	533,916	49.0%	441,792	43.4%	20.9%
Non-current liabilities					
Loans and financing	391,123	35.9%	399,870	39.3%	(2.2)%
Lease obligations	27,409	2.5%	27,912	2.7%	(1.8)%
Transactions with related parties	11,501	1.1%	12,161	1.2%	(5.4)%
Taxes paid in installments	6,560	0.6%	6,589	0.6%	(0.4)%
Provision for contingencies	748	0.1%	2,729	0.3%	(72.6)%
Total non-current liabilities	437,341	40.1%	449,261	44.1%	(2.7)%
EQUITY					
Capital	66,209	6.1%	66,209	6.5%	-
Income reserves	59,278	5.4%	60,982	6.0%	(2.8)%

(in thousands of R\$, except %)	On March 31, 2021	AV (%)	On December 31, 2020	AV (%)	Var. (%)
Retained earnings (accumulated losses)	(7,238)	(0.7)%	-	-	-
Total equity	118,249	10.9%	127,191	12.5%	(7.0)%
Non-controlling interests	20	0.0%	6	0.0%	233.3%
TOTAL EQUITY	118,269	10.9%	127,197	12.5%	(7.0)%
Total liabilities and equity	1,089,526	100.0%	1,018,250	100.0%	7.0%

ASSETS

As of March 31, 2021, the Company had an increase in assets of 7.0% or R\$71,276 thousand compared to December 31, 2020.

Current Assets

As of March 31, 2021, the Company's current assets showed a decrease of 23.3% or R\$66,832 thousand from R\$286,999 thousand as of December 31, 2020 to R\$220,167 thousand as of March 31, 2021. This increase occurred mainly due to the decrease of R\$77,859 thousand in cash and cash equivalents and financial investments mainly due to net cash invested in investing activities in the three-month period ended March 31, 2021.

Non-Current Assets

As of March 31, 2021, the Company's non-current assets increased by 18.9% or R\$138,108 thousand from R\$731,251 thousand as of December 31, 2020 to R\$869,359 thousand as of March 31, 2021. This increase occurred mainly due to the increase of R\$116,900 thousand in Property, Plant and Equipment due to investments made in the expansion of the fiber optic network in the three-month period ended March 31, 2021.

LIABILITIES AND EQUITY

As of March 31, 2021, the Company showed an increase in its liabilities and shareholders' equity of 7.0% or R\$71,276 thousand compared to December 31, 2020. This increase occurred mainly due to the factors described below.

Current Liabilities

As of March 31, 2021, the Company's current liabilities increased by 20.9% or R\$92,124 thousand, from R\$441,792 thousand as of December 31, 2020 to R\$533,916 thousand as of March 31, 2021. This variation is due mainly to:

- increase in loans and financing in the amount of R\$34,118 thousand due to the transfer to current assets of the outstanding portion of long-term loans and financing;
- increase in suppliers in the amount of R\$37,731 thousand due to the impact of the exchange rate variation on the Company's imports;
- increase in lease obligations in the amount of R\$10,822 thousand related to the higher number of leased land resulting from the Company's regional expansion; and
- increase in labor and social security obligations in the amount of R\$9,615 thousand related to the higher number of employees as of March 31, 2021.

Non-Current Liabilities

As of March 31, 2021, the Company's non-current liabilities decreased by 2.7% or R\$11,920 thousand, from R\$449,261 thousand as of December 31, 2020 to R\$437,341 thousand as of March 31, 2021. This reduction occurred mainly due to the decrease of R\$8,747 thousand in loans and financing, by the transfer of amounts to current liabilities of installments due in the next 12 months of long-term loans and financing.

Equity

As of March 31, 2021, the Company's shareholders' equity decreased 7.0% from R\$127,197 thousand as of December 31, 2020 to R\$118,269 thousand as of March 31, 2021, representing a decrease of R\$8,928 thousand. This decrease mainly reflects the loss in the three-month period ended March 31, 2021.

Consolidated Cash Flows

Three-month period ended March 31, 2021 compared to three-month period ended March 31, 2020

(in thousands of R\$, except %)	Three-month period ended March 31,		
	2021	2020	AH (%)
Net cash generated from operating activities	71,904	62,491	15.1%
Net cash used in investing activities	(186,877)	(128,551)	45.4%
Net cash generated from financing activities	1,292	31,851	(95.9)%
Net increase (decrease) in cash and cash equivalents	(113,681)	(34,209)	232.3%

Net Cash Generated from Operating Activities

Net cash generated in operating activities showed an increase of R\$9,413 thousand or 15.1% in the three-month period ended March 31, 2021, compared to the same period in 2020, from an applied cash of R\$71,904 thousand in the three-month period ended March 31, 2021, to an applied cash of R\$62,491 thousand in the three-month period ended March 31, 2021, mainly due to higher gross profit in the three-month period ended March 31, 2021.

Net Cash Used in Investing Activities

Net cash used in investing activities showed an increase of R\$58,326 thousand or 45.4% in the three-month period ended March 31, 2021, compared to the same period in 2020, from R\$186,877 thousand in the three-month period ended March 31, 2021 to R\$128,551 thousand in the three-month period ended March 31, 2021, mainly due to R\$65,132 thousand higher investments in network infrastructure expansion in the three-month period ended March 31, 2021.

Net Cash Generated from Financing Activities

Cash generated from financing activities decreased by R\$30,559 thousand or 95.9% in the three-month period ended March 31, 2021 compared to the same period in 2020, from R\$31,851 thousand in the three-month period ended March 31, 2021 to R\$1,292 thousand in the three-month period ended March 31, 2020, mainly due to the raising of loans and financing in an amount R\$5,592

thousand lower in the three-month period ended March 31, 2021 and the amortization of the principal of loans and financing in an amount R\$16,773 thousand higher in the same period.

11.1 - Disclosed forecasts and assumptions

NOT APPLICABLE

11.2 - Followup and changes in the disclosed forecasts

NOT APPLICABLE

12.1 – Management

(a) attributions of the board of directors and of the permanent bodies and committees that report to it

Pursuant to our bylaws and the Brazilian Corporations Law, we are managed by a board of directors (Conselho de Administração) and a board of executive officers (Diretoria Estatutária). Our bylaws also provide for a nonpermanent fiscal council, to be established at the request of our shareholders. We also have an audit and finance committee

Board of Directors

Our board of directors shall be comprised of at least five and a maximum of seven members elected by our shareholders for a unified term of office of two years. Pursuant to the Novo Mercado listing rules, at least two members or 20% of the members of our board of directors, whichever is greater, must be independent.

The Board of Directors is the body responsible, among other attributions, for establishing the general policies of the Company's business and for electing the executive officers, as well as supervising their management. According to article 19 of the Bylaws, in addition to other matters provided for by law, the Board of Directors is responsible for:

- to elect and dismiss members of the Executive Board and to determine their attributions;
- to carry out the IPO and initial public offering of shares of subsidiaries or affiliates of the Company;
- to modify the policy for distribution of profits of the Company's subsidiaries and the declaration of dividends, or any other form of distribution of profits or resources by the Company's subsidiaries, including interest on equity capital, in excess of twenty-five percent (25%) of the net income for the fiscal year;
- to inspect, supervise, advise and support the Executive Board in the fulfillment of the Company's corporate purpose;
- to increase the consolidated indebtedness composed of: (i) onerous liabilities with financial institutions or similar entities; (ii) commercial leasing/financial leasing; (iii) public or private securities, representing debt; and (iv) liabilities arising from the Company's derivative financial instruments in excess of 3.2 times the consolidated EBITDA (earnings before interest, income taxes including social contribution on net income, depreciation and amortization) for the twelve (12) months preceding the event in question, as adjusted pro forma in the case of material acquisitions or expansions in the period;
- to resolve on the acquisition of interest in the capital stock of another company, group of companies or consortia, or of a substantial part of the assets or business of other companies, by the Company or its subsidiaries, provided that such acquisitions do not exceed an amount corresponding to up to 2.5% (two and a half percent) of the net equity at the end of the fiscal year of the previous year;
- to decide on the execution of new agreements, amendments to existing agreements or termination of operations or existing agreements with related parties of the Company or its subsidiaries, including lease agreements;

- to approve the leasing or renting of assets by the Company or its subsidiaries that is not foreseen in the annual budget and that exceeds, in one or more related operations, R\$ 1,500,000.00 (one million and five hundred thousand reais), per fiscal year;
- to approve the divestiture, assignment, transfer, creation of any liens or disposition of assets by the Company or its subsidiaries, in any case exceeding, in one or more related transactions, per fiscal year, up to five percent (5%) of the net equity at the end of the previous year;
- to approve any merger, consolidation (including stock merger), spin-off or any act of corporate reorganization involving any controlled or subsidiary company of the Company;
- to approve the granting of any in rem or fiduciary guarantees, including endorsements and sureties, by the Company or its subsidiaries, for the benefit of any third party, regardless of the amount of the guarantee, except when such guarantee is provided in the context of obligations assumed by the Company or its subsidiaries that have been previously approved;
- to resolve on the alteration of the business of any subsidiary of the Company and the initiation of any business that is materially different from the current business of any subsidiary of the Company, subject to the Company's corporate purpose set forth in Article 3 of the company's Bylaws;
- to resolve on the transformation, liquidation or dissolution of the Company's subsidiaries;
- to deliberate on voluntary requests for judicial or extrajudicial reorganization, self-bankruptcy or insolvency proceedings of the Company's subsidiaries;
- to appoint and dismiss the Company's and/or its subsidiaries' independent auditor;
- to decide on the allocation of profits and the distribution of dividends, including interim or intercalary dividends or interest on equity, *ad referendum* of the General Meeting;
- to elect or appoint the senior managers of the companies controlled by the Company;
- to set the general orientation and strategic direction of the business of the Company and its subsidiaries, approving guidelines, corporate policies and basic objectives;
- to express its opinion about the management report, financial statements and the accounts of the Executive Board, after submission by the Audit Committee;
- to approve the annual budget and major changes related to it;
- to resolve on the issuance of shares of the Company, within the limits authorized in Article 6 of these Bylaws, fixing the conditions of issuance, including the price and payment term, and may also exclude (or reduce the term for) the preemptive right in issues of shares, subscription warrants and convertible debentures, whose placement is made through sale on the stock exchange or by public subscription or in a public offering for the acquisition of control, under the terms of the current legislation;
- to deliberate on the public or private issue of non-convertible debentures, promissory notes and other securities not convertible into shares;
- to decide on the granting of any and all guarantees, including in rem and fiduciary guarantees, in favor of third parties;
- to approve the creation of advisory committees to the Company's management;

- to approve the company's internal regulations or regulatory acts and its administrative structure, including, but not limited to: (a) code of ethics; (b) compensation policy; (c) nomination policy for members of the board of directors, statutory management and committees; (d) risk management policy; (e) policy on transactions with related parties; (e) disclosure policy of relevant acts and/or facts; and (g) policy for trading securities;
- to grant stock options or similar benefits to its senior managers, employees and service providers, as well as to the senior managers, employees and service providers of its subsidiaries, without preemptive rights for the current shareholders, in accordance with the plans approved at the General Meeting;
- to express itself in favor of or against any public offering for the acquisition of shares ("**Public Tender Offer**") that has as object the shares issued by the Company, by means of a grounded prior opinion, disclosed within fifteen (15) days of the publishing of the announcement of the Tender Offer, and which must address, at least (a) the convenience and opportunity of the Tender Offer in relation to the interest of the Company and of the shareholders as a whole, including with regard to the price and potential impacts on the liquidity of the securities owned by the Company; (b) the strategic plans disclosed by the offeror in relation to the Company; and (c) the alternatives to the acceptance of the Tender Offer available in the market;
- to authorize the acquisition of its own shares issued by the Company for holding in treasury or for cancellation, redemption, repurchase or later disposal, except in the cases expressly provided for in the applicable regulations;
- to approve and establish the internal regulations of the Audit Committee;
- to comply with the other responsibilities established by law and in these Bylaws; and
- to express an opinion about votes to be cast by the Company or its subsidiary in the capacity of partner, shareholder or quota holder of any person in which the Company or its subsidiary holds a relevant participation in deliberations listed above.

Executive Board

The Executive Board has the powers to perform the acts necessary to achieve the corporate purpose, observing the limits of these Bylaws, and is especially responsible for:

- (i) the execution of the duties conferred by law and these Bylaws to ensure the full and regular operation of the Company and its subsidiaries, affiliates and business divisions;
- (ii) submitting, annually, until the end of each fiscal year, to the appreciation of the Board of Directors, a proposal for the general orientation of the business of the Company, its subsidiaries and its business divisions, relative to the following fiscal year, including:
 - (a) the business strategy of the Company and its subsidiaries and affiliates;
 - (b) the operational structure of the business, indicating the Officer who shall be responsible for the follow-up of each of its divisions;
 - (c) the budget and goal plan of each executive office;
 - (d) the investment and divestment policy of each executive office;
 - (e) the compensation of the officers in each executive office;

- (f) the capital structure necessary for the execution of the budget and goal plan of each executive office; and
 - (g) the planning of payment of interests on equity.
- (iii) presenting, annually, within three (3) months after the closing of the fiscal year, to the appreciation of the Board of Directors and shareholders, its report and other documents pertaining to the accounts of the fiscal year, as well as the proposal for allocation of net income, subject to legal requirements and to the provisions of Chapter VI of the Bylaws;
 - (iv) preparing, based on the Company's bookkeeping, the financial statements;
 - (v) the election and removal of directors of the controlled and affiliated companies according to the indications made by the Board of Directors;
 - (vi) opening and closing branches, warehouses, offices or representations in any location of the country and abroad, as the evolution of the business plan and goals achieved indicate to be necessary;
 - (vii) opening, operating and closing bank and investment accounts;
 - (viii) compromising, waiving, desisting, making agreements, signing commitments, contracting obligations, making investments of resources, acquiring, disposing of assets, signing the respective terms and contracts involving an amount equal to or less than 0.5% of the Company's net equity, it being understood that in amounts higher than the aforementioned, the competence for approval will be of the Board of Directors;
 - (ix) resolving on the granting of any and all guarantees, including in rem and fiduciary guarantees, in favor of its subsidiaries;
 - (x) representing the Company, in or out of court, actively or passively, before any third parties, including public offices or federal, state or municipal authorities; and
 - (xi) complying with the other attributions established by the Company's Board of Directors, by law and by the Bylaws.
- (xii) The specific attributions of the officers can be found in item "b" below.

Fiscal Council

Information about the Fiscal Council can be found in item "c" below.

Audit Committee

The information about the Audit Committee can be found in item "a.ii" below.

(i) internal regulations

The Board of Directors is governed by its own internal regulations, which were approved at a meeting of the Board of Directors held on May 28, 2021.

The Audit Committee has its own internal regulations, which were approved at a meeting of the Board of Directors held on May 28, 2021.

The Executive Board and the Fiscal Council (not installed) do not have internal regulations.

The internal regulations of the Board of Directors and the Audit Committee can be accessed at the following addresses: (i) the Company's headquarters: Rodovia CE-138, Trecho Pereiro CE Divisa com RN - Km 14 - Estrada Carrossal Brisa 1Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 2,

CEP 63460-000, Pereiro, CE; (ii) the Company's website (ri.brisanet.com.br); and (iii) on the CVM website (<http://www.cvm.gov.br/>).

(ii) comitê de auditoria estatutário

The Audit Committee is an advisory body linked to the Board of Directors, with operational autonomy and its own budget approved by the Board of Directors.

The Audit Committee will be composed of at least three (3) members, elected by a simple majority of the Board of Directors, at least one (1) of whom will be an independent director of the Company and another who has recognized experience in matters of corporate accounting. The same member of the Audit Committee may accumulate both characteristics referred to above.

The Audit Committee must adopt an internal regulation, approved by the Board of Directors, which will govern in detail the functions of the Audit Committee, as well as its operating procedures, also defining the activities of the Audit Committee coordinator.

It is incumbent upon the Audit Committee, among other matters:

- to express an opinion on the hiring and dismissal of independent audit services;
- to review the quarterly information, interim statements and financial statements, sending them to the Board of Directors with its recommendations;
- to evaluate, monitor, and recommend to management the correction or improvement of the Company's internal policies, as well as to have means for receiving and processing information about non-compliance with legal and regulatory provisions applicable to the Company;
- to follow-up on the evolution and updating of the risk mapping;
- to follow-up on all stages of the risk management process;
- to monitor and ensure the enforcement and reliability of the internal audit and internal controls;
- to evaluate, monitor and recommend the correction or improvement of the Company's internal policies, including the Policy on Transactions with Related Parties;
- to have means for receiving and processing information about non-compliance with legal provisions and norms applicable to the Company, in addition to internal regulations and codes, including the provision for protecting the provider and the confidentiality of the information;
- to ensure the clarity and compliance of the Company with its mission, vision, values, strategic guidelines, the Company's Code of Ethics, internal policies, procedures and processes;
- to check and monitor operations with related parties;
- to identify conflicts of interest;
- to identify opportunities and continuous improvement;
- to coordinate and monitor the Company's whistle blowing and ombudsman channels, ensuring their good functioning with independence, secrecy, confidentiality and free from retaliation;

- to investigate and monitor events that place the Company's internal controls or compliance at risk;
- to ensure that the training and qualification of personnel enables them to identify, anticipate, measure, monitor and, as the case may be, mitigate risks; and
- to ensure that the organizational structure is sized to fulfill the role of good corporate governance.

(iii) assessment of the independent audit work by the Board of Directors

Although the Company does not have a formalized policy for contracting extra-audit services with the independent auditor, it is incumbent on the Board of Directors to appoint and dismiss the Company's and/or its subsidiaries' independent auditor as well as to summon the independent auditors to provide the clarifications it deems necessary. The Board of Directors must ensure that the financial statements are audited by an independent auditor with appropriate qualifications and experience, a fundamental instrument for the reliability of this data.

For the purposes of evaluating the work of the independent auditors, it is incumbent upon the Audit Committee, in accordance with its internal regulations, to supervise the quality and integrity of the financial reports, the adherence to legal, statutory and regulatory standards, the adequacy of the processes related to risk management and the activities of the independent auditors, as well as to opine on the hiring and dismissal of independent audit services.

(b) in relation to the members of the Executive Board, their attributions and powers

The Executive Board will be composed of at least 4 (four) and at most 7 (seven) Officers, shareholders or not, residents in the country, all elected by the Company's Board of Directors and removable by it at any time, being one Chief Executive Officer, one Investor Relations Officer, one Finance and Administrative Officer, one Chief Operating Officer, one Commercial Officer and the other Officers without specific designation, for a unified term of 2 (two) years, reelection being allowed.

As a general rule and subject to certain exceptions described in its bylaws, the Company is validly obligated whenever represented by: (i) one (1) Officer or one (1) attorney-in-fact, acting alone; and (ii) by two (2) Officers acting jointly, or one (1) Officer acting jointly with one (1) attorney-in-fact with special powers.

The Chief Executive Officer (CEO) shall: (i) represent the Company in the execution of any and all documents that imply liability or obligation to the Company, jointly with another Officer; (ii) perform all routine administrative acts; (iii) open and operate bank accounts, transact, cede and waive rights, and, finally, perform all normal administrative acts necessary for the achievement of the corporate purposes and regular operation of the Company, jointly with another Officer and/or attorney-in-fact; (iv) represent the Company, actively and passively, in or out of court, before federal, state and municipal public agencies, independent entities and mixed-capital companies; (v) build, communicate and implement the vision, mission and overall direction of the organization, managing the development and implementation of the company's overall strategy; (vi) direct, guide and evaluate the work of other executive leaders; (vii) ensure that the Company's strategic plan, which guides the direction of the company, is implemented; (viii) plan and coordinate the execution of the financial, budgetary, accounting, cost, purchasing and sales policy; (ix) contribute to strategic planning and financial management; (x) prepare management reports, annual financial and budgetary planning, budget forecasting; (xi) be aware of the external and internal competitive scenario, expansion opportunities, customers, markets, new developments and business industry standards; (xii) represent the organization for civic and professional association responsibilities and activities in the local community, the state and the country; (xiii) participate in industry-related events

or associations that will enhance the CEO's leadership skills or the organization's reputation and potential for success, and make sure that team members understand that each employee is responsible for helping the company maintain its bonds; (xiv) develop a learning organization that will continue to grow and improve the skills of the employees; (xv) ensure that the organization's leaders experience the consequences of their actions, whether through reward and recognition or performance training and disciplinary actions; and (xvi) appraise the organization's success in achieving its objectives.

The Investors Relations Officer shall: (i) be responsible for providing information to the investing public, to the CVM and to the stock exchanges or national and international over-the-counter markets, as well as to the corresponding regulatory and inspection entities, keeping the Company's registrations updated with these institutions; (ii) represent the Company before the CVM, stock exchanges and other capital market entities, as well as to provide relevant information to investors, the market in general, the CVM and B3; (iii) ensure that compliance policies are enforced; (iv) keep the registration as a publicly-held company updated with the CVM; and (v) fulfill other tasks established by law and the regulations in force.

The Commercial Officer shall: (i) replace the Chief Executive Officer in his/her absences and eventual impediments; (ii) plan, organize and develop the Company's commercial strategy policies; (iii) monitor performance indicators for his/her area; (iv) develop a business plan to meet targets; and (v) cooperate with the other Executive Officers in the Company's management.

The Chief Operating Officer shall: (i) plan, organize, control and manage the activities of the Company's technical and operational areas; (ii) take care of the quality control of products and services; and (iii) work towards the achievement of operational result targets.

The Officer without specific designation elected at the meeting of the Board of Directors held on July 7, 2021, Mr. José Romário Fernandes Pinheiro, is responsible for: (a) planning and coordinating the execution of financial and budgetary policy; (b) contributing to strategic planning and financial management; (c) carrying out management reports, annual financial and budgetary planning; and (d) operating bank accounts jointly with another Officer.

It is up to the Officers without specific designation the other acts of management of the Company whose competence is not attributed to the other Executive Officers.

(c) Fiscal Council

The Fiscal Council, when installed, will be composed of at least 3 (three) and at most 5 (five) effective members and an equal number of substitutes, elected by the General Meeting that decides on the installation of the body, reelection being allowed, with the duties and terms of office established by law.

As of the date of this Report, the Company's Fiscal Council had not been installed.

In the form of the applicable legislation and regulations, the Fiscal Council is responsible for inspecting the management activities, exercising all the powers, functions, attributions and prerogatives provided for in the legislation.

The Fiscal Council does not have its own internal regulations, and the document will be drawn up, discussed and voted on by its members at the first meeting called after its installation.

(d) mechanisms for evaluating the performance of the board of directors and each body or committee

The Company uses mechanisms for evaluating the performance of the Board of Directors, the Executive Board and the committee(s) that report to them, according to internally adopted policies and practices.

(i) evaluation frequency and scope

The appraisals of the Board of Directors, the Executive Board, and the bodies that report to them must be carried out at least once during the term of office of their members, usually on an annual basis. The appraisals encompass both evaluations by body and individually.

The appraisals encompass both individual and body assessments. The Board of Directors and the Audit Committee will carry out their respective self-evaluations of their activities and will annually identify possible improvements in their performance, in accordance with their internal regulations.

The result of the formal appraisals will be considered, subjectively and qualitatively, for the eventual reelection of the Company's management members, in order to assess the suitability and competence of the Company's management members for the exercise of their respective positions in the Company's management

(ii) methodology and main criteria used

The Company uses objective and subjective appraisals as a methodology for assessing the performance of the Board of Directors, the Executive Board and the committees that report to it. The objective appraisal may result from the achievement of annual goals while the subjective appraisal is carried out by superiors, peers and/or subordinates, as determined by the Board of Directors.

In the last three fiscal years, there were no changes in the methodology and criteria used in the appraisal of the Company's management..

(iii) how results are used for improvement

Based on the results of the assessments, the Board of Directors implements action plans, such as meetings and training, to improve the functioning of the organs.

(iv) external consulting or advisory services

The Company may hire external consulting or advisory services to conduct performance appraisals of the Management and the committees that report to it, however, in the last 3 fiscal years the Company has not hired such services.

12.2 - Rules, policies and practices regarding general meetings

(a) prazos de convocação

The Company does not adopt different practices regarding the deadlines for convening General Meetings in relation to the provisions of current legislation. Subject to the exceptions provided for in the Brazilian Corporation Law, the General Meetings shall be called, in accordance with the provisions of the Brazilian Corporation Law, by the Board of Directors, through its Chairman or by two members of the Board of Directors jointly, at least fifteen (15) days in advance on first call, and at least eight (8) days in advance on second call. Regardless of any formality provided for in these Bylaws and in the Brazilian Corporation Law, any General Meeting attended by the totality of the shareholders shall be considered to be regularly installed.

The General Meetings will be held: (a) ordinarily, once a year, in the first 4 (four) months following the end of each fiscal year, to deliberate on the matters provided by law; or (b) extraordinarily, whenever the corporate interests so require or when the provisions of these Bylaws or the applicable legislation require a resolution of the shareholders.

(b) competences

As stated in the Brazilian Corporate Law, the general assembly will ordinarily meet once a year, in the first four months following the end of the fiscal year, in order to (i) take the management accounts, examine, discuss and decide on the financial statements, (ii) decide on the allocation of net income for the year and the distribution of dividends; (iii) elect the management and the members of the Fiscal Council, when this is the case; and (iv) approve the monetary correction of the capital stock.

In addition to the other matters provided for in Articles 122, 132 and 136 of the Brazilian Corporation Law, the General Meeting shall have exclusive authority to decide on the following amendments to the Company's bylaws:

- approval of the initial public offering of shares of companies controlled by the Company;
- approval of the cancellation of the Company's registration as a publicly-held company, as well as its exit from Novo Mercado;
- increase of the Company's capital stock, beyond the limit of the capital stock authorized in Article 6 of these Bylaws, its reduction and/or the issuance of shares or any securities or securities convertible into shares of the Company and any of its subsidiaries;
- deliberation on any operation of merger, incorporation (including shares), split, transformation or any act of corporate reorganization involving the Company, as well as on its liquidation or dissolution;
- election of the liquidator, as well as the Fiscal Council that will operate during the liquidation period;
- deliberation on the judicial or extrajudicial reorganization of the Company or the filing for its bankruptcy;
- election and removal of members of the Board of Directors;
- setting of the overall annual compensation of the members of the Board of Directors, the Executive Board and the Fiscal Council, if installed;
- attributing bonus shares and deciding on any grouping and splitting of shares;

- resolving, in accordance with the proposal presented by management, on the allocation of the income for the year and the distribution of dividends;
- approval of any stock option plans or similar incentive and long-term compensation plans for its managers and employees, as well as for managers and employees of companies directly or indirectly controlled by the Company;
- approval of any change to the profit distribution policy of the Company and its subsidiaries and of any dividend distribution in disagreement with the profit distribution policy, pursuant to the terms of the respective bylaws and articles of incorporation, as the case may be; and
- resolving on any matter submitted to it by the Board of Directors.

(c) addresses (physical or electronic) where the documents related to the general meeting are available for shareholders

All documents related to the Shareholders' Meetings, both those related to the participation of shareholders and those supporting the resolutions, are available at the following addresses: (i) the Company's headquarters: Rodovia CE-138, Trecho Pereiro CE Divisa com RN - Km 14 - Estrada Carrossal Brisa 1Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 2, CEP 63460-000, Pereiro, CE; and (ii) internet: the Company's website (ri.brisanet.com.br); CVM's website (www.cvm.gov.br) and B3's website (www.b3.com.br).

(d) conflict of interest identification and management

The Company does not adopt any differentiated policy to manage conflicts of interest in general meetings, applying to this case the rules set forth in the Brazilian legislation and in its Policy for Transactions with Related Parties and Other Situations Involving Conflicts of Interest.

(e) power of attorney for the exercise of voting rights

The Company does not adopt rules, policies or practices for the request of proxies by management for the exercise of voting rights at General Shareholders' Meetings, except as provided in the Brazilian Corporation Law, which establishes that shareholders may be represented at general meetings by attorneys-in-fact who have been constituted for less than one year and who are also shareholders of the Company, a lawyer, representative of the financial institution or investment fund manager representing the joint owners.

(f) acceptance of proxies granted by shareholders by electronic means

Shareholders may be represented at the Company's General Meetings by an attorney-in-fact appointed in accordance with Article 126 of the Brazilian Corporation Law.

There is no statutory provision regarding the minimum advance period for receipt of proxies. However, the Company advises its shareholders to deposit the proxy instruments 24 hours in advance of the General Meeting..

In the terms of the current legislation, the documents must be presented with the signature notarized and, when coming from abroad, must be notarized in their country of origin, consularized or legalized through apostille, translated by a public sworn translator and registered in a registry office of titles and documents in Brazil.

The Company does not adopt a procedure for granting proxies by electronic means.

(g) acceptance of the remote voting form, when sent directly to the Company

Shareholders who choose to exercise their right to remote voting by sending the remote voting form directly to the Company should send the following documents to the Company's headquarters, located at Rodovia CE-138, Trecho Pereiro CE Divisa com RN - Km 14 - Estrada Carrossal Brisa 1Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 2, CEP 63460-000, Pereiro, CE, to the attention of the Investor Relations Department:

For individuals: (i) physical copy of the ballot concerning the general meeting duly completed, initialed and signed by the shareholder; and (ii) certified copy of the shareholder's identity document.

For legal entities: (i) physical copy of the ballot concerning the general meeting duly completed, initialed and signed by the representatives of the legal entity shareholder; (ii) notarized copy of the latest consolidated bylaws or articles of incorporation and the corporate documents evidencing the legal representation of the shareholder; and (iii) notarized copy of the identity document of the shareholder's legal representative.

For investment funds: (i) physical copy of the bulletin related to the general meeting duly filled, initialed and signed by the representative of the investment fund; (ii) certified copy of the last consolidated regulation of the investment fund; (iii) certified copy of the bylaws or articles of association of its administrator or manager, as the case may be, observing the voting policy of the fund and corporate documents that prove the powers of representation; and (iv) certified copy of the identity document of the legal representative of the investment fund.

In light of CVM Instruction No. 561, dated April 7, 2015, as amended ("ICVM 561"), the Company will adopt the possibility for its shareholder to exercise the right to remote voting as from the granting of its registration, by CVM, as a publicly-held company in category "A".

Pursuant to article 21-B of CVM Instruction No. 481, dated December 17, 2009, as amended ("CVM Instruction 481"), the distance voting bulletin must be received up to 7 (seven) days before the date of the respective Meeting. Ballots received after the established date will not be considered by the Company.

Under the terms of Article 21-U of CVM Instruction 481, the Company will communicate to the shareholder, within 3 (three) days of receipt of the distance voting form, whether or not the documents received are sufficient for the vote to be considered valid, or the need to rectify or resend the distance voting form or the documents accompanying it, describing the procedures and deadlines required to regularize the distance voting.

The Company will require the notarization of distance voting bulletins signed within Brazilian territory and the notarization and apostille of those signed outside the country, as applicable.

We note that prior to forwarding them to the Company, the corporate and proxy documents of legal entities and investment funds drawn up in a foreign language must be translated into Portuguese by a sworn translator. The respective sworn translations must be registered at the Registry of Deeds and Documents.

The following identity documents will be accepted: RG, RNE, CNH, Passport, or officially recognized professional class cards.

(h) electronic system for remote voting or participation

The Company does not have its own electronic system for receiving remote voting forms or remote participation, but will use the prerogatives of ICVM 561 to enable the remote voting process.

(i) instructions for including proposals for resolutions, slates or candidates on the remote voting form

The shareholder or group of shareholders wishing to include proposals for resolutions, slates or candidates for members of the Board of Directors and Fiscal Council in the remote voting form must observe the procedure and formalities provided for in Section IV of Chapter III-A of CVM Instruction 481, and send it by mail to Rodovia CE-138, Trecho Pereiro CE Divisa com RN - Km 14 - Estrada Carrossal Brisa 1Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 2, CEP 63460-000, Pereiro, CE, to the attention of the Investor Relations Department, together with the documents pertinent to the proposal, or by means of the electronic address dri@grupobrisanet.com.br.

Under the terms of CVM Instruction 481, the request for inclusion of a resolution proposal in the distance voting bulletin must be received by the Investor Relations Department in the period between the first business day of the fiscal year in which the ordinary general meeting will be held and up to 45 days before the date of the meeting. While the request for the inclusion of the proposal of slates of candidates for the board of directors and the fiscal council in the remote voting form must be received by the Investor Relations Department in the period between (i) the first business day of the fiscal year in which the general meeting will be held and up to 25 days before the date of the meeting, in the case of an ordinary general meeting; or (ii) the first business day after the occurrence of an event that justifies the convening of a general meeting for the election of members of the board of directors and of the fiscal council and up to 25 days before the date of the meeting, in the event of an extraordinary general meeting called for this purpose.

(j) forums and pages on the world wide web regarding the agendas of the meetings

We do not maintain forums and pages on the World Wide Web designed to receive and share shareholder comments on the agenda of the General Meetings.

(k) information necessary for remote participation and voting rights

Shareholders holding shares issued by the Company that are deposited with a central depository may transmit the voting instructions for filling out the remote voting form through their respective custody agents, if these provide this type of service.

12.3 - Rules, policies and practices regarding the Board of Directors

(a) number of meetings held in the last fiscal year

According to the Company's bylaws, the Board of Directors will meet, ordinarily, quarterly, according to an annual calendar to be approved by the Board of Directors ("Annual Calendar") and, extraordinarily, whenever and to the extent that the Company's business and corporate interests so require. The Chairman of the Board of Directors shall preside over the meetings of the Board of Directors and shall appoint one of those present (who need not be a Board Member) to act as secretary. The majority of the Board of Directors members present shall decide who will preside over the meeting, should the Chairman of the Board of Directors be absent, and the substitute shall indicate among those present the one who will act as secretary of the meeting.

The meetings of the Board of Directors shall be called by written notice sent by the Chairman of the Board of Directors or by the other members, as the case may be, by mail or e-mail, all with return receipt, to the address previously indicated by each Director for this purpose. The call notice will contain information about the place, date, time and agenda of the meeting (which cannot include generic matters), and will be sent with all the documents that will be subject to deliberation. The first call notice will be sent at least five (5) business days prior to the meeting date, and, if the meeting is not held, a new second call notice will be sent at least two (2) business days prior to the new meeting date.

Board members may participate and vote (including in advance) remotely, by means of conference call, videoconference or any other electronic means, as long as they send their votes in writing via electronic communication (e-mail) to the Chairman of the meeting before the close, drawing up and signing of the respective minutes, and all participants can be clearly identified.

In the last fiscal year, the Board of Directors had been constituted.

(b) restriction on the exercise of voting rights

There are no clauses restricting or binding the voting rights of the members of the Board of Directors. There are only clauses restricting the voting rights of the Company's shareholders, as described in item 15.5 below.

(c) conflicts of interest

We adopt no differentiated policy to identify and manage conflicts of interest. We believe our current policy is sufficient and effective to identify and manage conflicts of interest and, where necessary, to prevent management from making conflicting decisions. For further information on rules for identification and management of conflicts of interest, see subsection 16.1 below..

(d) policy for the appointment of members of the Board of Directors

The Company's Policy for the Appointment of Members of the Board of Directors, Advisory Committees and Executive Board ("**Policy**") establishes the criteria and procedures to be observed for the composition of the Board of Directors, its Committees and the Executive Board.

(i) date of approval and location on the web for consultation

This Policy was approved at a meeting of the Board of Directors held on May 28, 2021, and can be accessed at the following addresses: (i) the Company's headquarters: at Rodovia CE-138, Trecho Pereiro CE Divisa com RN - Km 14 - Estrada Carrossal Brisa 1Km, Portão A, Prédio 1, Entrada 2,

1º Andar, Sala 2, CEP 63460-000, Pereiro,CE; and (ii) internet: the Company's website (ri.brisanet.com.br).

(ii) main characteristics

The appointment of members of the Board of Directors, its Committees and the Executive Board of the Company must observe the provisions of this Policy, the Company's Bylaws, the internal regulations of the Board of Directors and its Committees, the Novo Mercado Listing Rules of B3 S.A. - Brasil, Bolsa, Balcão ("**Novo Mercado Rules**"), as well as the Law 6404, dated December 15, 1976, as amended ("**Corporation Law**"), and all other applicable laws and regulations.

Highly qualified professionals, with proven technical, professional or academic experience, aligned with the Company's values and culture, must be nominated to make up the Board of Directors, its Committees and the Executive Board.

The appointment for the composition of the Board of Directors, its Committees and the Executive Board must consider criteria such as complementarity of experiences, academic background and availability of time to perform the function and diversity.

12.4 - Description of the arbitration clause for the resolution of conflicts

Pursuant to its bylaws, the Company, its shareholders, managers and Fiscal Council members, effective and alternate, agree to resolve, by means of arbitration, before the Market Arbitration Chamber, pursuant to its rules, any and all disputes or controversies that may arise between them, related to or arising from their status as issuers, shareholders, managers and Fiscal Council members, and, in particular, arising from the provisions contained in Law No. 6.385, of December 7, 1976, as amended (Securities Market Law), Corporate Law, in these Bylaws, in the rules edited by the National Monetary Council, by the Central Bank of Brazil and by CVM, as well as in the other rules applicable to the operation of the Stock Market in general, in addition to those contained in the Novo Mercado Regulations, in the other regulations of B3 and in the Novo Mercado Participation Agreement.

12.5 / 12.6 - Composition and professional background of the management

Name	Date of birth	Management Body	Election date	Term	Consecutive terms
CPF	Profession	Position held	Investiture date	Elected by parent company	Participation in meetings (%)
Other positions held in the Company					
José Roberto Nogueira	09/08/1965	Executive Board and Board of Directors	05/27/2021	2 years, until 2023 OGM	2
429.419.204-63	Businessman	33 – CEO and Memembr of the Board	05/27/2021	Yes	100%
Mr. Roberto does not hold any other positions in the Company.					
João Paulo Estevam	01/25/1983	Executive Board and Board of Directors	05/27/2021	2 years, until 2023 OGM	2
889.877.103-78	Businessman	20 – COO and Chairman	05/27/2021	Yes	100%
Mr. João Paulo does not hold any other positions in the Company.					
José Romário Fernandes Pinheiro	07/12/1987	Executive Board and Board of Directors	05/27/2021	2 years, until 2023 OGM	0
1982493305	Economist	39 – Officer and Memembr of the Board	05/27/2021	Yes	100%
Mr. José Romário does not hold any other positions in the Company.					
João Paulo de Araújo Queiroz	02/10/1993	Board of Directors	05/27/2021	2 years, until 2023 OGM	0
101.446.104-93	Accountant	29 – Memembr of the Counselor	05/27/2021	Yes	100%
Mr. João Paulo does not hold any other positions in the Company.					
Moacy de Freitas Melo	12/31/1965	Board of Directors	05/27/2021	2 years, until 2023 OGM	0
426.993.554-53	Accountant	27 – Independent Member of the Board (Permanent)	05/27/2021	Yes	100%

Name	Date of birth	Management Body	Election date	Term	Consecutive terms
CPF	Profession	Position held	Investiture date	Elected by parent company	Participation in meetings (%)
Other positions held in the Company					
Mr. Moacy does not hold any other positions in the Company.					
Geraldo Luciano Mattos Júnior	03/08/1963	Board of Directors	05/27/2021	2 years, until 2023 OGM	0
144.388.523-15	Lawyer	27 – Independent Member (Permanent)	05/27/2021	Yes	100%
Mr. Geraldo does not hold any other positions in the Company.					
Igor Nascimento Barbosa	10/25/1979	Board of Directors	05/27/2021	2 years, until 2023 OGM	0
621.040.983-00	Engineer	29 – Member of the Board	05/27/2021	Yes	100%
Mr. Igor does not hold any other positions in the Company.					
Luciana Paulo Ferreira	21/09/1971	Executive Board	05/31/2021	2 years, ending at the Board of Directors Meeting following the 2023 AGM	0
016.657.567-48	Business Administrator	12 – Investor Relations Officer	05/31/2021	Yes	100%
Ms. Luciana does not hold any other positions in the Company.					
Jordão Estevam	11/11/1984	Executive Board	05/31/2021	2 years, ending at the Board of Directors Meeting following the 2023 AGM	2
889.877.103-78	Businessman	19 – Officer	05/31/2021	Yes	100%
Mr. Jordão does not hold any other positions in the Company.					

Professional Background / Statement of any convictions
José Roberto Nogueira
Mr. José Roberto Nogueira serves as a member of our board of directors and as a member of our board of executive officers. He is also our founder and executive officer, and currently a shareholder and executive officer of Nossa Fruta Brasil, among others. Mr. Nogueira has technical training in electronics, a course in radio TV and knowledge in radio frequency.

Professional Background / Statement of any convictions

José Roberto does not hold positions in other companies or third-sector organizations.

José Roberto Nogueira has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

João Paulo Estevam

Mr. João Paulo Estevam serves as chairman of our board of directors and as our chief operations officer. He has been a member of our board of directors since 2004. He is also a founding partner of Agility Gestão de Frotas and investing partner at Nosso Atacarejo, a supermarket chain, among other investments. Mr. Estevam has a technical background in telecommunications and in technology management. In 1996, he moved to the city of São José dos Campos (São Paulo), where he developed computing, telecommunications and entrepreneurship skills.

João Paulo Estevam does not hold positions in other companies or third-sector organizations.

João Paulo Estevam has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

José Romário Fernandes Pinheiro

Mr. José Romário Fernandes Pinheiro serves as a member of our board of directors. Mr. Pinheiro joined us in 2007 and has over 13 years of professional experience. Throughout his career, Mr. Pinheiro served in various roles, including: warehouse coordinator, head of the imports department, analyst and financial manager responsible for financial planning, raising loans and financing, financial feasibility projects with BNDES and Bank of the Northeast of Brazil (Banco do Nordeste do Brasil). Mr. Pinheiro holds a degree in economic sciences from the State University of Rio Grande do Norte (Universidade Estadual do Rio Grande do Norte), a MBA in financial management, controllership and auditing from FGV, and a MBA in finance from the International Association of Continued Education (Associação Internacional de Educação Continuada), as well as in auditing and tax planning from FAS.

José Romário Fernandes Pinheiro does not hold positions in other companies or third-sector organizations.

José Romário Fernandes Pinheiro has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

João Paulo de Araújo Queiroz

Mr. João Paulo de Araújo Queiroz serves as a member of our board of directors and as a member of our audit committee. Mr. Queiroz joined us in 2012, and is currently our executive controllership manager. Mr. Queiroz is also responsible for accounting, fiscal, tax management, including the administrative, human resources and union relations departments. He started his career in the customer service area, worked in the commercial area during 2013 and, in 2014, took on the project of internal accounting, which until then had been carried out by an external accounting firm. In parallel, Mr. Queiroz led the SAP Business One implementation project. Mr. Queiroz holds a degree in accounting from the State University of Rio Grande do Norte (Universidade Estadual do Rio Grande do Norte), is completing a specialization degree in auditing and tax planning from FAS, and is currently in the process of obtaining a MBA in financial management, controllership and auditing from FGV.

João Paulo de Araújo Queiroz does not hold positions in other companies or third-sector organizations.

Professional Background / Statement of any convictions

João Paulo de Araújo Queiroz has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

Moacy de Freitas Melo

Mr. Moacy Freitas Melo serves as an independent member of our board of directors and as a member of our human resources committee. He has also been the human resources and organization officer of Grupo Moura for the past nine years, having already worked in several areas of Baterias Moura, such as controllership, legal, tax and internal audit. Mr. Melo is the director of the Brazilian Human Resources Association (Associação Brasileira de Recursos Humanos), and a sponsor of the human resources committees and member of several other committees supporting the board of directors at Grupo Moura. He has over 30 years of professional experience and has joined us as a technographer in 1985 and went on to work in different areas and functions until becoming an officer eleven years ago. He is a mentor in the Endeavor project for business acceleration and executive director of Junior Achievement Pernambuco, or JAPE, a non-profit institution that works with entrepreneurial education. Mr. Melo holds a degree from the Accounting Sciences University (Faculdade de Ciências Contábeis) of Itapetininga (São Paulo), a master's degree in controllership from Pontifical Catholic University of São Paulo (PUC-SP), a MBA in finance from the Brazilian Capital Markets Institute (Instituto Brasileiro de Mercado de Capitais), or IBMEC, and a specializations in tax law from Facinter, business economic law from FGV and people management from the University of São Paulo (Universidade de São Paulo).

Moacy de Freitas Melo does not hold positions in other companies or third-sector organizations.

Moacy de Freitas Melo has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

Geraldo Luciano Mattos Júnior

Mr. Geraldo Luciano Mattos Júnior serves as an independent member of our board of directors and as a member of our audit committee. He is a member of the board of directors at HAPVIDA, Cerâmica Portobello and sits on USIBRAS' advisory committee. He is also a professor in the financial area in higher education institutions and private companies. Mr. Mattos Junior was a member of the board of directors of Companhia Industrial de Cimento Apodi, Terminal Portuário Cotegipe and Companhia de Água e Esgoto do Ceará – CAGECE. Mr. Mattos Júnior was part of the M. Dias Branco Group between 1995 and 2019, where he served as a vice-president of investments and controllership and as investor relations officer. Mr. Mattos Junior holds a law degree from the University of Fortaleza (Universidade de Fortaleza), which he obtained in 1998, and a master's degree in business administration from Federal University of Rio de Janeiro (Universidade Federal do Rio de Janeiro), which he obtained in 1993.

Geraldo Luciano Mattos does not hold positions in other companies or third-sector organizations.

Geraldo Luciano Mattos Júnior has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

Igor Nascimento Barbosa

Mr. Igor Nascimento Barbosa serves as a member of our board of directors. Mr. Barbosa joined us in 2010 and has over 15 years of professional experience as an engineering. Mr. Barbosa manages the engineering department, leading the infrastructure expansion projects in fiber optic network. Mr. Barbosa contributed to the development of our network, in addition to disseminating

Professional Background / Statement of any convictions

and supporting the improvement of the project management culture in the operational area and in other areas. Mr. Barbosa holds a degree in electronic engineering from the University of Fortaleza (Universidade de Fortaleza) and also a MBA in project management from the Potiguar University (Universidade Potiguar).

Igor Nascimento Barbosa does not hold positions in other companies or third-sector organizations.

Igor Nascimento Barbosa has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

Luciana Paulo Ferreira

Ms. Luciana Paulo Ferreira serves as our investor relations officer having joined us in March 2021. Mrs. Ferreira has more than 20 years of experience in the areas of management control, performance analysis, international debt and equity financial operations and representation/service to shareholders/investors, in addition to having nearly 10 years of experience in corporate and project finance and over 15 years of experience in coordinating and managing cross-functional teams. Mrs. Ferreira was the investor relations officer at Companhia Siderúrgica Nacional, Braskem, Odebrecht Óleo e Gás, Odebrecht Ambiental and Algar Telecom. She was an advisor at the Brazilian Institute of Investor Relations (Instituto Brasileiro de Relações com Investidores), or IBRI from January 2010 to December 2013. Mrs. Ferreira holds a degree in business administration from the Federal University of Rio de Janeiro (Universidade Federal do Rio de Janeiro), as well as a masters degree in business administration from Federal University of Rio de Janeiro (Universidade Federal do Rio de Janeiro).

Luciana Paulo Ferreira does not hold positions in other companies or third-sector organizations.

Luciana Paulo Ferreira has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

Jordão Estevam

Mr. Jordão Estevam serves as our chief commercial officer. He is also a founding partner of Agility Gestão de Frotas and a shareholder of Nosso Atacarejo, a supermarket chain, among other investments. Mr. Estevam holds a degree in electronic technology from Vale do Paraíba University (Universidade do Vale do Paraíba).

Jordão Estevam does not hold positions in other companies or third-sector organizations.

Jordão Estevam has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

12.7 / 12.8 – Composition of the Committees

Name	Type of committee	Position held	Profession	Election date	Term	Participation in meetings
CPF	Other committees	Other positions held	Date of birth	Investiture date	Consecutive terms	
Other positions held in the Company						
Eliardo Araújo Lopes Vieira	Audit Committee	Member of the Audit Committee (Permanent)	Accountant	05/31/2021	2 years, ending at the Board of Directors Meeting following the 2023 AGM	0%
757.294.153-20	N/A	N/A	10/22/1976	05/31/2021	0	
N/A						
Eduardo Luiz Rota	Audit Committee	Member of the Audit Committee (Permanent)	Accountant	08/07/2021	2 years, ending at the Board of Directors Meeting following the 2023 AGM	0%
165.966.778-00	N/A	N/A	07/15/1976	08/07/2021	0	
N/A						
Geraldo Luciano Mattos Júnior	Audit Committee	Coordinator of the Audit Committee (Permanent)	Lawyer	05/31/2021	2 years, ending at the Board of Directors Meeting following the 2023 AGM	0%
144.388.523-15	N/A	N/A	03/08/1963	05/31/2021	0	
Independent member of the Board of Directors						
Marcela Guimarães Abelenda	Comitê de Pessoas	Member of the Personnel Committee (Permanent)	Business Administrator	05/31/2021	2 years, ending at the Board of Directors Meeting following the 2023 AGM	100%
014.060.554-17	N/A	N/A	06/21/1985	05/31/2021	0	
Member of the Board						

Name	Type of committee	Position held	Profession	Election date	Term	Participation in meetings
CPF	Other committees	Other positions held	Date of birth	Investiture date	Consecutive terms	
Other positions held in the Company						
Moacy de Freitas Melo	Comitê de Pessoas	Member of the Personnel Committee (Permanent)	Accountant	05/31/2021	2 years, ending at the Board of Directors Meeting following the 2023 AGM	100%
426.993.554-53	N/A	N/A	12/31/1965	05/31/2021	0	
Member of the Board of Directors						
Pedro Sales Queiroz Estevam	Comitê de Pessoas	Member of the Personnel Committee (Permanent)	Businessman	05/31/2021	2 years, ending at the Board of Directors Meeting following the 2023 AGM	100%
055.172.433-12	N/A	N/A	09/09/1994	05/31/2021	0	
Member of the Board						

Professional background/ Statement of any convictions
<p>Eliardo Araújo Lopes Vieira</p> <p>Mr. Eliardo Vieira serves as a member of our audit committee. He is currently a partner at Consultoria Arêa Leão and is a member of the audit committee of Triple Play, of the fiscal council Aéris (AERI3) and vice-president of IBEF-CE. Mr. Vieira worked as an audit partner for 10 years at KPMG for the North and Northeast regions of Brazil. He holds a degree in accounting from the Mackenzie Presbyterian University of São Paulo (Universidade Presbiteriana Mackenzie São Paulo), studied administration at Federal University of Ceará (Universidade Federal do Ceará), and has a LLM in business law from IBMEC, an MBA in finance from University of São Paulo (Universidade de São Paulo) and a MBA in organizational challenges, trends, technology, China (ELOS) BMI – Blue Management Institute (SP).</p> <p>Eliardo Araújo Lopes Vieira does not hold positions in other companies or third-sector organizations.</p> <p>Eliardo Araújo Lopes Vieira has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.</p>
<p>Eduardo Luiz Rota</p>

Professional background/ Statement of any convictions

Mr. Eduardo Luiz Rota graduated in Economic Sciences at Centro Universitário Fundação Santo André, in 2000, he also graduated in Accounting at Trevisan Escola de Negócios, in 2007, and has specialization courses in Finance, Strategic Management and Corporate Governance at FGV. He worked for two years, from 2009 to 2011, as Partner-Director of Audit at BDO Trevisan, where he began his career as a Trainee in the 2000s, as Controller at Minerva S/A, from 2011 to 2013, and is currently a Partner responsible for the Business Consulting practice at VACC – Verdus Audit Consultoria Contabilidade, where he has worked since 2013. He has experience in committees and boards, being a member since 2020 of the Statutory Audit Committee of Aeris Energy S/A and since 2021 of the Statutory Audit Committee from TC Traders Club S/A.

Eduardo Luiz Rota does not hold positions in other companies or third-sector organizations.

Eduardo Luiz Rota has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

Geraldo Luciano Mattos Júnior

Mr. Geraldo Luciano Mattos Júnior serves as an independent member of our board of directors and as a member of our audit committee. He is a member of the board of directors at HAPVIDA, Cerâmica Portobello and sits on USIBRAS' advisory committee. He is also a professor in the financial area in higher education institutions and private companies. Mr. Mattos Junior was a member of the board of directors of Companhia Industrial de Cimento Apodi, Terminal Portuário Cotegipe and Companhia de Água e Esgoto do Ceará – CAGECE. Mr. Mattos Júnior was part of the M. Dias Branco Group between 1995 and 2019, where he served as a vice-president of investments and controllership and as investor relations officer. Mr. Mattos Junior holds a law degree from the University of Fortaleza (Universidade de Fortaleza), which he obtained in 1998, and a master's degree in business administration from Federal University of Rio de Janeiro (Universidade Federal do Rio de Janeiro), which he obtained in 1993.

Geraldo Luciano Mattos Júnior does not hold positions in other companies or third-sector organizations.

Geraldo Luciano Mattos Júnior has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

Marcela Guimarães Abelenda

Ms. Marcelal Guimarães Abelenda serves as a member of our human resources committee. In addition, she is also our human resources officer. Mrs. Abelenda joined us in November 2019. She has more than 14 years of professional experience, having worked at Grupo Queiroz Galvão in different areas, such as finance, accounting, administrative, procurement, warehouse, personnel and human resources, focusing on building her career in the latter. Mrs. Abelenda also has experience in the human resources area in the telecommunications, civil construction and consumer goods industry, having worked in different states in Brazil and abroad. She worked for nearly three years at Grupo ASA and, subsequently, for approximately nine years at Grupo Queiroz Galvão, as corporate human resources manager for QGMI-Queiroz Galvão Mercado Internacional, with operations in the Americas, Africa and Europe. Mrs. Abelenda holds a degree in business administration from the University of Pernambuco (Universidade de Pernambuco), with a MBA in planning and organizational management from University of Pernambuco (Universidade de Pernambuco) and an MBA in strategic people management from FGV.

Marcela Guimarães Abelenda does not hold positions in other companies or third-sector organizations.

Professional background/ Statement of any convictions

Marcela Guimarães Abelenda has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

Moacy de Freitas Melo

Mr. Moacy de Freitas serves as an independent member of our board of directors and as a member of our human resources committee. He has also been the human resources and organization officer of Grupo Moura for the past nine years, having already worked in several areas of Baterias Moura, such as controllership, legal, tax and internal audit. Mr. Melo is the director of the Brazilian Human Resources Association (Associação Brasileira de Recursos Humanos), and a sponsor of the human resources committees and member of several other committees supporting the board of directors at Grupo Moura. He has over 30 years of professional experience and has joined us as a technographer in 1985 and went on to work in different areas and functions until becoming an officer eleven years ago. He is a mentor in the Endeavor project for business acceleration and executive director of Junior Achievement Pernambuco, or JAPE, a non-profit institution that works with entrepreneurial education. Mr. Melo holds a degree from the Accounting Sciences University (Faculdade de Ciências Contábeis) of Itapetininga (São Paulo), a master's degree in controllership from Pontifical Catholic University of São Paulo (PUC-SP), a MBA in finance from the Brazilian Capital Markets Institute (Instituto Brasileiro de Mercado de Capitais), or IBMEC, and a specializations in tax law from Facinter, business economic law from FGV and people management from the University of São Paulo (Universidade de São Paulo).

Moacy de Freitas Melo does not hold positions in other companies or third-sector organizations.

Moacy de Freitas Melo has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

Pedro Sales Queiroz Estevam

Mr. Pedro Sales Queiroz Estevam serves as a member of our human resources committee. In addition, he is currently our strategic management manager, responsible for planning processes to improve our operations, disseminate a culture of results and monitor our results management plan. Mr. Estevam has experience in developing a culture of results management and served as administrative director at GPS Distribuidora, where he developed cost optimization projects for GPS Distribuidora's operations, as well as helped define the management plan for the GPS group. He has a degree in civil engineering from Federal University of Cariri (Universidade Federal do Cariri).

Pedro Sales Queiroz Estevam does not hold positions in other companies or third-sector organizations.

Pedro Sales Queiroz Estevam has not been subject, in the last 5 years, to any criminal conviction, or to conviction in a CVM administrative proceeding and the applicable penalties, or, however, to any final and unappealable conviction, in the judicial or administrative sphere, that has suspended or disqualified him for the practice of any professional or commercial activity, and declares that he is not considered a politically exposed person, pursuant to CVM Instruction No. 617, of December 5, 2019, as amended.

12.9 - Existência de relação conjugal, união estável ou parentesco até o 2º grau relacionadas a administradores do emissor, controladas e controladores

Nome	CPF	Nome empresarial do emissor, controlada ou controlador	CNPJ	Tipo de parentesco com o administrador do emissor ou controlada
Cargo				
<u>Administrador do emissor ou controlada</u> João Paulo Estevam Membro da Diretoria e Presidente do Conselho de Administração	889.877.103-78	Brisanet Participações S.A.	19.796.586/0001-70	Irmão
<u>Pessoa relacionada</u> Jordão Estevam Nogueira Membro da Diretoria	889.877.103-78	Brisanet Participações S.A.	19.796.586/0001-70	
<u>Observação</u> N/A				

12.10 - Relations of subordination, provision of services or control between management and subsidiaries, controlling shareholders and others

Identification	CPF/CNPJ	Relationship with the related party	Related Party (type)
Position /Function			
<u>Issuer Management</u> José Roberto Nogueira CEO	429.419.204-63	Controlling company	Controlled (Direct)
<u>Related Party</u> Brisanet Gerenciadora de Ativos Ltda.	19.796.576/0001-35		
<u>Universo Serviços de Telecomunicações Ltda.</u>	13.049.421/0001-59	Controlling company	Controlled company (Direct)
<u>RPS – Prestação de Serviços de Informática Ltda.</u>	09.302.646/0001-06	Controlling company	Controlled company (Direct)
<u>Interservice – Serviços de Elaboração de Dados Ltda.</u>	05.261.547/0001-64	Controlling company	Controlled company (Direct)
<u>Brisanet Serviços de Telecomunicações S.A.</u>	04.601.397/0001-28	Controlling company	Controlled company (Direct)
<u>Observation</u> José Roberto Nogueira is a partner and a member of the board in the above mentioned companies.			
<u>Issuer Management</u> João Paulo Estevam COO	889.877.103-78	Controlling company	Controlled company (Direct)
<u>Related Party</u> Brisanet Gerenciadora de Ativos Ltda	19.796.576/0001-35		
<u>Universo Serviços de Telecomunicações Ltda.</u>	13.049.421/0001-59	Controlling company	Controlled company (Direct)
<u>RPS – Prestação de Serviços de Informática Ltda.</u>	09.302.646/0001-06	Controlling company	Controlled company (Direct)

Identification	CPF/CNPJ	Relationship with the related party	Related Party (type)
Position /Function			
<u>Interservice – Serviços de Elaboração de Dados Ltda.</u>	05.261.547/0001-64	Controlling company	Controlled company (Direct)
<u>Brisanet Serviços de Telecomunicações S.A.</u>	04.601.397/0001-28	Controlling company	Controlled company (Direct)
<u>Observação</u> João Paulo Estevam ia a member of the board in the above mentioned companies.			

12.11 - Arrangements, including insurance policies, for payment or reimbursement of expenses borne by management

The Company is negotiating the terms of a general liability insurance policy for directors and officers ("D&O") with an insurance company with recognized market practice..

12.12 – Other outstanding information

General Meetings

With respect to the Company's General Meetings held in the last three fiscal years, we present below (i) a summary of the main matters approved, (ii) the date they were held, and (iii) the quorum for installation:

Event	Key Matters	Date	Call	Quorum
Extraordinary General Meeting	Approval of the split of the Company's shares and amendment to the Bylaws	07/06/2021	Waived	100%
Extraordinary General Meeting	Approval of interim dividends	02/01/2021	Waived	100%
Extraordinary General Meeting	Approval of capital increase.	06/21/2021	Waived	100%
Extraordinary General Meeting	Approval of the April 2021 financial statements	05/31/2021	Waived	100%
Ordinary and Extraordinary General Meeting	Approval of the management accounts; creation and election of the Board of Directors.	05/28/2021	Waived	100%
Extraordinary General Meeting	Approval of the Offering	05/27/2021	Waived	100%
Extraordinary General Meeting	Approval of interim dividends	02/01/2021	Waived	100%
Extraordinary General Meeting	Approval of the transfer of shares from the shareholders to the owners of the companies. The following will now be part of the shareholder structure: José Roberto Nogueira, Paulo Estevam da Silva, João Paulo Estevam, Jordão Estevam Nogueira, Miguel Estevam Parente, Francisco de França Reis, Francisco Estevam Sobrinho, Pedro Sales Queiroz Estevam, Gabriela Queiroz Estevam, Jordânia Karina Nogueira Estevam and Ana Paula Nogueira.	01/20/2021	Waived	100%
Quotaholders' Meeting for Conversion into a Joint Stock Company	Approve (i) the transformation of the company into a corporation; (ii) the maintenance of the corporate purpose; (iii) the conversion of quotas into shares and the transformation of quotaholders into shareholders; (iv) the election of board members.	11/25/2020	Waived	100%
Quotaholders' Meeting	Discuss and authorize the distribution of profits based on the financial statements as of December 30, 2019.	10/05/2020	Waived	100%
Quotaholders' Meeting	Authorization of Company intervention in financial contracts.	08/31/2020	Waived	100%
Quotaholders' Meeting	Election of the Company's management.	08/26/2020	Waived	100%
Quotaholders' Meeting	Discuss and authorize the distribution of profits based on the financial statements as of December 30, 2019.	08/24/2020	Waived	100%
Quotaholders' Meeting	Discuss and authorize the distribution of profits based on the financial statements as of December 30, 2019.	07/08/2020	Waived	100%

Quotaholders' Meeting	Discuss and authorize the distribution of profits based on the financial statements as of December 30, 2019.	06/16/2020	Waived	100%
Quotaholders' Meeting	Discuss and authorize the distribution of profits based on the financial statements as of December 30, 2019.	05/19/2020	Waived	100%
Quotaholders' Meeting	Deliberate on the distribution of the Company's profits.	04/24/2020	Waived	100%
Quotaholders' Meeting	Deliberate on the distribution of profits based on the financial statements as of December 31, 2019.	02/17/2020	Waived	100%
6th Amendment and Consolidation of the Articles of Association	Deliberate on the capital increase, through the subscription of R\$ 16,204,213.00	12/03/2019	Waived	100%
5th Amendment and Consolidation of the Articles of Association	Deliberate on the capital increase, through the subscription of R\$ 50,000,000.00	05/02/2019	Waived	100%
Quotaholders' Meeting	Authorization of Company intervention in financial contracts.	12/18/2018	Waived	100%
Quotaholders' Meeting	Authorization of Company intervention in financial contracts.	11/06/2018	Waived	100%
Quotaholders' Meeting	Authorization to grant a guarantee for financing with Banco do Nordeste S.A..	10/10/2018	Waived	100%

Corporate Governance

Brazilian Corporate Governance Code coordinated by the IBGC

According to the Brazilian Institute of Corporate Governance ("IBGC"), corporate governance is the system by which companies are directed and monitored, involving the relationships between shareholders, the board of directors, the executive board, independent auditors, and the fiscal council. The basic principles that guide this practice are: (i) transparency; (ii) fairness; (iii) accountability; and (iv) corporate responsibility.

The principle of transparency means that management must cultivate the desire to inform not only the company's economic-financial performance, but also all the other factors (even if intangible) that guide corporate action. Fairness is understood as the fair and equal treatment of all minority groups, employees, customers, suppliers, or creditors. Accountability, on the other hand, is characterized by the accountability of the actions of corporate governance agents to those who elected them, and their full responsibility for all their actions. Finally, corporate responsibility represents a broader vision of business strategy, with the incorporation of social and environmental considerations in the definition of business and operations.

Among the corporate governance practices recommended by the IBGC in its Brazilian Corporate Governance Code, the Company adopts the following:

- social capital composed only of common shares, providing voting rights to all shareholders;
- mandatory public offering of shares when there are transactions that configure the sale of share control to all partners and not only to the holders of the control block. All shareholders must have the option to sell their shares at the same price and under the same conditions.

The transfer of control must be made at a transparent price;

- hiring of an independent auditing firm that has provided internal auditing services for the company for more than three years;
- a board of directors composed of at least one-third independent members;
- non-accumulation of the position of CEO and Chairman of the Board of Directors;
- adoption of a risk management policy, Code of Ethics and securities trading policy;
- definition of an annual calendar with a thematic annual agenda with relevant issues and discussion dates, including the dates of the ordinary meetings;
- minutes of the board of directors' meetings that are clearly written and record the decisions made, the persons present, dissenting votes, and abstentions from voting; and
- use of the general meeting of shareholders to communicate the conduct of the company's business, with the minutes allowing the full understanding of the discussions at the meeting and identifying the votes cast by shareholders.

Novo Mercado

The Company is also subject to the rules of the Novo Mercado Regulations. In 2000, B3 introduced three listing segments with different levels of corporate governance practices, called Level I, Level II and Novo Mercado, aiming to encourage companies to follow better corporate governance practices and adopt a level of disclosure of information additional to that required by law. The listing segments are designed for the trading of shares issued by companies voluntarily undertaking to abide by corporate governance practices and disclosure requirements in addition to those already imposed by Brazilian law. In general, such rules expand shareholders' rights and enhance the quality of information provided to shareholders. The Novo Mercado is the most stringent of these, requiring the highest degree of corporate governance practices among the three segments. Companies that join the Novo Mercado segment are obliged, among other practices, to issue only common shares; keep at least 25% of the company's capital in circulation; establish an Audit Committee; approve the internal regulations of the Board of Directors and its advisory committees; and set up an internal control area within the company. The adherence to the Novo Mercado is done by means of the signature of a contract between the company and B3, besides the adaptation of the company's by-laws according to the rules contained in the Novo Mercado Regulation.

The rules imposed by the Novo Mercado are intended to grant transparency with regard to the activities and economic situation of the companies to the market, as well as greater powers for minority shareholders to participate in the management of the companies, among other rights..

(h) practices and procedures adopted by the board of directors to define the individual compensation of the board of directors and the executive board

(i) bodies and committees that participate in the decision making process

Once the global compensation of the Officers has been approved, under the terms of the Brazilian Corporate Law, the body responsible for deciding on individual compensation, according to the Company's Bylaws, is the Board of Directors.

(ii) criteria and methodology used for setting the individual compensation

To set the individual compensation of the Company's Officers and members of the Board of Directors, the market practices usually applied in the Company's industry are considered, especially in companies of the same size as the Company, as well as the competencies of each Officer and the individual negotiation of the respective compensation of the employee with the Personnel Committee and the Board of Directors, as well as the responsibility assigned to each position. Additionally, the Company hired an external consultant, Korn Ferry (BR) Consultores Ltda, to evaluate the competitiveness of the global compensation of its Officers, as well as to elaborate a long-term incentive plan for its officers, aiming at the retention of its professionals. However, the implementation of the strategies presented by the external consultants is conditioned to the conclusion of the Company's public offering.

(iii) adequacy of the compensation policy by the board of directors

The evaluation of the adequacy of the compensation policy is conducted annually, on the occasion of the Annual General Meeting of the Company, taking into consideration the market practices usually applied in the Company's industry, especially in companies of the same size as the Company.

13.1 - Description of the compensation policy, including for non-statutory management

(a) objectives of the compensation policy.

This Compensation Policy ("Policy") sets forth the guidelines that should be observed regarding the compensation of the members of the Board of Directors, the Executive Board and the Advisory Committees of the Board of Directors (together, the "Executives"), as well as the members of the Fiscal Council (when installed).

The main principles which guide this Policy are the application of ethical and technical criteria and principles for valuing and managing the Company's different functional structures, ensuring the maintenance of standards of internal and external balance, compatible with the responsibilities of each position and competitive with the labor market, regulating criteria and establishing administrative controls capable of responding to the Company's various needs.

In general lines, the Compensation Policy establishes remuneration components, conditions and benefits (which may vary depending on the position held, according to specificities related to the time dedicated, technical knowledge, experience, participation in advisory committees, among other characteristics), as detailed in item 13.1(b) below.

The Compensation Policy was duly approved by the Company's Board of Directors held on May 28, 2021 and is available for consultation at the following addresses: (i) the Company's headquarters - Rodovia CE-138, Trecho Pereiro CE Divisa com RN - Km 14 - Estrada Carrossal Brisa 1Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 2, CEP 63460-000, Pereiro, CE; (ii) on the Company's website (ri.brisanet.com.br); and (iii) on the CVM website (<http://www.cvm.gov.br/>).

(b) compensation structure

The overall compensation of the Executives may consist of the following components: (i) fixed compensation; (ii) variable compensation; (iii) others that the Board of Directors may determine, except for the members of the Fiscal Council who, when installed, will be entitled only to fixed compensation.

3.2.1 The Board of Directors shall be responsible for determining the proportion of each component of the compensation of the Management.

(i) description of compensation and benefits

Below is a description of the compensation applicable per management body of the Company.

Board of Directors

Fixed Compensation

Pró - labore. The Board of Directors Members will be entitled to monthly compensation, based on the dedication of time, technical expertise and responsibility of their assignments.

They have no additional compensation just for being a member of the board, with the exception of the external/independent directors, who have fixed monthly compensation. However, they may be compensated for other functions and positions they hold in the Company.

In addition, the Company may reimburse expenses incurred by the members of the Board of Directors for travel, accommodation, meals and/or others related only to the performance of their duties at the Company.

Executive Board

Fixed Compensation

Pró- labore. The Company's officers who are shareholders receive a fixed monthly compensation, defined according to the individual negotiation with each of the Officers and the responsibilities of each position.

Salary. The Company's non-shareholding officers receive a fixed monthly compensation, which is based on individual negotiation with the Company and guided, among other factors, by salary surveys regarding the Telecommunications, Technology and related markets, mainly coming from similar industries in which the Company operates.

Direct and Indirect Benefits. The Company's officers may be eligible for the following benefits: (i) health and dental plan; (ii) life insurance; (iii) automobile; (iv) housing allowance, as applicable and when applicable; (v) additional flexible functional benefit, comprising food allowance and allowances for transportation, telework and/or home work, health and education; and (vi) periodic training and courses.

Variable compensation

The variable compensation will be aimed at directing the actions of the officers to the fulfillment of the Company's strategic objectives, in order to meet the interests of its investors, customers and other stakeholders, subject to the achievement of individual and collective targets.

The objective evaluation may result from the fulfillment of annual goals established in the contractual relationship between the manager and the administrator, while the subjective evaluation will be that carried out by superiors, peers and/or subordinates, as determined by the Board of Directors.

Profit Sharing Program (PPR/PLR). The officers receive amounts referring to PPR/PLR, which has as parameters the results expected in the Company's strategic and business plans. The variable remuneration is determined by salary multiples that may be leveraged by the Company's corporate performance, by the individual performance of each member of the Executive Board or by other indicators defined.

Committees

The members of the Committees have no additional compensation of any kind, with the exception of external/independent members, who have fixed monthly compensation.

4.3.2 Committee members are also entitled to reimbursement for accommodation and travel expenses necessary for the performance of their duties.

Fiscal Council

The global compensation of the Fiscal Council will be fixed at the General Assembly that elects and installs them, respecting the minimum amounts established by law.

(ii) composition of the remuneration

The tables below show the proportion of each element in the composition of total compensation in the last three fiscal years:

Fiscal year ending December 31, 2020				
% in relation to total compensation				
	Salary or pró-labore	Variable Compensation	Share-based compensation	Total
Board of Directors	N/A	N/A	N/A	N/A
Executive Board	100%	0,00%	0,00%	100%
Fiscal Council	N/A	N/A	N/A	N/A

Fiscal year ending December 31, 2019				
% in relation to total compensation				
	Salary or pró-labore	Variable Compensation	Share-based compensation	Total
Board of Directors	N/A	N/A	N/A	N/A
Executive Board	100%	0,00%	0,00%	100%
Fiscal Council	N/A	N/A	N/A	N/A

Fiscal year ending December 31, 2018				
% em relação à remuneração total				
	Salary or pró-labore	Variable Compensation	Share-based compensation	Total
Board of Directors	N/A	N/A	N/A	N/A
Executive Board	100%	0,00%	0,00%	100%
Fiscal Council	N/A	N/A	N/A	N/A

(iii) calculation and adjustment methodology

The overall compensation of the Company's management is calculated and updated annually by the Board of Directors with the assistance of the Personnel Committee, according to an index determined by the Board and depends on the responsibility assigned to each position. In addition, the compensation may be periodically adjusted by the Board of Directors for monetary correction and any applicable adjustments. The variable remuneration, in turn, is calculated based on the objective and subjective evaluation of each member's performance.

The calculation and adjustment methodology will take into consideration the practices commonly adopted by the market, and is based on specific surveys conducted focusing on companies in the same and other sectors, as well as on the official inflation indexes disclosed by the Government, the geographic location where the employee resides, as well as the cost of living in the Executive's place of residence, so that the management's compensation is periodically adjusted, ensuring the compatibility of the amounts with the Company's goals and guidelines, according to the evolution of the performance indicators described in item "c" below.

Should the Board of Directors consider that a specific position has been assigned greater or lesser responsibility in the course of the Company's activities, it may, at a meeting of the Board of Directors, reassess and readjust the fixed compensation.

(iv) compensation composition

The composition of the compensation is based on the responsibility of each position, as well as on meritocracy and the Company's results. In this sense, the management's compensation increases according to individual and collective performance, and they will receive, as a minimum, the fixed compensation.

(v) non-remunerated members

The Company compensates only the independent members of its Board of Directors, who also receive additional compensation if they participate in any advisory committees to the Board of Directors. The other members of the Board of Directors receive compensation for their other positions in the Company, so that there is no accumulation of compensation for the non-independent members of the Board of Directors..

(c) key performance indicators considered for compensation definition

Officers and Fiscal Council members may have different compensation components, conditions and benefits.

The individual performance indicators considered for determining the compensation of officers are: (i) responsibilities of each position; (ii) individual performance, established according to the metrics and expected results of each area; and (iii) adherence to the Company's organizational competencies.

The corporate indicators used for the measurement of the variable remuneration are linked to the financial, quality and operational indicators of the business, especially EBITDA and the growth of the customer base.

In addition, the Company uses the following indicators to determine the variable compensation of its management: (i) financial indicators: EBITDA margin and ARPU (average revenue per unit); (ii) quality indicator: NPS (net performance score); and (iii) operational indicators: customer growth and churn (customer loss). The actual values used in each indicator are determined each year to carry out the evaluations on the compensation..

(d) compensation as a reflection of performance indicators

In the company's strategic planning meetings performance indicators are defined, aimed at establishing the company's growth targets. In this sense, the search for better operational and financial results is reflected in the variable remuneration, keeping the teams motivated.

(e) compensation policy aligned with the issuer's interests

The purpose of the compensation is to encourage the officers to seek the best profitability for the projects developed by the Company, in order to align the interests of the management and shareholders. In the short term, it seeks to align salaries and benefits with those of the market. In the medium term, it aims to align compensation with profit sharing and in the long term, it aims to retain qualified professionals, in line with the Company's performance, where the professional shares the risk and the result with the Company.

(f) compensation support

The total compensation of the Company's management in the last three fiscal years was borne by the Company.

(g) compensation or benefit linked to corporate event

There is no remuneration or benefit linked to the occurrence of a certain corporate event.

(h) practices and procedures to define individual compensation

(i) bodies and committees involved in the decision making process

The decision-making process is preceded by market research, which is widely discussed by the Board of Directors with the Human Resources Department and subsequently submitted for the decision of the Board of Directors and the General Assembly.

(ii) criteria and methodology for setting the individual remuneration

The setting of individual compensation is based on objective and subjective criteria, as well as market research conducted by specialists in the Human Resources Department, which structures the studies based on the value practiced in the market, the skills required, and time in the position. The study is concluded based on the evaluation of the professional's performance in meeting the strategic objectives and the Company's performance.

(iii) adequacy of the compensation policy

The evaluation of the adequacy of the compensation policy occurs whenever demanded by Management. The evaluation takes place in specific meetings for analysis and discussion of the topic.

13.2 - Total compensation for the board of directors, executive board and fiscal council

Total compensation forecast for the current fiscal year 12/31/2021 - Annual Values				
	Board of Directors	Executive Board	Fiscal Council	Total
Total no. of members	4,67	4,16	0,00	8,83
No. of paid members	1,33	4,16	0,00	5,49
Fixed annual compensation				
Salary or pró-labore	336,000.00	1,593,385.23	0,00	1,929,385.23
Direct and indirect benefits	0,00	0,00	0,00	0,00
Committee membership	48,000.00	0,00	0,00	48,000.00
Others	0,00	0,00	0,00	0,00
Description of other fixed compensation	0,00	0,00	0,00	0,00
Variable Compensation				
Bonus	0,00	0,00	0,00	0,00
Profit Sharing	0,00	215,760.00	0,00	215,760.00
Attendance at meetings	0,00	0,00	0,00	0,00
Comissions	0,00	0,00	0,00	0,00
Others	0,00	0,00	0,00	0,00
Description of other variable compensation	0,00	0,00	0,00	0,00
Post-employment	0,00	0,00	0,00	0,00
Termination of office	0,00	0,00	0,00	0,00
Share-based, including options	0,00	0,00	0,00	0,00
Note	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/N°01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/N°01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/N°01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	
Total compensation	384,000.00	1,809,145.23	0,00	2,145,145.23

Total compensation for the fiscal year ended 12/31/2020 - Annual Values				
	Board of Directors	Executive Board	Fiscal Council	Total
Total no. of members	0,00	2,16	0,00	2,16
No. of paid members	0,00	2,00	0,00	2,00
Fixed annual compensation				
Salary or pró-labore	0,00	107,507.63	0,00	107,507.63
Direct and indirect benefits	0,00	0,00	0,00	0,00
Committee membership	0,00	0,00	0,00	0,00
Others	0,00	0,00	0,00	0,00
Description of other fixed compensation	0,00	0,00	0,00	0,00
Variable Compensation				
Bonus	0,00	0,00	0,00	0,00
Profit Sharing	0,00	0,00	0,00	0,00
Attendance at meetings	0,00	0,00	0,00	0,00
Comissions	0,00	0,00	0,00	0,00
Others	0,00	0,00	0,00	0,00
Description of other variable compensation	0,00	0,00	0,00	0,00
Post-employment	0,00	0,00	0,00	0,00
Termination of office	0,00	0,00	0,00	0,00
Share-based, including options	0,00	0,00	0,00	0,00
Note	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/Nº01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/Nº01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/Nº01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	
Total compensation	0,00	107,507.63	0,00	107,507.63

Total compensation for the fiscal year ended 12/31/2019 - Annual Values				
	Board of Directors	Executive Board	Fiscal Council	Total
Total no. of members	0,00	2,00	0,00	2,00
No. of paid members	0,00	2,00	0,00	2,00
Fixed annual compensation				
Salary or pró-labore	0,00	105,951.55	0,00	105,951.55
Direct and indirect benefits	0,00	0,00	0,00	0,00
Committee membership	0,00	0,00	0,00	0,00
Others	0,00	0,00	0,00	0,00
Description of other fixed compensation	0,00	0,00	0,00	0,00
Variable Compensation				
Bonus	0,00	0,00	0,00	0,00
Profit Sharing	0,00	0,00	0,00	0,00
Attendance at meetings	0,00	0,00	0,00	0,00
Comissions	0,00	0,00	0,00	0,00
Others	0,00	0,00	0,00	0,00
Description of other variable compensation	0,00	0,00	0,00	0,00
Post-employment	0,00	0,00	0,00	0,00
Termination of office	0,00	0,00	0,00	0,00
Share-based, including options	0,00	0,00	0,00	0,00
Note	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/Nº01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/Nº01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/Nº01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	
Total compensation	0,00	105,951.55	0,00	105,951.55

Total compensation for the fiscal year ended 12/31/2018 - Annual Values				
	Board of Directors	Executive Board	Fiscal Council	Total
Total no. of members	0,00	2,00	0,00	2,00
No. of paid members	0,00	2,00	0,00	2,00
Fixed annual compensation				
Salary or pró-labore	0,00	97,200.00	0,00	97,200.00
Direct and indirect benefits	0,00	0,00	0,00	0,00
Committee membership	0,00	0,00	0,00	0,00
Others	0,00	0,00	0,00	0,00
Description of other fixed compensation	0,00	0,00	0,00	0,00
Variable Compensation				
Bonus	0,00	0,00	0,00	0,00
Profit Sharing	0,00	0,00	0,00	0,00
Attendance at meetings	0,00	0,00	0,00	0,00
Comissions	0,00	0,00	0,00	0,00
Others	0,00	0,00	0,00	0,00
Description of other variable compensation	0,00	0,00	0,00	0,00
Post-employment	0,00	0,00	0,00	0,00
Termination of office	0,00	0,00	0,00	0,00
Share-based, including options	0,00	0,00	0,00	0,00
Note	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/Nº01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/Nº01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	As set forth in the OFÍCIO-CIRCULAR/CVM/SE P/Nº01/2021 the number of members of the Board of Directors was calculated according to the annual average of the number of members of said body, calculated monthly, to two decimal places, and (ii) the amounts recorded under the item "others" refer to the charges levied on remuneration.	
Total compensation	0,00	97,200.00	0,00	97,200.00

13.3 - Variable compensation for the board of directors, executive board and fiscal council

Forecast for December 31, 2021	Board of Directors	Executive Board	Fiscal Council	Total
Total no. of members	4,67	4,16	0,00	8,83
No. of paid members	1,33	4,16	0,00	5,49
Bonus				
Minimum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Maximum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Amount provided for in the compensation plan - goals achieved	0,00	0,00	0,00	0,00
Profit Sharing				
Minimum amount provided for in the compensation plan	0,00	25,968.00	0,00	25,968.00
Maximum amount provided for in the compensation plan	0,00	233,712.00	0,00	233,712.00
Amount provided for in the compensation plan - goals achieved	0,00	215,760.00	0,00	215,760.00

12/31/2020	Board of Directors	Executive Board	Fiscal Council	Total
Total no. of members	0,00	0,00	0,00	0,00
No. of paid members	0,00	0,00	0,00	0,00
Bonus				
Minimum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Maximum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Amount provided for in the compensation plan - goals achieved	0,00	0,00	0,00	0,00
Amount effectively recognized in the fiscal year's results	0,00	0,00	0,00	0,00
Profit Sharing				
Minimum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Maximum amount provided for in the compensation plan	0,00	0,00	0,00	0,00

Amount provided for in the compensation plan - goals achieved	0,00	0,00	0,00	0,00
Amount effectively recognized in the fiscal year's results	0,00	0,00	0,00	0,00

12/31/2019	Board of Directors	Executive Board	Fiscal Council	Total
Total no. of members	0,00	0,00	0,00	0,00
No. of paid members	0,00	0,00	0,00	0,00
Bonus				
Minimum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Maximum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Amount provided for in the compensation plan - goals achieved	0,00	0,00	0,00	0,00
Amount effectively recognized in the fiscal year's results	0,00	0,00	0,00	0,00
Profit Sharing				
Minimum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Maximum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Amount provided for in the compensation plan - goals achieved	0,00	0,00	0,00	0,00
Amount effectively recognized in the fiscal year's results	0,00	0,00	0,00	0,00

12/31/2018	Board of Directors	Executive Board	Fiscal Council	Total
Total no. of members	0,00	0,00	0,00	0,00
No. of paid members	0,00	0,00	0,00	0,00
Bonus				
Minimum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Maximum amount provided for in the compensation plan	0,00	0,00	0,00	0,00

Amount provided for in the compensation plan - goals achieved	0,00	0,00	0,00	0,00
Amount effectively recognized in the fiscal year's results	0,00	0,00	0,00	0,00
Profit Sharing				
Minimum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Maximum amount provided for in the compensation plan	0,00	0,00	0,00	0,00
Amount provided for in the compensation plan - goals achieved	0,00	0,00	0,00	0,00
Amount effectively recognized in the fiscal year's results	0,00	0,00	0,00	0,00

13.4 - Share-based compensation plan for the board of directors and executive board

Not applicable, since the Company has no share-based compensation plan in effect over the last three fiscal years or planned for the current fiscal year.

13.5 - Share-based compensation for the board of directors and executive board

No stock options have been granted by the Company to its management and there have been no exercises of stock options by the Company's management in the current period and in the last three fiscal years.

13.6 - - Information about the outstanding options held by the board of directors and executive board

Not applicable, considering that no stock options were granted by the Company to its management and no stock options were exercised by the Company's management at the end of the last fiscal year.

13.7 - Options exercised and shares delivered related to stock-based compensation of the board of directors and executive board

Not applicable, considering that no stock options were granted by the Company to its management and no stock options were exercised by the Company's management in the last three fiscal years.

**13.8 - - Information necessary to understand the data disclosed in the items 13.5
a 13.7 - Method for pricing the value of shares and options**

Not applicable, since no stock options have been granted by the Company to its managers and no stock options have been exercised by the Company's managers in the last three fiscal years.

13.9 - Shareholdings in shares, quotas and other convertible securities, held by the executive board and fiscal council members - by body

The table below contains the consolidated shareholding in shares issued by the Company and its subsidiaries:

Managing body	Company Shares		Brisanet Serviços de Telecomunicações S.A. shares		Universe Serviços de Telecomunicações Ltda shares	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Board of Directors	186,832,950	52%	468	0.0007%	7	0.0041%
Executive Board ⁽¹⁾	35,929,865	10%	0	0	0	0

⁽¹⁾ Excludes participations held by Directors who are also Members of the Board.

Managing body	Interservice Serviços de Elaboração de Dados Ltda shares		Brisanet Gerenciadora de Ativos Ltda shares		RPS Prestação de Serviços de Informática Ltda quotes	
	No. of Shares	%	No. of Shares	%	No. of Quotes	%
Board of Directors	7	0.01%	1	0.02%	3,200	0.01%
Executive Board ⁽¹⁾	0	0	0	0	0	0

⁽¹⁾ Excludes participations held by Directors who are also Members of the Board.

13.10 - Information on pension plans granted to members of the board of directors and officers

Not applicable, since the Company does not offer a pension plan to the members of the Board of Directors and officers.

13.11 - Maximum, minimum and average individual compensation for the board of directors, executive board and fiscal council

Annual Values	Executive Board			Board of Directors			Fiscal Council		
	12/31/2020	12/31/2019	12/31/2018	12/31/2020	12/31/2019	12/31/2018	12/31/2020	12/31/2019	12/31/2018
Total no. of members	2,00	2,00	2,00	0,00	0,00	0,00	0,00	0,00	0,00
No. of paid members	2,00	2,00	2,00	0,00	0,00	0,00	0,00	0,00	0,00
Highest remuneration (Reais)	60,087.84	58,632.43	55,296.00	0,00	0,00	0,00	0,00	0,00	0,00
Highest remuneration (Reais)	47,419.79	47,319.12	41,904.00	0,00	0,00	0,00	0,00	0,00	0,00
Average remuneration (Reais)	53,753.81	52,975.78	48,600.00	0,00	0,00	0,00	0,00	0,00	0,00

Executive Board	
12/31/2020	In 2020, only the two members of the Company's Board of Directors were remunerated.
12/31/2019	In 2019, only the two members of the Company's Board of Directors were remunerated
12/31/2018	In 2018, only the two members of the Company's Board of Directors were remunerated
Board of Directors	
12/31/2020	The Board of Directors was established at the Extraordinary General Meeting of May 27, 2021. In the fiscal years ending December 31, 2020, 2019 and 2018, the Company did not have a Board of Directors.
12/31/2019	The Board of Directors was established at the Extraordinary General Meeting of May 27, 2021. In the fiscal years ending December 31, 2020, 2019 and 2018, the Company did not have a Board of Directors.
12/31/2018	The Board of Directors was established at the Extraordinary General Meeting of May 27, 2021. In the fiscal years ending December 31, 2020, 2019 and 2018, the Company did not have a Board of Directors.
Fiscal Council	
12/31/2020	N/A
12/31/2019	N/A
12/31/2018	N/A

13.12 - Mechanisms for remunerating or compensating management in the event of removal from office or retirement

Not applicable, since the Company does not offer compensation or indemnification mechanisms for management members in case of dismissal or retirement.

13.13 - Percentage in total compensation held by management and fiscal council members that are related parties to the controlling shareholders

Not applicable, since no administrator or member of the Company's Fiscal Council was related to the controlling shareholders in the last three fiscal years.

13.14 - Remuneration of management and fiscal council members, grouped by body, received for any reason other than the position they hold

No amounts were recognized in the Company's results as remuneration of management and fiscal council members, grouped by body, received for any reason other than their position in the last three fiscal years.

13.15 - Compensation of management and fiscal council members recognized in the results of direct or indirect controlling shareholders, companies under common control, and subsidiaries of the issuer

Not applicable, since no compensation of management or fiscal council members of the Company for the past three fiscal years was recognized in the results of the direct or indirect controlling shareholders, companies under common control, and the Company's subsidiaries.

13.16 – Other outstanding information

Furthermore, the information related to the calculation memory of the number of members and the number of compensated members of the Board of Directors and the Executive Board for the fiscal years ending December 31, 2018, 2019 and 2020 included in this section 13.2 corresponds to the information related to January to December of each fiscal year, as well as to the four-month period ending April 30, 2020 and was calculated in accordance with the CVM Circular Letter CVM/SEP/Nº 01/2021, as shown in the table below:

No. of Members	Board of Directors				Executive Board			
	2018	2019	2020	2021	2018	2019	2020	2021
January	0	0	0	0	2	2	2	3
February	0	0	0	0	2	2	2	3
March	0	0	0	0	2	2	2	3
April	0	0	0	0	2	2	2	3
May	0	0	0	7	2	2	2	4
June	0	0	0	7	2	2	2	4
July	0	0	0	7	2	2	2	5
August	0	0	0	7	2	2	2	5
September	0	0	0	7	2	2	2	5
October	0	0	0	7	2	2	2	5
November	0	0	0	7	2	2	3	5
December	0	0	0	7	2	2	3	5
Average	0	0	0	4,67	2	2	2,16	4,16

No. of Paid Members	Board of Directors				Executive Board			
	2018	2019	2020	2021	2018	2019	2020	2021
January	0	0	0	0	2	2	2	3
February	0	0	0	0	2	2	2	3
March	0	0	0	0	2	2	2	3
April	0	0	0	0	2	2	2	3
May	0	0	0	2	2	2	2	4
June	0	0	0	2	2	2	2	4
July	0	0	0	2	2	2	2	5
August	0	0	0	2	2	2	2	5
September	0	0	0	2	2	2	2	5
October	0	0	0	2	2	2	2	5
November	0	0	0	2	2	2	2	5
December	0	0	0	2	2	2	2	5
Average	0	0	0	1,33	2	2	2	4,16

14.1 - Description of human resources

(a) number of employees

The table below sets forth our total number of employees, per region and activity, as of April 30, 2021 and December 31, 2020, 2019 and 2018:

Region	Activity	As of	As of		
		April 30,	December 31,		
		2021	2020	2019	2018
Ceará.....	Operations	824	783	654	489
	Infrastructure	1,039	878	699	518
	Administrative	725	708	459	300
	Marketing and Sales	410	310	233	184
	Customer Support	443	359	245	144
	City Management	233	258	257	203
	Supply Chain	188	154	130	103
	Telecom Technology	165	133	83	70
Ceará – Total	—	4,027	3,583	2,760	2,011
Rio Grande do Norte.....	Operations	409	348	199	75
	Infrastructure	87	132	59	5
	Administrative	30	21	16	8
	Marketing and Sales	80	62	79	10
	Customer Support	77	58	6	5
	City Management	61	56	43	31
	Supply Chain	15	13	12	7
	Telecom Technology	2	1	2	—
Rio Grande do Norte – Total	—	761	691	416	141
Paraíba.....	Operations	476	463	358	125
	Infrastructure	128	125	91	—
	Administrative	45	40	39	10
	Marketing and Sales	98	102	113	12
	Customer Support	6	8	1	1
	City Management	70	61	66	41
	Supply Chain	19	15	10	8
	Telecom Technology	1	—	2	1
Paraíba – Total	—	843	814	680	198
Pernambuco.....	Operations	148	161	95	26
	Infrastructure	26	25	20	3
	Administrative	14	5	13	7
	Marketing and Sales	57	38	40	5
	Customer Support	3	2	2	2
	City Management	55	74	36	3
	Supply Chain	5	2	3	2
Pernambuco – Total	—	308	307	209	48
Alagoas.....	Operations	131	58	—	—
	Infrastructure	49	28	—	—
	Administrative	5	6	—	—
	Marketing and Sales	57	31	—	—
	City Management	8	6	—	—
	Supply Chain	15	8	—	—
Alagoas – Total	—	265	137	—	—
Piauí.....	Operations	17	—	—	—
	Infrastructure	51	—	—	—
	Administrative	5	—	—	—
	City Management	5	—	—	—
	Supply Chain	10	—	—	—
Piauí – Total	—	88	—	—	—
Sergipe.....	Infrastructure	10	—	—	—
	City Management	1	—	—	—
	Supply Chain	10	—	—	—
Sergipe – Total	—	21	—	—	—
TOTAL	—	6,317	5,554	4,073	2,399

(b) number of outsourced employees

As of April 30, 2021 and December 31, 2020, 2019 and 2018, we did not have outsourced employees.

(c) employee turnover

In the four-month period ended April 30, 2021 and for years ended December 31, 2020, 2019 and 2018, our employee turnover rate was 8.5%, 24.3%, 16.3% and 16.6%, respectively.

14.2 - Relevant changes – Human resources

No relevant changes have occurred with regard to the figures disclosed in item 14.1.

14.3 - Description of employee compensation policy

(a) wage policy and variable remuneration

Our compensation plan aims to (i) maintain internal balance; (ii) consider the position we set forth regarding salaries, based on market information; (iii) attract, retain and develop intellectual capital to meet our needs and priorities in relation to the market; (iv) encourage the improvement of our employees, enabling professional and personal development, based on perspectives of internal opportunities; and (v) recognize the efforts and performance of employees in a meritocratic manner, considering our horizontal and vertical growth.

Our employee compensation is divided into three components:

- **Fixed:** refers to the amount received in compensation for the employee's attributions (salary);
- **Variable:** refers to the amount received as a result of the employee's contribution to our results – and may be granted through (i) short-term incentives, such as monthly commissions (for eligible positions), awards and bonus programs and profit sharing programs; and (ii) long-term incentives, such as share-based programs for our key personnel, which may be approved by our board of directors.
- **Benefits:** We offer a portfolio of benefits in line with market practices, which can be rigid or flexible. Our employees are eligible for various benefits, some of which may vary according to position, level and location. Also, not everyone is entitled to all benefits. The benefits take into account collective agreements or are established at our discretion.

Our salaries are adjusted annually, based on the application of percentages and criteria for collective salary readjustments established by collective conventions/agreements entered into with employees' unions, in the respective reference dates. Salary increases may be granted to employees based on their performance, potential, skills and commitment.

Our Compensation and Career area will carry out a salary survey to update and align compensation, whenever necessary.

(b) share-based compensation plans

As of the date of this Report, the Company does not have a share-based compensation plan whose beneficiaries are non-management employees.

14.4 -- Description of the relations between the issuer and unions

Our employees are represented by several labor unions in the Northeast region of Brazil. The employees of the Brisanet Group are represented by National Union of Telecommunications Workers (Sindicato Nacional dos Trabalhadores em Telecomunicação), or SINTTEL.

We have a good relationship with these unions, and we disclose to our employees the main collective agreements and other actions promoted by the unions. Union negotiations are conducted by our human resources and legal departments, always seeking to set parameters according with market practices to contribute to the decisions of our board of executive officers. In the last three years there has been no strike or work stoppage involving our employees.

14.5 – Other outstanding information

In the months of May, June and July 2021, a specialist employee was hired for each of the areas of Compliance and Governance, Internal Audit and Internal Controls and Corporate Risk.

15.1 / 15.2 - Shareholders position

SHAREHOLDERS					
Shareholder CPF/CNPJ	Nationality	Shareholders' agreement	Controlling shareholder	Last alteration	
Qty. common shares (units)	Common Stock % Share	No. of preferred shares	Preferred % Shares	Total No. of shares (units)	Total shares %
João Paulo Estevam					
889.877.103-78	Brazilian	Yes	Yes	07/27/2021	
35,929,865	8%	0	0%	35,929,865	8%
Jordania Karina Nogueira Estevam					
068.311.674-62	Brazilian	Yes	Yes	07/27/2021	
17,964,930	4%	0	0%	17,964,930	4%
Jordão Estevam Nogueira					
052.054.914-77	Brazilian	Yes	Yes	07/27/2021	
35,929,865	8%	0	0%	35,929,865	8%
Ana Paula Nogueira					
016.370.993-98	Brazilian	Yes	Yes	07/27/2021	
17,964,930	4%	0	0%	17,964,930	4%
Paulo Estevam da Silva					
946.248.108-30	Brazilian	Yes	Yes	07/27/2021	
35,929,865	8%	0	0%	35,929,865	8%
Miguel Estevam Parente					
056.756.608-01	Brazilian	Yes	Yes	07/27/2021	
21,557,920	4.8%	0	0%	21,557,920	4.8%
José Roberto Nogueira					
429.419.204-63	Brazilian	Yes	Yes	07/27/2021	
150,903,085	33.6%	0	0%	150,903,085	33.6%

SHAREHOLDERS					
Shareholder CPF/CNPJ	Nationality	Shareholders' agreement	Controlling shareholder	Last alteration	
Qty. common shares (units)	Common Stock % Share	No. of preferred shares	Preferred % Shares	Total No. of shares (units)	Total shares %
Francisco de França Reis					
021.776.524-64	Brazilian	Yes	Yes	07/27/2021	
10,778,960	2.4%	0	0%	10,778,960	2.4%
Francisco Estevam Sobrinho					
023.215.938-65	Brazilian	Yes	Yes	07/27/2021	
16,168,315	3.6%	0	0%	16,168,315	3.6%
Pedro Sales Queiroz Estevam					
055.172.433-12	Brazilian	Yes	Yes	07/27/2021	
8,084,165	1.8%	0	0%	8,084,165	1.8%
Gabriela Queiroz Estevam					
056.219.383-99	Brazilian	Yes	Yes	07/27/2021	
8,084,165	1.8%	0	0%	8,084,165	1.8%
Outros					
89,798,851	20.00%	0	0%	89,798,851	20.00%
Treasury shares					
0	0	0	0	0	0
TOTAL					
449,094,916	100.00%	0	0%	449,094,916	100.00%

15.3 - Capital distribution

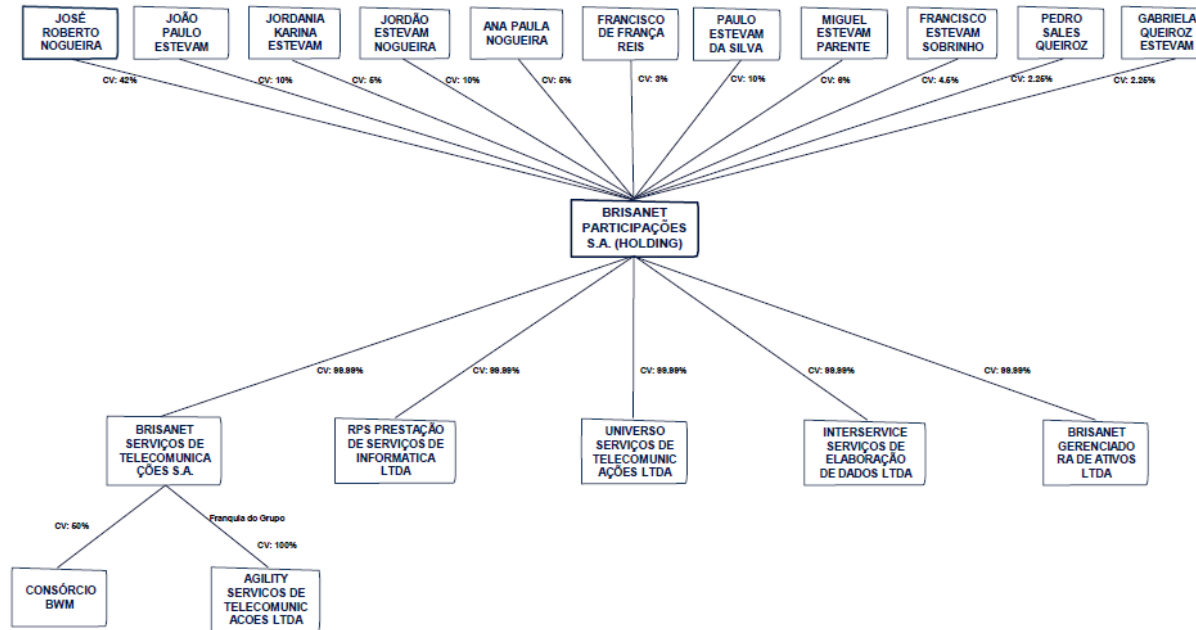
Date of last meeting / Date of last alteration	05/31/2021
Individual Shareholders (Units)	11
Corporate Shareholders (Units)	0
Institutional Investors (Units)	0

Free Float Shares

Free Float Shares corresponds to all shares of the issuer with the exception of those held by the controller, by persons related to him, by the issuer's managers and shares held in treasury.

Common Shares (Units)	89,798,851	20.00%
Preferred Shares (Units)	0	0%
Total	89,798,851	20.00%

15.4 - Organization chart of the shareholders and the economic group



15.5 - Shareholders' agreement filed at the issuer's headquarters or to which the controller is a party

Shareholders' Agreement	
Parties	José Roberto Nogueira (“ JRN ”); Paulo Estevam da Silva (“ PES ”); João Paulo Estevam (“ JPE ”); Jordão Estevam Nogueira (“ JEN ”); Francisco Estevam Sobrinho (“ FES ”); Gabriela Queiroz Estevam (“ GQE ”); Pedro Sales Queiroz Estevam (“ PSE ”); Miguel Estevam Parente (“ MEP ”); Jordânia Karina Estevam Nogueira (“ JKN ”); Ana Paula Nogueira (“ ANP ”); and Francisco De França Reis (“ FFR ”), all called “ Shareholders ”)
Date	The shareholders' agreement was entered into on July 5, 2021.
Term	This Agreement shall be valid and effective for a period of twenty (20) years, renewable automatically for an equal period.
Description of the clauses related to the exercise of the voting right and control power	<p>Whenever any General Meeting is convened, the Shareholders shall meet in advance of the General Meeting in question to resolve on the matters contained in their respective agendas (“Preparatory Meeting”).</p> <p>Approval of the matters submitted for resolution at a Preparatory Meeting will depend on the affirmative vote of at least the Shareholders representing the majority (i.e., 50% + 1) of the Shares held by the Shareholders entitled to vote present at the Preparatory Meeting. The votes cast by FES, GQE and PSE shall follow the voting advice given by JRN on all matters submitted to deliberations at a Preparatory Meeting.</p> <p>After the period of 5 years counted from the date of execution of the Shareholders' Agreement, without the need for execution of any amendment to the Shareholders' Agreement, the quorum for (i) any operation of merger, incorporation (including shares), spin-off, transformation or any act of corporate reorganization involving the Company; (ii) dissolution, bankruptcy, judicial or extrajudicial reorganization and/or liquidation; and (iii) the execution of operations between the Company and its Related Parties; will be altered so that the affirmative vote of at least 60% + 1 of the Shares held by Shareholders with voting rights present at the Prior Meeting will be required.</p> <p>The Shareholders shall exercise their voting right at the General Meetings in accordance with the deliberations at the Previous Meetings, in a manner consistent with the provisions of the Shareholders' Agreement, ensuring that the Company and the investees maintain the normal course of business, in a manner substantially consistent with the practices previously adopted, making their best efforts to ensure the preservation of the organization of the Company's business. The eventual exercise, by any of the Shareholders and/or any of their representatives, of the voting right at the General Meetings in disagreement with the provisions set forth in the Shareholders' Agreement shall imply in the nullity of the vote and in the adoption of the measures provided for in paragraphs 8 and 9 of article 118 of the Corporation Law, without prejudice to the right of the Shareholder concerned to promote the specific enforcement of the obligation not complied with.</p> <p>Each common share shall represent one (1) vote at the Preparatory Meetings and at a General Meeting, and the Shareholders undertake not to adopt the multiple vote procedure set forth in article 141 of the Corporation Law (at a General Meeting).</p>
Description of the clauses related to the indication of management members, members of statutory committees or people assuming managerial positions	<p>The Shareholders undertake to nominate JPE and JRN for the positions of Chairman and member of the Board of Directors, respectively, to be elected in due course, pursuant to the Bylaws and the Corporation Law, and the Shareholders shall resolve and approve their election to said position, with a term of office until the Company's annual general meeting to be held in 2022, and they may be reelected.</p> <p>The Shareholders undertake to nominate JRN, JPE and JEN for the positions of Chief Executive Officer, Chief Operating Officer and Chief Commercial Officer, respectively, and the members of the Board of Directors to be elected in due course, pursuant to the Bylaws and the Corporation Law, shall resolve and approve their election to such position, with a term of office until the annual general meeting of the Company to be held in 2022, and they may be reelected.</p>
Description of the clauses related to	The restrictions set forth in the Shareholders' Agreement, apply, in full, to transfers of Equity Interest to any affiliate of the Shareholders that, directly or indirectly, represent a transfer of interest

the transfer of shares and the preference to acquire them

directly or indirectly held by the Shareholders in the Company, including those carried out by means of incorporation (including shares), spin-off or merger, as well as by share exchange.

Allowed Transfers. Pursuant to the Shareholders Agreement, "**Permitted Transfers**" are considered to be (i) the Transfer of Shares under any stock option plan approved by the Company's general meeting; (ii) the Transfer of shares issued by a Shareholder or its successors provided that to another company under direct or indirect common Control (or the carrying out of any reorganization or corporate restructuring involving a Shareholder or its successors, including, spin-off, merger, consolidation or contribution of ownership interest); (iii) the Transfer of Shares to an Affiliate of the Shareholder; (iv) the Transfers of Shares as a result of an Initial Public Offering; and (v) the Transfer of Shares between: (a) FES, GQE and PSE; or (b) JPE, PES, JEN, ANP and JKN no âmbito de eventual plano de opção de compra de ações aprovado pela assembleia geral da Companhia; (ii) de emissão por um Acionista ou seus sucessores desde que para outra sociedade sob Controle comum, direto ou indireto (ou a realização de qualquer reorganização ou reestruturação societária envolvendo um Acionista ou seus sucessores, incluindo, cisão, incorporação, fusão ou contribuição de participação societária); (iii) para uma Afiliada do Acionista; (iv) em decorrência de uma Oferta Pública Inicial; e (v) entre: (a) FES, GQE e PSE; ou (b) JPE, PES, JEN, ANP e JKN.

The Shareholders' Agreement states the conditions for an Allowed Transfer, as follows:

- In the event of any Share or Equity Transfers made by any Shareholder to an Affiliate, the Shareholder shall, in the case of a legal entity Affiliate, refrain from: (i) transferring any Equity Interest held in the Affiliate, in any way, directly or indirectly, including, but not limited to, by corporate merger, spin-off or incorporation transactions (including shares), without first returning the Shares to the ceding Shareholder; (ii) issuing any security that entitles the holder to receive Corporate Participations issued by such Affiliate; (iii) entering into any agreement or contract, including, without limitation, holding companies, that directly or indirectly confers on a third party political and/or economic rights equivalent to the economic and political rights conferred by the Equity Interests of such Affiliate

Transfer to Third Parties: Any Transfer or assignment of Shares, or preemptive right to subscribe for Shares, or securities convertible into Shares made to a Third Party, when permitted by the Shareholders Agreement, shall be valid only if such Third Party fully and unrestrictedly agrees, in writing, to honor this Agreement as if it were an original party thereto.

Prohibition on Transferring to Competitors: During the entire term of the Shareholders Agreement, the Shareholders are expressly prohibited from making any transfer, in whole or in part, directly or indirectly, to a Third Party that is a Competitor of the Company or that holds Control, directly or indirectly, of a Competitor of the Company

Limit on the Right to Transfer: The Shareholders undertake, including in the case of an Initial Public Offering, to limit their respective rights to carry out Transfers, even if carried out in strict observance of the limitations and procedures established in this Agreement, so as to ensure that the Shareholders hold, throughout the term of this Agreement, an absolute majority of the shares issued by the Company. Should any Shareholder wish to make a Transfer of Shares to a Third Party that results in Shareholders losing Control, such selling Shareholder must compulsorily offer its Shares to the other Shareholders.

Preemptive Right: In the event that any shareholder ("**Offering Shareholder**") receives a proposal from another shareholder or third party ("**Potential Purchaser**") to acquire all or part of its Shares, and the Offering Shareholder decides to accept the proposal, the Offering Shareholder shall notify the other shareholders ("**Offeree Shareholders**") of such fact, with copy to the Company ("**Notice of Offer**"). The Offeree Shareholders (including the Potential Purchaser for the Preemptive Right, if it is a Shareholder) shall then have the preemptive right to acquire all (and not less than all) of the Offered Shares in Preference (as defined below), on the same terms, clauses and conditions offered or provided in the proposal received from the Potential Purchaser for the Preemptive Right ("**Preemptive Right**"), in proportion to their holdings in the Company's capital stock, disregarding the Offering Shareholder's holding.

During the thirty (30) day period following receipt of the Notice of Offer, the Offeree Shareholder(s) shall inform the Offering Shareholder(s) in writing whether or not they will exercise their Preemptive Right to acquire the Offered Shares. Upon exercise of the Preemptive Right by the Offeree

	<p>Shareholder(s) in respect of all (and not less than all) of the Offered Shares, such Shares shall be acquired pursuant to the Terms of the Offer and transferred to the Offeree Shareholder(s) within ten (10) days after the end of the thirty (30) day period provided for herein.</p> <p>If the Preemptive Right is not exercised by the Offeree Shareholder(s), the Offering Shareholder may dispose of all (and not less than all) of the Offered Shares to the Potential Purchaser on the exact terms of the Offer, during the ninety (90) days immediately following the end of the exercise period of the Preemptive Right.</p> <p>“Transfer” means the sale, commitment to sell, assignment, exchange, disposal, donation, encumbrance, exchange, disposal, transfer, contribution to the capital, grant of purchase or sale option or practice any act that may result in the disposal, encumbrance or any other form of loss of ownership and rights attached thereto, directly or indirectly, onerous or gratuitous, of the asset, property or right to which it refers, or of all risks and benefits inherent to such asset, property or right, including, without limitation, by means of corporate reorganizations, of any of the Shares held directly or indirectly, at any time, by the Shareholders, as well as of the rights attributed to such Shares.</p> <p>“Affiliated” means: (i) with respect to a natural Person, any person who, at any time, is a relative of the Person in reference, as well as any specific purpose Company, provided that at least ninety-nine percent (99%) of its capital stock is held directly or indirectly by the persons indicated above in this item; and (ii) with respect to a legal Person or unincorporated entity, any Person that directly or indirectly Controls, is Controlled by, or is under common Control with, such PersonCom relação a uma pessoa natural, qualquer pessoa que, a qualquer tempo, seja parente da pessoa em referência, bem como qualquer Companhia de propósito específico, desde que, pelo menos, 99% (noventa e nove por cento) de seu capital social seja detido direta ou indiretamente pelas pessoas acima indicadas neste item; e (ii) com relação a uma pessoa jurídica ou entidade sem personificação, qualquer pessoa que, direta ou indiretamente, Controle, seja Controlada por, ou esteja sob Controle comum com tal pessoa.</p> <p>“Competitor”: means any Person involved in the Business in the Brazilian territory.</p> <p>“Business” means, in relation to the Company, the interest in other companies; and, in relation to the Investees: SCM telecommunications services; fixed commuted telephone service - STFC; voice over internet protocol - VOIP providers; rental of telecommunications equipment; installation services for fiber optic and radio networks; wholesale, retail and import of telecommunications equipment; pay television; cable pay television operators; provision of camera rental and storage services; internet and data center hosting services.</p>
<p>Description of the clauses that restrict or bind the voting rights of the members of the board of directors or other supervisory and control bodies</p>	<p>There are no clauses restricting or binding the voting rights of the members of the Board of Directors. There are only clauses restricting the voting rights of Shareholders, as described above</p>

15.6 - Relevant changes in the shareholdings of the issuer's controlling group members and management

The relevant changes in the shareholdings of the members of the controlling group and management in the last three fiscal years have been described in item 15.7 below.

15.7 - Main corporate operations

2021

<p>a. event</p>	<p>On January 20, 2021, Brisanet Participações S.A. approved the transfer of shares from its shareholders: (i) JRN PARTICIPAÇÕES EIRELI to José Roberto Nogueira; (ii) PES PARTICIPAÇÕES EIRELI to Paulo Estevam da Silva; (iii) JPE PARTICIPAÇÕES EIRELI to João Paulo Estevam; (iv) JEN PARTICIPAÇÕES EIRELI for Jordão Estevam Nogueira; (v) MEP PARTICIPAÇÕES EIRELI for Miguel Esteva Parente; (vi) FFR PARTICIPAÇÕES EIRELI for Francisco de França Reis; (vii) GPF PARTICIPAÇÕES LTDA. to Francisco Estevam Sobrinho, Pedro Sales Queiroz Estevam and Gabriel Queiroz Estevam; (viii) JKN PARTICIPAÇÕES EIRELI to Jordania Karina Nogueira Estevam; and (ix) ANP PARTICIPAÇÕES EIRELI to Ana Paula Nogueira.</p>
<p>b. main business conditions</p>	<p>Transfer of shares from shareholders of Brisanet Participações S.A.</p>
<p>c. companies involved</p>	<p>Brisanet Serviços de Telecomunicações S.A., JRN PARTICIPAÇÕES EIRELI, PES PARTICIPAÇÕES EIRELI, JPE PARTICIPAÇÕES EIRELI, JEN PARTICIPAÇÕES EIRELI, MEP PARTICIPAÇÕES EIRELI, FFR PARTICIPAÇÕES EIRELI, GPF PARTICIPAÇÕES LTDA., JKN PARTICIPAÇÕES EIRELI e ANP PARTICIPAÇÕES EIRELI</p>
<p>d. effects of the deal on the Company's shareholding structure</p>	<p>There was a change in the Company's shareholder structure, as shown in the chart below.</p>
<p>e. corporate structure before and after the deal</p>	<p>Before the Deal</p> <ul style="list-style-type: none"> JRN PARTICIPAÇÕES EIRELI JPE PARTICIPAÇÕES EIRELI JKN PARTICIPAÇÕES EIRELI GPF PARTICIPAÇÕES EIRELI FFR PARTICIPAÇÕES EIRELI JEN PARTICIPAÇÕES EIRELI MEP PARTICIPAÇÕES EIRELI PES PARTICIPAÇÕES EIRELI <p>After the Deal</p> <ul style="list-style-type: none"> José Roberto Nogueira Paulo Estevam da Silva João Paulo Estevam Jordão Estevam Nogueira Miguel Esteva Parente Francisco de França Reis Francisco Estevam Sobrinho Pedro Sales Queiroz Estevam Gabriel Queiroz Estevam Jordania Karina Nogueira Estevam Ana Paula Nogueira

f. mechanisms used to ensure equitable treatment among shareholders	N.A.
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a. event	On February 26, 2021, Bris Janet Serviços de Telecomunicações S.A. incorporated Global Indústria de Equipamentos para Redes de Computadores Ltda..
b. main business conditions	Incorporation of the total equity of Global Indústria de Equipamentos para Redes de Computadores Ltda.
c. companies involved	Bris Janet Serviços de Telecomunicações S.A. and Global Indústria de Equipamentos para Redes de Computadores Ltda.
d. effects of the deal on the Company's shareholding structure	There was no change in the Company's shareholder structure due to the deal, since the shareholders of both companies are the same.
e. corporate structure before and after the deal	There was no change in the Company's shareholder structure due to the deal.
f. mechanisms used to ensure equitable treatment among shareholders	The deal took place in accordance with the Instrument of Justification of the Merger and in accordance with the Protocol of Merger.

a. event	On March 11, 2021 Bris Janet Serviços de Telecomunicações S.A. became the sole shareholder of Agility Serviços de Telecomunicações Ltda..
b. main business conditions	Alteration of the list of quotaholders, with Bris Janet Serviços de Telecomunicações S.A. becoming the sole quotaholder of Agility Serviços de Telecomunicações Ltda..
c. companies involved	Bris Janet Serviços de Telecomunicações S.A. and Agility Serviços de Telecomunicações Ltda.
d. effects of the deal on the Company's shareholding structure	There was no change in the Company's corporate structure due to the deal.
e. corporate structure before and after the deal	Before the deal: José Roberto Nogueira (42%); Paulo Estevam da Silva (10%); João Paulo Estevam (10%); Jordão Estevam Nogueira (10%); Miguel Estevam Parente (6%); Francisco de França Reis (3%); Jordania Karina Nogueira Estevam (5%); Ana Paula Nogueira (5%); Francisco Estevam Sobrinho (4.5%); Pedro Sales Queiroz Estevam (2.25%); and Gabriela Queiroz Estevam (2.25%). After the deal: Bris Janet Serviços de Telecomunicações S.A. (100%).
f. mechanisms used to ensure equitable treatment among shareholders	The deal took place in accordance with the Instrument of Justification of the Merger and in accordance with the Protocol of Merger.

a. event	On November 25, 2020, the Company changed its corporate type.
b. main business conditions	Change of the Company's corporate type to Sociedade Anônima (S.A.). Change of company name from Brisagnet Participações Ltda. to Brisagnet Participações S.A.
c. . companies involved	The Company alone.
d. effects of the deal on the Company's shareholding structure	There was no change in the Company's shareholder structure due to the deal.
e. corporate structure before and after the deal	There was no change in the Company's shareholder structure due to the deal
f. mechanisms used to ensure equitable treatment among shareholders	The change took place through a Quotaholders' Meeting held on November 25, 2020.

15.8 – Other outstanding information

BWM Joint-Venture

We, through Brisanet Serviços, hold a 50% stake in the BWM Consortium, which refers to the Ceará Digital Belt (Cinturão Digital do Ceará), or CDC project, constituted by Brisanet Serviços, Wirelink Telecom and MOB Telecom, which today consists of a modern network of optical fibers of about 3,000 km that extends throughout the state of Ceará, reaching more than 90% of the urban population.

Free Float after the Offer

Article 10 of the Novo Mercado Regulation establishes that the Company must keep free float at a percentage corresponding to 25% of its capital stock. If a company joins the Novo Mercado while simultaneously making a public offering, under the terms of paragraph 1 of the aforementioned article, the company may keep shares in circulation for a period of 18 months at a percentage corresponding to at least 15% of its capital stock. This requirement is applicable only if the financial volume of outstanding shares in the respective offer exceeds R\$3,000,000,000.00.

Thus, considering that after the Offer, notwithstanding the fact that the Company's outstanding shares correspond to a percentage higher than 15%, being at least 20.00%, without considering the placement of Supplementary Shares, and may reach a percentage of up to 22.99% of its capital stock in the event of the placement of all Supplementary Shares, the Offer's financial volume will be below the amount stipulated by the Novo Mercado Listing Rules. Therefore, we requested B3 a waiver for the requirement established in article 10 of the Novo Mercado regulations, referring to the obligation to maintain a minimum free float of 25% of our common shares for the proper listing of our shares on the Novo Mercado segment, which was partially granted by B3 on July 16, 2021.

In exchange for making this concession viable, B3 has required that the Company must maintain, in free float, at least the percentage of free float achieved on the date of conclusion of the Offer, with this percentage being, in any event, equivalent to or greater than 20%, and that the restoration of the free float of 25%, provided for in article 10 of the Novo Mercado Regulations, must occur within 18 months of the date of conclusion of the Offer. In this regard, the Company has reaffirmed before B3 its commitment to meet the deadline indicated for (a) reaching the free float within the period established by B3; and (b) meeting the governance counterparts listed below.

In addition, as a condition for the exceptional treatment to be granted by B3, the Company must adopt, for as long as such treatment lasts, (i) a Statutory Audit Committee adhering to CVM Instruction 308, to article 22 of the Bylaws and to Letter 313/2021-DIE, as a corporate governance measure (ii) the disclosure, until July 31 of each year, of a report with environmental, social and corporate governance information, based on internationally accepted standards, such as the Global Reporting Initiative (GRI) or the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC); (iii) the inclusion, in the Nomination Policy of the Company, of a provision regarding the obligation to nominate at least one female candidate to occupy positions in the Company's Board of Directors and Executive Board; and (iv) the hiring of an institution to develop market-forming activities for the operation activities intended to promote the liquidity of the shares issued by the Company in the secondary market, in the event an average daily trading volume of less than R\$ 25 million is observed in the six months following the closing of the offer.

However, it is not possible to ensure that the Company will be able to restore the minimum percentage of free float of its capital within the period established by B3 in the Waiver Requirement. For more information about the risks related to the Waiver Requirements, see the risk factor under the heading "The Company cannot guarantee that it will be able to restore the minimum percentage of free float of its capital within the

period established by B3" in item 4.1. deste Formulário de Referência.

General explanations to section 15

For clarification purposes, we highlight that this section 15 already considers the issuance, subscription and payment of 89,798,851 shares issued by the Company, object of the public offering of shares issued by the Company, whose announcement of initiation was disclosed by the Company, under the terms of the applicable regulation, on July 28, 2021.

It should be noted, however, that the physical and financial settlement of these shares will take place through B3 S.A. - Brasil, Bolsa, Balcão, on July 30, 2021, with the effective delivery of these shares to the respective investors, with the shares being placed by the intermediary institutions participating in the offering on a firm guarantee of settlement.

16.1 - Description of the issuer's rules, policies and practices regarding transactions with related parties

Our related party transactions policy, or Related Party Transaction Policy, was approved at our board of directors' meeting held on May 31, 2021. Our Related Party Transactions Policy establishes the concepts of related parties, transactions with related parties and situations with conflicts of interest, in addition to setting forth minimum requirements for the disclosure of information about these transactions and the rules that must be observed in business relationships involving related parties. The Related Party Transaction Policy has the goal of defining rules to ensure that all operations and decision-making are managed and directed in order to preserve our interests and our shareholders, especially with regard to the involvement of related parties and conflict of interest, as well as any situations with potential risk in these respects.

When entering into transactions with our related parties, we adopt practices aimed at observing the principles of: (i) competitiveness (prices and conditions of services compatible with market practices); (ii) compliance (adherence of the services provided to the contractual terms and our responsibilities, as well as to the appropriate information controls); (iii) transparency (adequate reporting of the conditions agreed with due application, as well as their impact on our financial statements); and (iv) equity (establishment of mechanisms that prevent discrimination or privileges and practices that ensure the non-use of privileged information or business opportunities for the benefit of individuals or third parties). Additionally, in the negotiation between us and related parties, the same principles and procedures that guide negotiations made by us with independent parties must be observed.

In addition, the Brazilian Corporations Law prohibits directors and officers from: (i) performing any gratuitous act with the use of company assets in our detriment; (ii) receiving, by virtue of their position, any type of direct or indirect personal advantage from third parties, without previous authorization; and (iii) intervene in any transaction in which their interests conflict with ours, or in the resolutions taken by our board of directors in this regard.

Finally, the Company adopts a Code of Ethics, applicable to all companies in its economic group, which aims to guide the actions and decision-making of all employees of the group's companies, at the various levels of business and operational relationships.

The practice recommended by us for possible conflicts of interest is based on the principle that the person involved must voluntarily declare their impediment and withdraw immediately from decision-making, while they wait guidance from our management. In this sense, the Related Party Transaction Policy provides that (i) regardless of the frequency of the Statement (as defined below), it is the obligation of the manager or person involved in any operation or transaction to immediately communicate any conflict of interest or existence of relationship with related parties, its nature and extent, completely and at any time, and should not be restricted to our initiative; (ii) any person, even if they are not involved in the related party transaction, may declare acts or facts that they consider to constitute conflicts of interest or involve related parties, and must report to the audit committee or any other reporting or communication channel; and (iii) in the event of a conflict of interest, the involved person must immediately withdraw from the specific process, opinion and decision-making related to their conflict, declaring themselves impeded and awaiting superior guidance and compliance with the analysis process provided for in said policy, but under no circumstances should the involved person fail to comply with their legal duties and to protect our other risks. Also, when any conflict of interest or the existence of a relationship with related parties involves our CEO, the matter must be reported to the audit committee, which will inform our board of directors. If it involves any member of the audit committee, they must declare their immediate impediment and refrain from dealing with any matter related to their involvement, and the other members of the audit committee

will take any measures to avoid the conflict of interest. In any event, such cases must be reported to our board of directors for resolution. If necessary, the audit committee and/or our board of directors may rely on the opinions of independent members and experts.

Each commercial transaction carried out with related parties must be previously communicated and subsequently approved by our audit committee, which will report to our board of directors, pursuant to our Related Party Transaction Policy.

The Related Party Transaction Policy establishes the procedures to be observed when entering into transactions between related parties, as summarized below:

- *Previous Analysis.* Annually, we will request the completion of a statement of conflict of interest or existence of a relationship with related parties from persons who fall under the Related Party Transaction Policy, or the Statement, as well as from others that we deem relevant within the scope of our competence, through a questionnaire that must be (i) signed by the declarant and his immediate superior, (ii) received and analyzed by the audit committee and our CEO, and (iii) made available to our board of directors, depending on the findings, issues, position of those involved and impediments;
- *Approvals.* Any and all related party transactions entered into between us and any of our related parties must be approved by the majority of the members of the audit committee, which will report to our board of directors. Thereafter, such transaction with related parties must be approved by the majority of the members of our board of directors, including, necessarily, all independent directors.
- *Criteria for Approval.* When analyzing transactions with related parties, the audit committee and our board of directors shall consider the following factors, among others that they deem relevant for the analysis of the specific transaction: (i) if there are clear reasons, from our business point of view, that justify the transaction; (ii) whether the transaction is carried out on terms at least equally favorable to us than those generally available on the market or those offered to third parties not related to us, in equivalent circumstances, including evaluating the measures taken and procedures adopted to guarantee the commutativity of the operation; (iii) if the transaction is not carried out under the terms of item (ii) above, if there is an adequate compensatory payment; (iv) the results of evaluations carried out or opinions issued by a specialized and independent company, if any; (v) whether or not a competitive process was carried out for the contracting of the related party, with the performance of pricing procedures or formalization of contracting attempts with third parties, including evaluating our results; (vi) if no contracts were made with third parties, (a) the reasons why such contracts were not carried out and (b) the reasons for choosing to carry out the transaction with related parties and not with third parties; (vii) the pricing methodology used and other possible alternative forms of transaction pricing, as applicable; (viii) comparative analysis of prices, terms and conditions available in the market and similar transactions already carried out by us or by the related party; and (ix) the extent of the related party's interest in the transaction, considering the amount of the transaction, the related party's financial condition, the direct or indirect nature of the related party's interest in the transaction and the ongoing or non-continuous nature of the transaction, in addition to other aspects that they might consider relevant.

Also, if the related party transaction is related to loans granted by us to related parties, the audit committee and our board of directors shall evaluate, for the approval of this transaction with a related party, the following criteria and factors: (i) reasons by which we opted to grant said loan, instead of investing the resources in our activities; (ii) analysis of the borrower's credit risk, including

assessments carried out or opinions issued by a specialized and independent company; and (iii) way of fixing the interest rate, considering the market's risk-free rate and the borrower's credit risk and justifications for adopting the adopted way.

Transactions between related parties carried out under conditions other than the market conditions are absolutely prohibited. In addition, are prohibited (i) the direct granting of loans or loan operations and/or granting of collaterals by us (a) to the members of our fiscal council, board of executive officers, board of directors, audit committee, other statutory or non-statutory committees, and their respective alternates, as well as the respective spouses, partners, descendants or descendants of the respective spouses or partners; (b) to the relatives, up to the second degree, of the persons mentioned in item (a); and (c) to the shareholders or legal entities in which our shareholders hold more than 5% of their shares, any member of our management and their respective alternates, as well as their fellow spouses, descendants or descendants of the respective spouses or partners and respective relatives up to the second degree; and (ii) the granting of guarantees by us in favor of entities that are not part of our economic group.

The Related Party Transaction Policy establishes the responsibilities for the control mechanisms related to said policy: (i) the Investor Relations Officer is responsible for keeping the record of our managers and those of our direct or indirect subsidiaries, technical and/or administrative officers, employees, collaborators and their respective family members, including spouses or partners, their children, the children of their spouses or partners, and their dependents or those of their spouses and partners; (ii) the Chief Operations Officer is responsible to maintain an updated record of all interposed suppliers, consultants and third parties, in addition to checking any legal, tax, or any other restrictions. He will also be responsible for informing said suppliers, consultants and third parties regarding the limitations provided for in the Related Party Transaction Policy; (iii) the legal department will propose revisions to the Related Party Transaction Policy and the Statements, as well as to assist the audit committee in checking any acts or facts; and (iv) the audit committee is responsible for receiving complaints and statements of conflicts of interest and related party transactions, take urgent measures, investigate, monitor and report action plans to our board of directors, among others, pursuant to the Related Party Transaction Policy.

The Company has a Whistleblowing Channel controlled by an independent specialized company, with a hotline, hotsite and electronic address available 24 hours a day, 365 days a year, with the option of anonymous manifestation/denouncement.

The Policy on Related Party Transactions can be accessed at the following addresses (i) Company's headquarters: at Rodovia CE-138, Trecho Pereiro CE Divisa com RN - Km 14 - Estrada Carrossal Brisa 1Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 2, CEP 63460-000, Pereiro, CE; and (ii) internet: Company's website (ri.brisanet.com.br), CVM's website (www.cvm.gov.br) and B3's site (www.b3.com.br).

A Companhia entende que as práticas acima descritas para realização de transações com partes relacionadas garantem a comutatividade de tais operações e preços e condições de mercado. As transações contratadas são resumidas no item 16.2 below.

16.2 - Information about transactions with related parties

Our main related party transactions are set forth below:

On March 29, 2019, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with ao Banco do Safra S.A. in the amount of R\$0.2 million, in which our subsidiary Brisamet Serviços de Telecomunicações S.A. and our shareholder José Roberto Nogueira acted as guarantors. The amount is subject to CDI plus 0.8% and will mature on February 22, 2023. As of April 30, 2021, the outstanding amount was R\$0.7 million.

On May 31, 2019, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco Santander (Brasil) S.A. in the amount of R\$0.6 million, in which us, our subsidiary Brisamet Serviços de Telecomunicações S.A., S&L Locadora de Veículo Ltda. and our shareholder José Roberto Nogueira acted as guarantors. The amount is subject to interest at a rate of 15.1% per year and will mature on June 30, 2022. As of April 30, 2021, the outstanding amount was R\$0.3 million.

On August 27, 2019, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with ao Banco Itaú Unibanco S.A. in the amount of R\$1.0 million, in which our subsidiary Brisamet Serviços de Telecomunicações S.A. and our shareholder José Roberto Nogueira acted as guarantors. The amount is subject to interest at a rate of 12.5% per year and will mature on August 29, 2022. As of April 30, 2021, the outstanding amount was R\$0.6 million.

On November 8, 2019, Agritech Semiárido Agricultura Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco do Nordeste S.A. in the amount of R\$0.6 million, in which our subsidiary Interservice Serviços de Elaboração de Dados Ltda. acted as guarantor. The amount is subject to TFC monthly interest rate and will mature on November 15, 2027. As of April 30, 2021, the outstanding amount was R\$0.4 million.

On November 8, 2019, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with ao Banco do Nordeste S.A. in the amount of R\$1.2 million, in which our subsidiary Interservice Serviços de Elaboração de Dados Ltda. acted as guarantor. The amount is subject to TFC monthly interest rate and will mature on February 2, 2022. As of April 30, 2021, the outstanding amount was R\$0.6 million.

On December 15, 2019, Agility Segurança Eletrônica Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco Itaú Unibanco S.A. in the amount of R\$1.0 million, in which our subsidiary Brisamet Serviços de Telecomunicações S.A. and our shareholders José Roberto Nogueira and João Paulo Estevam acted as guarantors. The amount is subject to CDI plus 3.2% and will mature on December 13, 2023. As of April 30, 2021, the outstanding amount was R\$0.7 million.

On March 27, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with ao Banco Bradesco S.A. in the amount of R\$1.0 million, in which our subsidiary Brisamet Serviços de Telecomunicações S.A. and our shareholder José Roberto Nogueira acted as guarantors. The amount is subject to interest at a rate of 10.0% per year and will mature on September 27, 2021. As of April 30, 2021, the outstanding amount was R\$0.2 million.

On April 23, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco do Nordeste S.A. in the amount of R\$0.5 million, in which our subsidiary RPS – Prestação de Serviços de Informática

Ltda. and our shareholder José Roberto Nogueira acted as guarantors. The amount is subject to TFC and 1% monthly interest rates and will mature on May 15, 2023. As of April 30, 2021, the outstanding amount was R\$0.4 million.

On April 29, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco Safra S.A. in the amount of R\$0.7 million, in which our subsidiary Brisamet Serviços de Telecomunicações S.A. and our shareholder José Roberto Nogueira acted as guarantors. The amount is subject to CDI plus 0.8% and will mature on July 19, 2021. As of April 30, 2021, the outstanding amount was R\$0.1 million.

On April 29, 2020, our shareholders José Roberto Nogueira, Paulo Estevam da Silva, João Paulo Estevam, Jordão Estevam Nogueira, Francisco Estevam Sobrinho, Gabriela Queiroz Estevam, Pedro Sales Queiroz Estevam, Miguel Estevam Parente, Jordânia Karina Estevam Nogueira, Ana Paula Nogueira and Francisco De França Reis granted us an advance for future capital increase in the amount of R\$8.4 million. The amount is subject to interest at a rate of 1% per month and will mature on December 31, 2021. As of April 30, 2021, the outstanding amount was R\$8.4 million.

On May 4, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco Safra S.A. in the amount of R\$1.0 million, in which our subsidiary Brisamet Serviços de Telecomunicações S.A. acted as guarantor. The amount is subject to CDI plus 0.8% and will mature on February 2, 2023. As of April 30, 2021, the outstanding amount was R\$0.7 million.

On June 26, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco do Brasil S.A. in the amount of R\$1.6 million, in which our subsidiaries Brisamet Serviços de Telecomunicações S.A., Interservice Serviços de Elaboração de Dados Ltda. and RPS – Prestação de Serviços de Informática Ltda. acted as guarantors. The amount is subject to interest at a rate of 8.5% per year and will mature on August 18, 2021. As of April 30, 2021, the outstanding amount was R\$0.2 million.

On June 26, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco do Brasil S.A. in the amount of R\$1.6 million, in which our subsidiary Brisamet Serviços de Telecomunicações S.A. acted as guarantor. The amount is subject to interest at a rate of 8.5% per year and will mature on August 18, 2021. As of April 30, 2021, the outstanding amount was R\$1.0 million.

On June 26, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco do Brasil S.A. in the amount of R\$0.6 million, in which our subsidiary Brisamet Serviços de Telecomunicações S.A. acted as guarantor. The amount is subject to interest at a rate of 8.5% per year and will mature on August 18, 2021. As of April 30, 2021, the outstanding amount was R\$0.5 million.

On August 2, 2020, our subsidiary Universo Serviços de Telecomunicações S.A. entered into a lease agreement with Imobiliária Pau D'Arco Ltda., a company owned by our shareholders Francisco Estevam Sobrinho, Pedro Sales and Gabriela Queiroz, in the monthly amount of R\$1.4 thousand. The agreement will mature on August 2, 2023.

On August 2, 2020, our subsidiary Brisamet Serviços de Telecomunicações S.A. entered into a lease agreement with Imobiliária Pau D'Arco Ltda., a company owned by our shareholders Francisco Estevam Sobrinho, Pedro Sales and Gabriela Queiroz, in the monthly amount of R\$1.5 thousand. The agreement will mature on August 2, 2023.

On August 2, 2020, Consórcio BWM comprised of our subsidiary Brisagnet Serviços de Telecomunicações S.A., Wirelink Telecom and MOB Telecom entered into a lease agreement with Imobiliária Pau D'Arco Ltda., a company owned by our shareholders Francisco Estevam Sobrinho, Pedro Sales and Gabriela Queiroz, in the monthly amount of R\$3.2 thousand. The agreement will mature on August 2, 2023.

On August 21, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco Bradesco S.A. in the amount of R\$10.0 million, in which our subsidiary Brisagnet Serviços de Telecomunicações S.A. and our shareholder José Roberto Nogueira acted as guarantors. The amount is subject to interest at a rate of 10.1% per year and will mature on August 25, 2025, the outstanding amount was R\$10.8 million.

On September 28, 2020, Agritech Semiárido Agricultura Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco Itaú Unibanco S.A. in the amount of R\$0.5 million, in which our subsidiary Brisagnet Serviços de Telecomunicações S.A. and our shareholder José Roberto Nogueira acted as guarantors. The amount is subject to CDI plus 5.5% and will mature on September 26, 2022. As of April 30, 2021, the outstanding amount was R\$0.3 million.

On October 13, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco do Brasil S.A. in the amount of R\$0.6 million, in which us and our subsidiary Brisagnet Serviços de Telecomunicações S.A. acted as guarantors. The amount is subject to CDI plus 5.7% and will mature on October 28, 2024. As of April 30, 2021, the outstanding amount was R\$0.4 million.

On October 15, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco do Brasil S.A. in the amount of R\$0.6 million, in which us and our subsidiary Brisagnet Serviços de Telecomunicações S.A. acted as guarantors. The amount is subject to CDI plus 5.7% and will mature on October 28, 2024. As of April 30, 2021, the outstanding amount was R\$0.4 million.

On October 23, 2020, Nossa Fruta Brasil Indústria de Alimentos Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco do Nordeste S.A. in the amount of R\$1.9 million, in which our subsidiary RPS Prestação de Serviço de Informática Ltda. acted as guarantor. The amount is subject to TFC monthly interest rate and will mature on November 15, 2023. As of April 30, 2021, the outstanding amount was R\$1.4 million.

On November 26, 2020, Agility Segurança Eletrônica Ltda., a company under our common control, entered into a bank credit notes (cédula de crédito bancário) with Banco do Brasil S.A. in the amount of R\$1.3 million, in which us, our subsidiary Brisagnet Serviços de Telecomunicações S.A. and our shareholders José Roberto Nogueira and João Paulo Estevam acted as guarantors. The amount is subject to CDI plus 4.5% and will mature on October 28, 2023. As of April 30, 2021, the outstanding amount was R\$1.3 million.

On December 31, 2020, Brisagnet Gerenciadora de Ativos Ltda., our subsidiary, granted an intercompany loan (mútuo) to RPS Prestação de Serviço de Informática Ltda., another of our subsidiaries, in the amount of R\$61.0 thousand. The loan is subject to interest at a rate of 1% per month and will mature on 2022. As of April 30, 2021, the outstanding amount was R\$61.0 thousand.

On December 31, 2020, Brisagnet Gerenciadora de Ativos Ltda., our subsidiary, granted an intercompany loan (mútuo) to Interservice Serviços de Elaboração de Dados Ltda., another of our

subsidiaries, in the amount of R\$7.0 thousand. The loan is subject to interest at a rate of 1% per month and will mature on 2022. As of April 30, 2021, the outstanding amount was R\$7.0 thousand.

On December 31, 2020, Brisagnet Serviços de Telecomunicações S.A., our subsidiary, granted an intercompany loan (mútuo) to Brisagnet Gerenciadora de Ativos Ltda., another of our subsidiaries, in the amount of R\$15.0 thousand. The loan is subject to interest at a rate of 1% per month and will mature on 2022. As of April 30, 2021, the outstanding amount was R\$15.0 thousand.

On December 31, 2020, Brisagnet Gerenciadora de Ativos Ltda., our subsidiary, granted an intercompany loan (mútuo) to Brisagnet Serviços de Telecomunicações S.A., another of our subsidiaries, in the amount of R\$0.6 million. The loan is subject to interest at a rate of 1% per month and will mature on 2022. As of April 30, 2021, the outstanding amount was R\$0.6 million.

On December 31, 2020, Brisagnet Gerenciadora de Ativos Ltda., our subsidiary, granted an intercompany loan (mútuo) to Universo Serviços de Telecomunicações Ltda., another of our subsidiaries, in the amount of R\$0.1 million. The loan is subject to interest at a rate of 1% per month and will mature on 2022. As of April 30, 2021, the outstanding amount was R\$0.1 million.

On December 31, 2020, we injected the amount of R\$1.1 million in Consórcio BWM, a consortium that manages the Ceará Digital Belt (Cinturão Digital do Ceará) comprised of our subsidiary Brisagnet Serviços de Telecomunicações S.A., Wirelink Telecom and MOB Telecom. This injection of capital is in connection with a capital contributions made by Brisagnet Serviços de Telecomunicações S.A. in the Consórcio BWM. As of April 30, 2021, the outstanding amount was R\$1.1 million.

On December 31, 2020, we and S&L Locadora de Veículo Ltda. entered into an agreement whereby it would reimburse us for certain costs and expenses in the amount R\$10.0 thousand. As of April 30, 2021, the outstanding amount was R\$10.0 thousand.

On January 1, 2021, our subsidiary Brisagnet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our shareholder José Roberto Nogueira, in the monthly amount of R\$80.0. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisagnet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our shareholder José Roberto Nogueira, in the monthly amount of R\$165.0. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisagnet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our shareholder José Roberto Nogueira, in the monthly amount of R\$1.5 thousand. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisagnet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our shareholder José Roberto Nogueira, in the monthly amount of R\$250.0. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisagnet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our shareholder José Roberto Nogueira, in the monthly amount of R\$13.0 thousand. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisagnet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our

shareholder José Roberto Nogueira, in the monthly amount of R\$18.0 thousand. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisanet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our shareholder José Roberto Nogueira, in the monthly amount of R\$600.0. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisanet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our shareholder José Roberto Nogueira, in the monthly amount of R\$270.0. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisanet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our shareholder José Roberto Nogueira, in the monthly amount of R\$150.0. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisanet Serviços de Telecomunicações S.A. entered into a lease agreement with JPMF Monitoramento e Locação de Bens Ltda., a company owned by our shareholder José Roberto Nogueira, in the monthly amount of R\$445.0. The agreement will mature on January 1, 2026.

On January 1, 2021, our subsidiary Brisanet Serviços de Telecomunicações S.A. entered into a vehicle lease agreement with S&L Locadora de Veículo Ltda., in the monthly amount of R\$1.3 million. The agreement will mature on December 31, 2021.

On July 7, 2021, Mr. José Roberto Nogueira, our controlling shareholder, signed a term of commitment addressed to us, through which he irrevocably and irreversibly committed to: (i) within the deadline of six months from the date of the term of commitment, enter into an amendment to the financing agreements signed between certain financial institutions and companies under common control with us to replace the guarantees of the agreements and amend these agreements to make clear that only Mr. José Roberto Nogueira will guarantee the obligations under these financings agreements, or otherwise repay the outstanding amounts under these agreements; and (ii) until such guarantees are replaced or repaid, Mr. José Roberto Nogueira agrees to fully reimburse us and our subsidiaries for any and all payments that may be due under these financing agreements. The provision of guarantees, by us or our subsidiaries, for the benefit of certain companies under common control may not be consistent with our interests, and may expose us to risks outside our corporate purpose and sector of activity. For more information on the risks related to such provision of guarantees, see “Risk Factors—Risks Related to Our Business and Industry— As of the date of this offering memorandum, we granted guarantees for the benefit of certain companies under common control.

16.3 - Identification of the measures taken to address conflicts of interest and demonstration of the strictly commutative nature of the agreed-upon conditions or the appropriate compensatory payment

(a) identify the measures taken to address conflicts of interest

The procedures adopted by the Company to identify conflicts of interest are those set forth in the Brazilian Corporation Law and in our Policy on Transactions with Related Parties and other situations involving conflicts of interest ("Policy on Transactions with Related Parties"), approved by the Board of Directors at a meeting held on May 28, 2021. Additionally, the Company adopts corporate governance practices and those recommended and/or required by law, including those provided for in the Novo Mercado Listing Rules.

According to the terms of the Company's Policy on Transactions with Related Parties there is a potential conflict of interest when a person is not independent in relation to the matter under discussion, taking into account his own interests or those of a close family member, and may influence the decision-making process, or make decisions motivated by interests other than those of the Company, and it is not possible to ensure his capacity for unbiased judgment.

Corporate governance practices, recommended and/or required by law, are applied by the Company. According to these rules, the shareholder may not vote in the deliberations of the general meeting concerning the appraisal report of assets contributed to the formation of the capital stock and the approval of his accounts as administrator, nor in any other deliberations that may benefit him in a particular way, or in which he has interests conflicting with those of the Company.

Moreover, our Policy on Transactions with Related Parties provides that on identifying a situation involving related parties or other potential conflicts of interest, the Company's management, employees and partners must immediately manifest their conflict of interest and absent themselves from discussions on the matter, abstaining from voting, if applicable. Such impediment must be included in the minutes of the meeting of the corporate body that resolves on the transaction, and the referred person must withdraw, including physically, from the discussions and deliberations.

The resolution taken as a result of the vote of a shareholder who has interests conflicting with those of the Company is voidable, and the shareholder is liable for damages caused and for restitution to the Company of the advantages he/she has gained.

In addition, the Brazilian Corporations Law prohibits directors and officers from: (i) performing any gratuitous act with the use of company assets in our detriment; (ii) receiving, by virtue of their position, any type of direct or indirect personal advantage from third parties, without previous authorization; and (iii) intervene in any transaction in which their interests conflict with ours, or in the resolutions taken by our board of directors in this regard.

The Policy on Related-Party Transactions describes in detail the form of ascertainment, responsibilities, obligation to disclose and applicable penalties in situations of related-party transactions and conflicts of interest, and annually the Company will ask the people covered by the Related-Party Transaction Policy to fill out a declaration of conflict of interest or existence of a related-party relationship to verify each situation.

Possible cases of conflict of interest are reported to the Audit Committee and to the CEO, who must inform the Board of Directors. However, it is the Audit Committee that decides, by absolute majority vote of its members, the appropriate measure in each case. Considering that the Policy on

Transactions with Related Parties was approved on May 28, 2021, the measures and procedures described are applicable as of that date.

The transactions with related parties described in items 16.2 allowed the parameters and guidelines set forth in this item.

(b) nature of the agreed upon conditions or the appropriate compensatory payment

The transactions carried out between the Company and its related parties are conducted, observing the conditions practiced in the market at the time, such as prices, terms and usual market rates, and also based on negotiations of the same nature previously conducted by the Company with third parties.

To verify the commutativity of related party transactions, the Company analyzes the financial feasibility of each transaction vis-à-vis similar transactions on the market between unrelated parties.

Furthermore, in accordance with the Brazilian Corporate Law, any shareholder or member of the Company's Board of Directors is prohibited from voting in any meeting or board meeting, or from acting in any operation or business in which they have interests conflicting with those of the Company.

The Company always seeks to observe the conditions practiced in the market when contracting any service, entering into agreements, or establishing commercial relations. Thus, the Company performs all of its transactions with related parties on a strictly commutative basis with the agreed conditions and with adequate compensatory payment.

Transactions with related parties must be formalized by means of a written instrument, with due indication of the object of the transaction, amounts involved in the business, deadlines and fees charged, if applicable, as well as the other rights and responsibilities of the parties involved, under the terms of its Related-Party Transaction Policy. In this sense, when carrying out any transactions with related parties, the Company acts in such a way as to ensure that these transactions do not generate any undue benefits or losses for the companies involved.

The Company always seeks to observe the conditions practiced in the market when contracting any service, entering into agreements, or establishing commercial relations. Thus, the Company understands that the procedures above and others provided for in the Related Party Transaction Policy ensure that all its related party transactions are carried out on a strictly commutative basis with the agreed conditions and with adequate compensatory payment, including in relation to the expense sharing agreement in force between the Company and certain subsidiaries. The main transactions with related parties that the Company maintains are described in item 16.2 above..

We present below information about the absence of conflicts of interest and the commutative nature of the conditions agreed upon for each group of transactions with related parties entered into in the last fiscal year, as required under item 16.3 of Annex 24 of CVM Instruction 480/2009.

Property Leasing Agreements

With regard to the property leasing agreements described in item 16.2 of this Reference Form, entered into between the Company's subsidiary Brisanet Serviços de Telecomunicações S.A. and Imobiliária Pau D'Arco Ltda, a company held by Mr. José Roberto Nogueira, current CEO of the Company, are carried out prior and careful evaluations of their terms, so that they are carried out in strictly commutative conditions, observing usual market prices and conditions for real estate transactions of the same nature. To verify the commutativity of the operations with related parties,

the Company analyzes the financial and legal viability of each contract vis-à-vis similar operations in the real estate market between non-related parties.

The leasing agreements are entered into according to the subsidiary's budget forecast and are negotiated and signed directly by the subsidiary's finance and administration director, according to the attribution of his powers, and the Company's controlling shareholders do not participate in the decision making regarding these leasing agreements.

The Company clarifies that the initial amount attributed to the lease contracts was established according to a market appraisal conducted through a real estate consulting firm, based on the assessment of the price per square meter of leased properties in the same region as the properties in question. In the lease agreements with related parties, the right to review is not historically exercised by the parties, and only annual readjustments are applied, which are made based on inflationary restatement by the IGP-M index, which is common in real estate operations of this nature.

Contract for the provision of information by means of mobile phone signal, as well as equipment leasing for data collection by GPS

In relation to the contract for the provision of information captured and transmitted by means of a mobile telephone signal, as well as the leasing of electronic equipment for the collection of data via GPS signed with Agility Segurança Eletrônica Ltda, in the amount of R\$790,000.00, the Company clarifies that its terms and conditions are, in the Company's understanding, commutative and the payment agreed upon is adequate, according to market researches conducted internally by the Company and amounts previously agreed upon between the Company and parties independent of it. The Company clarifies that the initial amount attributed to the contracts were fixed according to the market and within the range of prices charged by the subsidiaries to third parties, and are subject to adjustment using the IGP-M index.

Car Rental with S&L Locadora de Veículo Ltda.

In relation to the transaction for the rental, by Brisamet Serviços de Telecomunicações S.A., of 527 vehicles with S&L Locadora de Veículo Ltda., in the monthly amount of R\$1,306,881.80, the Company clarifies that prior and careful evaluations were made of its terms, so that it was carried out in strictly commutative conditions, observing the usual market prices and conditions for transactions of a similar nature. To verify the commutative nature of the transactions with related parties, the Company analyzes the financial and legal feasibility of each of the contracts vis-à-vis similar transactions in the market between independent parties.

Furthermore, the referred contract was executed in accordance with the budget forecast of the Company's subsidiary and was negotiated by the Directors of the Company, in accordance with their attributions foreseen in the Company's bylaws and market researches conducted internally by the Company in relation to the values previously agreed between the Company and independent parties, using companies from its own segment as parameters. The Company clarifies that the initial amount attributed to the contracts were fixed according to the market, and such amounts, according to price surveys, are within the range of prices charged by third parties. The values of the leased vehicles are per model and brand. The contracts are subject to update by the IGP-M index.

Loan Agreements

Specifically with respect to the loan agreements described in item 16.2, the Company informs that such agreements, both in which the Company is the debtor and creditor, were initially entered into without monetary restatement, interest or a defined maturity, as described in note 7 of the Company's financial statements for the year ended December 31, 2020. However, in order to make

them more compatible with market practices, the loans were renegotiated in fiscal year 2021 to provide for the incidence of interest of 1% per month and with a term between 12 and 24 months and a fine of 2% plus monetary correction in the occurrence of late payments, as indicated in item 16.2..

The Company believes that the loan agreements mentioned above had remuneration rates in competitive conditions with the credit market at the time they were renegotiated, also noting that these charges are applicable to all operations, regardless of the contractual position in which the Company is included.

In order to present the interest rates practiced in the credit market and to demonstrate the correspondence of the loans made by the Company to market practices, we list below some of the main financial institutions operating in Brazil and their respective interest rates charged on April 30, 2021, the date of renegotiation of these loans to include the incidence of financial charges - considering the "working capital" modality, i.e., the one that is closest to the loan agreements made by the Company. The information listed below is available on the website of the Central Bank of Brazil.

Working capital with a term up to 365 days

Classificadas por ordem crescente de taxa

Período: 30/04/2021 a 06/05/2021

Modalidade: Pessoa jurídica - Capital de giro com prazo até 365 dias

Tipo de encargo: Pré-fixado

Posição	Instituição	Taxas de juros	
		% a.m.	% a.a.
1	BCO MUFG BRASIL S.A.	0,68	8,51
2	BCO CITIBANK S.A.	0,73	9,14
3	BCO ALFA DE INVESTIMENTO S.A.	0,77	9,68
4	BANCO JOHN DEERE S.A.	0,94	11,94
5	BCO MIZUHO S.A.	1,04	13,21
6	BCO DO EST. DE SE S.A.	1,06	13,54
7	BCO SUMITOMO MITSUI BRASIL S.A.	1,07	13,64
8	SANTANA S.A. - CFI	1,07	13,66
9	BCO ABC BRASIL S.A.	1,07	13,67
10	BCO SAFRA S.A.	1,08	13,70
11	BCO SOFISA S.A.	1,12	14,24
12	BCO DO BRASIL S.A.	1,13	14,40
13	BCO DAYCOVAL S.A.	1,15	14,67
14	BCO DO NORDESTE DO BRASIL S.A.	1,17	14,94
15	ITAÚ UNIBANCO S.A.	1,23	15,81
16	BCO DO ESTADO DO RS S.A.	1,35	17,49
17	BCO BRADESCO S.A.	1,40	18,08
18	BCO BS2 S.A.	1,48	19,30
19	BANCO BTG PACTUAL S.A.	1,57	20,60
20	BCO FIBRA S.A.	1,59	20,78
21	BRB - BCO DE BRASÍLIA S.A.	1,59	20,78
22	BCO TRICURY S.A.	1,61	21,16
23	BCO ARBI S.A.	1,67	22,02
24	BANCO INBURSA	1,68	22,14
25	BCO DA AMAZONIA S.A.	1,77	23,43
26	BCO MERCANTIL DO BRASIL S.A.	1,95	26,04
27	CAIXA ECONOMICA FEDERAL	1,96	26,17
28	ATRIA S.A. - CFI	1,97	26,36
29	BANCO ORIGINAL	2,25	30,68

Working capital with a term longer than 365 days

Classificadas por ordem crescente de taxa

Período: 30/04/2021 a 06/05/2021

Modalidade: Pessoa jurídica - Capital de giro com prazo superior a 365 dias

Tipo de encargo: Pré-fixado

Posição	Instituição	Taxas de juros	
		% a.m.	% a.a.
1	BCO MERCANTIL DO BRASIL S.A.	0,55	6,76
2	BANCO BTG PACTUAL S.A.	0,57	7,00
3	BCO MIZUHO S.A.	0,58	7,24
4	BANCO SICOOB S.A.	0,62	7,63
5	BCO SOCIETE GENERALE BRASIL	0,88	11,14
6	BCO CATERPILLAR S.A.	0,96	12,15
7	FINANC ALFA S.A. CFI	0,96	12,16
8	BCO C6 S.A.	1,04	13,15
9	BCO VOLVO BRASIL S.A.	1,05	13,38
10	PORTOCRED S.A. - CFI	1,07	13,58
11	BCO SAFRA S.A.	1,09	13,82
12	SCANIA BCO S.A.	1,10	14,07
13	BCO DO BRASIL S.A.	1,18	15,15
14	BCO ALFA DE INVESTIMENTO S.A.	1,24	15,90
15	BCO DO EST. DO PA S.A.	1,25	16,10
16	CAIXA ECONOMICA FEDERAL	1,26	16,17
17	BCO DO NORDESTE DO BRASIL S.A.	1,27	16,40
18	ITAÚ UNIBANCO S.A.	1,27	16,40
19	FACTA S.A. CFI	1,30	16,70
20	BCO SOFISA S.A.	1,32	17,08
21	BCO GUANABARA S.A.	1,33	17,14
22	BCO DAYCOVAL S.A.	1,33	17,21
23	BANCO FIDIS	1,37	17,79
24	BCO BRADESCO S.A.	1,39	18,03
25	BCO DA AMAZONIA S.A.	1,40	18,13
26	BRB - BCO DE BRASILIA S.A.	1,42	18,49
27	BCO BMG S.A.	1,46	19,04
28	BCO DO EST. DE SE S.A.	1,50	19,53
29	BCO ARBI S.A.	1,53	20,03

(Source:

<https://www.bcb.gov.br/estatisticas/reporttxjuros?path=conteudo%2Ftxcred%2FReports%2FTaxasCredito-Consolidadas-porTaxasAnuais-Historico.rdl&nome=Hist%C3%B3rico%20Posterior%20a%2001%2F01%2F2012&exibeparametros=true>)

Considering the information above, we believe that the financial charges of these loan agreements fall within the range practiced by the market and the average funding rate of the Company itself, considering the rates indicated in item 10.1(f) above..

Provision of Guarantees to Related Parties

Finally, regarding the contracts in which the Company and its subsidiaries are guarantors on behalf of Nossa Fruta Brasil Indústria de Alimentos Ltda., Agritech Semiarido Agricultura Ltda. and Agility Segurança Eletrônica Ltda., the Company clarifies that such instruments were entered into with large commercial and development banks.

In this sense, the Company believes that the terms and conditions of such contracts are in line with market practice, considering also that the parties that appear, on one side, as creditors and, on the other, as debtors are strictly independent from each other.

Notwithstanding the above, the Company clarifies that these transactions were described in item 16.2 above, since the provision of the guarantee by the Company or its controlled companies on behalf of these entities represents a transaction between related parties. For further information about the provision of these guarantees, see item 16.4 below..

16.4 – Other outstanding information

Service contracts

The Company's subsidiary Brisanet Serviços de Telecomunicações S.A. has three service agreements with related parties.

The vehicle rental agreement signed with S&L Locação de Veículos Ltda. ("S&L") together with the service agreement to make available information captured and transmitted by mobile phone signal, as well as electronic equipment rental for GPS data collection, signed with Agility Segurança Eletrônica Ltda. ("Agility"), serve to assist the Company and its subsidiaries in the exercise of their functions, monitoring and collecting the necessary information. Both contracts have an indefinite term.

The service agreement signed on April 30, 2021 with RPS Prestação de Serviço de Informática Ltda. ("RPS"), has as purpose payments of amounts assumed for purposes of expansion of the group.

Provision of guarantees by the Company and its subsidiaries

The Company provides guarantee as guarantor for the following bank credit bills: (i) No. 160,403,035, contracted on November 26, 2020 by Agility with Banco do Brasil S.A., maturing on October 28, 2023, in the amount of R\$1,300,000.00, bearing interest of CDI plus a surcharge of 4.5% per year; (ii) No. 0033445830000012590, entered into between Nossa Fruta Brasil Indústria de Alimentos Ltda. ("Nossa Fruta"), and Banco Santander (Brasil) S.A., in the amount of R\$600,000.00, maturing on June 30, 2022, bearing interest of 15.12% per year; (iii) nº 160.403.007/014718, contracted on October 13, 2020 by Nossa Fruta with Banco do Brasil S.A., maturing on November 10, 2024, in the amount of R\$596,339.73, bearing interest of CDI plus a surcharge of 5.65% per year; and (iv) No. 160,403,010/014719, contracted on October 15, 2020 by Nossa Fruta with Banco do Brasil S.A., maturing on October 28, 2024, in the amount of R\$553,655.00, bearing interest of CDI plus a surcharge of 5.65% per year.

Brisanet Serviços de Telecomunicações S.A. ("Brisanet"), a subsidiary of the Company, also provides guarantee as guarantor for bank credit bills. These are: (i) nº 43759203 contracted on December 15, 2019 by Agility with Banco Itaú Unibanco S.A., maturing on December 13, 2023, in the amount of R\$1,000,000.00, with CDI interest plus a surcharge of 3.2% per year; (ii) nº 86070788, contracted on September 28, 2020 by Agritech Semiarido Agricultura Ltda. ("Agritech") with Banco Itaú Unibanco S.A., maturing on September 26, 2022, in the amount of R\$500,000.00, bearing interest of CDI plus a surcharge of 5.474% per year; (iii) No. 38202074-1 contracted on August 27, 2019 by Nossa Fruta with Banco Itaú Unibanco S.A., maturing on August 29, 2022, in the amount of R\$1,000,000.00, bearing interest of 12.5487% per year; (iv) no. 0033445830000012590, contracted on May 31, 2019 by Nossa Fruta with Banco Santander (Brasil) S.A., in the amount of R\$600,000.00, maturing on June 30, 2022, with interest of 15.12% per year; (v) nº 3208623, addendum nº 003211942, entered into on April 29, 2020 between Nossa Fruta and Banco Safra S.A., in the amount of R\$700,000.00, maturing on July 19, 2021, with CDI interest plus a surcharge of 0.75% per month; (vi) nº 3210946, addendum nº 003212019, signed between Nossa Fruta and Banco Safra S.A., in the amount of R\$1,000,000.00, maturing on February 22, 2023, bearing interest of CDI plus a surcharge of 0.75% per month; (vii) nº 1338972, addendum nº 003211918, entered into on March 29, 2019, by Nossa Fruta and Banco Safra S.A., in the amount of R\$200,000.00, maturing on February 22, 2023, bearing interest of CDI plus a surcharge of 0.75% per month; (viii) nº 3207872, addendum nº 3211934, contracted on November 21, 2018, by Nossa Fruta and Banco Safra S.A., in the amount of R\$500,000.00, maturing on February 22, 2023, bearing interest of CDI plus a surcharge of 0.75% per month (ix) no. 14069837, entered into on August 21, 2020 between

Nossa Fruta and Banco Bradesco S.A, in the amount of R\$ 10,000,000.00, due on August 25, 2025, bearing interest of 10.0543% per year; (x) nº 13475282 signed on March 27, 2020, between Nossa Fruta Brasil Indústria de Alimentos Ltda. and Banco Bradesco S.A. in the amount of R\$1,000,000.00, maturing on September 27, 2021, bearing interest of 10.0095% p.a.; (xi) nº 160,402,940, signed on June 26, 2020 between Nossa Fruta and Banco do Brasil S.A, in the amount of R\$1,600,000.00, maturing on August 18, 2021, bearing interest of 8.472% per year; (xii) nº 160.402.959, signed on June 26, 2020 between Nossa Fruta and Banco do Brasil S.A, in the amount of R\$582,000.00, maturing on August 28, 2022, bearing interest of 8.472% per year; (xiii) nº 160.403.035, contracted on November 26, 2020 by Agility with Banco do Brasil S.A., maturing on October 28, 2023, in the amount of R\$1,300,000.00, bearing interest of CDI plus a surcharge of 4.5% per year

RPS also provides guarantee as guarantor for bank credit bills. They are: (i) no. 24.2018.2867.31610 contracted on October 23, 2018 by Nossa Fruta with Banco do Nordeste S.A., maturing on November 15, 2023, in the amount of R\$1,866,573.36, with monthly TFC interest; (ii) no. 24.2020.349.32328 contracted on April 23, 2020 by Nossa Fruta with Banco do Nordeste S.A., maturing on May 15, 2023, in the amount of R\$500,000.00, bearing interest at monthly TFC; and (iii) nº 160.402.940, entered into on June 26, 2020 between Nossa Fruta and Banco do Brasil S.A., in the amount of R\$1,600,000.00, maturing on August 18, 2021, bearing interest at 8.472% per year.

Finally, Interservice Serviços de Elaboração de Dados Ltda. also provides guarantee as guarantor for bank credit bills. These are: (i) no. 24.2019.643.32128, entered into on November 8, 2019 between Agritech and Banco do Nordeste S.A., maturing on November 15, 2027, in the amount of R\$577,500.00, with monthly TFC interest; (ii) CCB no. 24.2019.81.31787, entered into between Nossa Fruta and Banco do Nordeste S.A., in the amount of R\$1,200,000.00, maturing on February 15, 2022, bearing interest at monthly TFC; and (iii) CCB No. 160.402.940, entered into on June 26, 2020 between Nossa Fruta and Banco do Brasil S.A., in the amount of R\$1,600,000.00, maturing on August 18, 2021, bearing interest at 8.472% per year.

The Company clarifies that there are no compensatory payments to the Company or its subsidiaries due to the provision of the guarantees. In this sense, the Company clarifies that its controlling shareholders and/or managers hold the following interests in the capital stock of these beneficiary entities:

Name	Relationship with the Company	% held of Nossa Fruta's capital ⁽¹⁾	% held of Nossa Fruta's capital ⁽¹⁾	% held of Agility's capital ⁽¹⁾
José Roberto Nogueira	Controlling shareholder and Member of the Board	50.0	100.0	32.1
João Paulo Estevam	Controlling shareholder and Member of the Board	-	-	32.1
Jordão Estevam Nogueira	Controlling shareholder and Member of the Board	-	-	32.1
João Paulo de Araújo Queiroz	Member of the Board	-		1.2
José Romário Fernandes Pinheiro	Member of the Board	-		1.2

⁽¹⁾ Considers direct and indirect interest held in the entity's capital.

On July 7, 2021, Mr. José Roberto Nogueira, the Company's controlling shareholder, signed an instrument of commitment addressed to the Company, whereby he irrevocably and irreversibly

committed to: (i) within six months from the date of the deed of undertaking, execute an amendment to the financing agreements entered into between certain financial institutions and companies under common control with the Company to replace the guarantees of the agreements and state that he, Roberto, will be the sole guarantor of the obligations provided for in such agreements or, alternatively, grant full discharge, in advance, of the financing agreements; and (ii) until such time as the aforementioned guarantees are replaced or discharged, to pay and/or fully reimburse all and any payments that may be due by the Company and its controlled companies under the financing agreements.

The provision of guarantees by us or our subsidiaries to certain companies under common control may not be in our best interests and may expose us to risks unrelated to our purpose and industry. For further information on the risks related to such provision of guarantees, see the risk factor under the heading "On the date of this Report, the Company provided guarantees on behalf of certain companies under common control" in item 4.1 above.

Return of AFAC installment and capitalization of the remaining AFAC described in item 16.2.

The Company clarifies that the amount of R\$8,359 thousand recorded in its financial information for the four-month period ended April 30, 2021, in relation to the advance for future capital increase made by the Company's current shareholders ("AFAC"), included an excess of R\$2,709 thousand, which did not meet the proportional participation of shareholders in the Company's capital stock.

Accordingly, in order to maintain the proportionality of the equity interests of its shareholders, the Company returned the amount of R\$2,709 thousand, unduly contributed by certain shareholders, and then capitalized the AFAC in the amount of R\$5,650 thousand, as described above, through the issue of 5.650,000 shares, increasing the Company's capital stock from R\$66,209,213.00 to R\$71,859,213.00, as deliberated in the Extraordinary General Meeting held on June 21, 2021 and re-ratified in the Extraordinary General Meeting held on July 22, 2021.

For further information about the Company's capital increase resulting from the capitalization of AFAC, see item 17.2 below.

17.1 – Capital information

Authorization or approval date	Capital Value (Reais)	Payment term	No. of common shares (Units)	No. of preferred shares (Units)	Total No. of shares (Units)
Tipo de capital	Issued Capital				
07/27/2021	1,321,859,218.92	-	449,094,916	0	449,094,916
Tipo de capital	Subscribed Capital				
07/27/2021	1,321,859,218.92	-	449,094,916	0	449,094,916
Tipo de capital	Paid-in Capital				
07/27/2021	1,321,859,218.92	-	449,094,916	0	449,094,916
Tipo de capital	Authorized Capital				
07/06/2021	--	-	900,000,000	0	900,000,000

17.2 - Increases in capital

Resolution date	Body ruling the increase	Issue Date	Total issue (Reais)	Increase Type	Common (Units)	Preferred (Units)	Total shares (Units)	Subscription/Previous capital (%)	Issue Price	Rate factor
05/02/2019	Quotaholders' Meeting	05/02/2019	50,000,000.00	Private Subscription	50,000,000	0	50,000,000	10.000	1.00	R\$ per Unit
Criterion for determining the issue price		Issue price determined according to the unit value provided for in the articles of incorporation in effect when the increase is approved.								
Form of payment		In national currency.								
03/12/2019	Quotaholders' Meeting	12/03/2019	16,204,213.00	Private Subscription	16,204,213	0	16,204,213	0.324051854	1.00	R\$ per Unit
Criterion for determining the issue price		Issue price determined according to the unit value provided for in the articles of incorporation in effect when the increase is approved.								
Form of payment		In national currency.								
06/21/2021	Extraordinary General Meeting	06/21/2021	5,650,000	Private Subscription	5,650,000	0	5,650,000	0.085335555	1.00	R\$ per Unit
Criterion for determining the issue price		<p>The referred capital increase was unanimously approved, without any reservation, by all the Company's shareholders. The shares issued within the scope of the referred to capital increase were subscribed by all the Company's current shareholders in proportion to their respective interests in the Company's capital stock, and therefore there was no unjustified dilution of the interest of such shareholders in the Company, under the terms of article 170, paragraph 1, of Law 6,404/1976.</p> <p>The setting of the issue price of the shares under the aforementioned capital increase took into consideration the par value of the shares, as applicable at the time of the advance for future capital increase made by the Company's current shareholders, in attention to article 13, caput of Law 6,404/1976. After discussing the criteria observed for setting the price per share, the shareholders agreed that the value mentioned herein is appropriate for setting the price per share and reflects the fair value of the price per share attributed to the Company's capital increase.</p>								
Form of payment		Capitalization of amendment for future capital increase.								
07/27/2021	Board of	07/27/2021	1,250,000,005.92	Public	89,798,851	0	89,798,851	17.39512518624439	13.92	R\$ per

Resolution date	Body ruling the increase	Issue Date	Total issue (Reais)	Increase Type	Common (Units)	Preferred (Units)	Total shares (Units)	Subscription/Previous capital (%)	Issue Price	Rate factor
	Directors			Subscription						Unit
Criterion for determining the issue price		The issue price per share was established based on the result of the investment intention collection procedure (bookbuilding) carried out with institutional investors as provided for in article 23, paragraph 1, and in article 44 of CVM Instruction 400, of December 29, 2003, as amended. This criterion for determining the issue price per share reflects the value at which institutional investors submitted their intentions to invest in the context of the Company's initial public offering and, therefore, there was no unjustified dilution of the Company's current shareholders, under the terms of article 170, paragraph 1, item III, of Law 6404 of December 15, 1976, as amended.								
Form of payment		Payment in national currency.								

17.3 - Information on stock splits, reverse splits and bonus shares

Approval date	Number of shares before approval (Units)			Number of shares after approval (Units)		
	Number of common shares	Number of preferred shares	Total number of shares	Number of common shares	Number of preferred shares	Total number of shares
Stock Split						
07/06/2021	71,859,213	-	71,859,213	359,296,065	-	359,296,065

17.4 - Information on capital write-downs

Not applicable, since the Company has not undergone any write-downs in its capital stock since the current period and the last three fiscal years.

17.5 – Other outstanding information

For clarification purposes, we highlight that this section 17 already considers the issuance, subscription and payment of 89,798,851 shares issued by the Company, which were object of the public offering of shares issued by the Company, whose announcement of commencement was disclosed by the Company, under the terms of the applicable regulation, on July 28, 2021, according to the capital increase deliberated, verified and homologated in the meeting of the Company's Board of Directors held on July 27, 2021.

It should be noted, however, that the physical and financial settlement of these shares will be made through B3 S.A. - Brasil, Bolsa, Balcão, on July 30, 2021, with the effective delivery of these shares to the respective investors, with these shares being placed, by the intermediary institutions participating in the aforementioned offer, on a firm guarantee of settlement.

18.1 – Stock rights

NOT APPLICABLE

18.2 – Description of any statutory rules that limit the voting rights of significant shareholders or that require them to make a public offering

NOT APPLICABLE

18.3 – Description of exceptions and suspensive clauses related to patrimonial political rights foreseen in the bylaws

NOT APPLICABLE

18.4 – Trading volume and highest and lowest security prices negotiated

NOT APPLICABLE

18.5 – Other securities issued in Brazil

NOT APPLICABLE

18.5-A – Holders of each type of security in item 18.5.

NOT APPLICABLE

18.6 – Brazilian markets where securities are admitted for trading

NOT APPLICABLE

18.7 – Information about the class and kind of securities admitted to trading in foreign markets

NOT APPLICABLE

18.8 – Securities issued abroad

NOT APPLICABLE

18.9 – Public offering for distribution carried out by the issuer or third parties, including parent companies, affiliates and subsidiaries, related to the issuer’s securities

NOT APPLICABLE

18.10 – Allocation of funds from public offerings for distribution and possible deviations

NOT APPLICABLE

18.11 – Description of public offerings for acquisition made by the issuer related to shares issued by third parties

NOT APPLICABLE

18.12 – Other outstanding information

NOT APPLICABLE

19.1 – Description of the issuer’s share repurchase plans

NOT APPLICABLE

19.2 – Moviment of securities held in treasury

NOT APPLICABLE

19.3 - Other outstanding information – repurchase / treasury

NOT APPLICABLE

20.1 - Information on securities trading policy

Date of approval	28 de maio de 2021
Body responsible for the approval	Board of Directors
Position and/or function	<p>The Company, the Administration, the Fiscal Council Members, the Employees with Access to Material Information, the Controlling Shareholder, the Controlled Companies and the persons who, by virtue of their post, function or position in the Controlling Shareholder or in the Controlled Companies, may have knowledge of Material Information about the Company and who have signed the Letter of Commitment to the Securities Trading Policy ("Bound Persons").</p>
Main characteristics and consultation places	<p>Establish the rules that must be observed in order to restrain and punish the use of privileged information about a material act or fact related to the Company, or privileged information, for the benefit of the Bound Persons in trading with securities issued by the Company, and to enunciate the guidelines that will govern, in an orderly manner and within the limits established by law, the trading of such securities, under the terms of CVM Instruction 358 and its internal policies. These rules also seek to curb the practice of insider trading (improper use of privileged information for personal benefit or for the benefit of third parties) and tipping (the tipping of privileged information so that third parties benefit from it), preserving transparency in the trading of securities issued by the Company. Adherence to the Trading Policy is compulsory for all Persons Bound by signing the Letter of Commitment.</p> <p>The Securities Trading Policy may be accessed at the following addresses: (i) the Company's headquarters: at Rodovia CE-138, Trecho Pereiro CE Divisa com RN - Km 14 - Estrada Carrossal Brisa 1Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 2, CEP 63460-000, Pereiro, CE; and (ii) internet: the Company's website (ri.brisanet.com.br), CVM website (www.cvm.gov.br) and B3 site (www.b3.com.br).</p>
Lock-up periods and description of the surveillance procedures	<p>No Bound Person with access to privileged information may at any time trade in securities issued by the Company, regardless of the Investor Relations Officer's determination, before such information is disclosed to the market. Bound Persons may not trade in securities issued by the Company during the " Lock-up Periods", which are defined in the applicable regulations and by the Investor Relations Officer. The Lock-up Periods include the following periods: (i) the 15 days preceding the disclosure of periodic information by the Company, such as ITR and DFP; (ii) the period between the date of the resolution of the competent body to increase the share capital, distribute dividends and pay interest on own capital and the publication of their respective notices and announcements, (iii) for the Company's Former Management Officers who resign from the Company's management may not trade for the period of 6 months after their resignation.</p>

20.2 – Other outstanding information

There is no other information that the Company deems relevant in relation to this section 20.

21.1 - Description of the norms, regulations or internal procedures related to the disclosure of information

Except for the Disclosure Policy of Relevant Act or Fact ("Disclosure Policy"), the Company does not adopt any other norm, regulation or internal procedure relative to the disclosure of information.

According to current legislation and CVM rules, in particular the Brazilian Corporations Law and CVM Instructions 358 and 480, each and every publicly-held company must, as a general rule, file with the CVM certain periodical information such as quarterly financial information and annual financial statements accompanied by the management report and the independent auditors' report, as well as the filing with the CVM of any existing shareholders' agreements, notices concerning shareholders' meetings and copies of minutes and notices concerning the disclosure of material acts or any relevant facts. In this sense, the Company must comply with the rules and legislation listed above. CVM Instruction 358 governs the rules regarding the disclosure and use of information on material acts or facts, including, but not limited to, the disclosure of information relating to the trading and acquisition of securities issued by publicly-held companies.

Those rules:

- define the concept of relevant act or fact that originates the obligation to disclose to the market. The following fall within the concept of relevant act or fact : any decision of a Controlling Shareholder, resolution of the General Meeting or of the Company's Officers, or any other act or fact of a political-administrative, technical, business or economic-financial nature that has occurred or is related to its business, which may significantly influence (i) in the quotation of the Securities, (ii) the decision of investors to buy, sell or hold such Securities, and (iii) the decision of investors to exercise any rights inherent to the condition of holder of Securities issued by the Company or referenced to them;
- specify acts or facts that are considered relevant, such as the execution of contracts providing for the transfer of the company's control, the entry or withdrawal of shareholders who maintain with the company any contract or operational, administrative, financial or technological collaboration, the amendment of any shareholders' agreement to which the Company is a party, as well as the occurrence of any corporate restructuring carried out between the companies related to the company in question;
- oblige the publicly-held company and its Investor Relations Officer to send relevant acts or facts to the CVM, through an electronic system available on the CVM website and to the B3 (IPE System), as well as to disclose them to the market in general, through at least one of the following communication channels: (i) newspapers of wide circulation generally used by the referred company; or (ii) at least one (1) news portal with a website on the world wide web, that makes available, in a section available for free access, the information in its entirety;
- demand the acquirer of a controlling shareholder of a publicly held company to disclose a material fact, including its intention or not to promote the cancellation of the company's registration as a publicly held company, within one year;
- require management and members of the fiscal council (or any technical or advisory body) of a publicly held company to inform the number, type and form of trading of the shares issued by such company, its subsidiaries and its controlling companies, held by such persons, as well as held by their spouses, companions and dependents, further informing any changes in such shareholding positions, such information to be transmitted to CVM and B3 by the Investor Relations Officer of the publicly held company;

- establish that, if any direct or indirect controlling shareholder, or any shareholder electing members of the board of directors or of the fiscal council of a publicly held company, as well as any other natural or legal person, or group of natural or legal persons, acting jointly or representing the same interest carries out a business or set of businesses as a result of which his/her direct or indirect interest exceeds, upwards or downwards, the thresholds of 5%, 10%, 15%, and so on, of a type or class of shares representing the Company's capital stock, said person shall disclose the information related to said acquisition or disposal; and
- prohibit insider trading in securities.

The Company's Disclosure Policy can be accessed at the following addresses: (i) the Company's headquarters: at Rodovia CE-138, Trecho Pereiro CE Divisa com RN - Km 14 - Estrada Carrossal Brisa 1Km, Portão A, Prédio 1, Entrada 2, 1º Andar, Sala 2, CEP 63460-000, Pereiro, CE; and (ii) internet: the Company's website (ri.brisanet.com.br); CVM's website (www.cvm.gov.br) and B3's website(www.b3.com.br).

21.2 - Description of the policy for disclosure of a relevant act or fact and the confidentiality about undisclosed relevant information

In compliance with the CVM and B3 rules, on May 28, 2021, a meeting of the Company's Board of Directors approved the "Disclosure Policy of Brisanet Participações S.A. ("**Disclosure Policy**")", the rules of which must be observed by all persons listed in article 13 of CVM Instruction 358 ("**Bound Persons**"). The Bound Persons must sign the TLetter of Commitment to the Disclosure Policy.

The Disclosure Policy is based on the following principles and objectives: (i) provide complete information to the Company's shareholders and investors in general; (ii) ensure broad and immediate disclosure of Relevant Act or Fact; (iii) allow equal access to public information about the Company to the Company's shareholders and investors in general; (iv) care for the confidentiality of undisclosed relevant Act or Fact; (v) contribute to the stability and development of the Brazilian capital market; and (vi) consolidate good corporate governance practices in the Company.

To achieve these objectives, the Disclosure Policy establishes that the Company's Investor Relations Officer has primary responsibility for communicating and disclosing an act or material fact, and is responsible for (i) communicating and disclosing the act or material fact that occurred or is related to the Company's business immediately after it occurs; (ii) disclosing the act or material fact in a manner that precedes or is simultaneous to the disclosure by any means of communication, including information to the press, or at meetings with class entities, investors, analysts or selected audiences, in Brazil or abroad; and (iii) evaluate the need to request, always simultaneously, the B3 and, if applicable, the other stock exchanges and entities of the organized over-the-counter market where the securities issued by the Company are or will be admitted for trading, in the Country or abroad, for the time necessary for the adequate dissemination of material information, in the event it is imperative that the disclosure of the material act or fact occurs during trading hours.

The Relevant Act or Fact must be disclosed through (i) the world wide web page of a news portal; (ii) the Company's world wide web page (ri.brisanet.com.br), with content at least identical to that sent to the CVM and Market Entities; and (iii) the CVM's system for sending periodic and eventual information (Sistema Empresas.Net). Notwithstanding the disclosure of the Relevant Act or Fact through the communication channels mentioned above, any Relevant Act or Fact may, at the discretion of the Investor Relations Officer, also be published in major newspapers usually used by the Company.

The Company's Disclosure Policy contains a list of examples of types of relevant acts or facts, in accordance with CVM Instruction 358. Persons Related should note that (i) the occurrence of any of these does not necessarily constitute a relevant act or fact, given that this occurrence must be capable of significantly influencing investors' trading decisions in the securities; and (ii) the list is merely an example and does not exhaust or limit the possibilities of occurrence and characterization of the relevant act or fact.

According to the applicable CVM regulation and the Company's Disclosure Policy, it is considered a " Relevant Act or Fact" any decision of a Controlling Shareholder, resolution of the General Meeting or of the Company's Officers, or any other act or fact of a political-administrative, technical, business or economic-financial nature that has occurred or is related to its business, which may significantly influence (i) in the quotation of the Securities, (ii) the decision of investors to buy, sell or hold such Securities, and (iii) the decision of investors to exercise any rights inherent to the condition of holder of Securities issued by the Company or referenced to them, including, without limitation, the acts or facts listed in the Copany's Disclorure Policy.

The Bound Persons must also (i) preserve the confidentiality of information pertaining to relevant acts or facts to which they have privileged access due to their office or position, until its effective

disclosure to the market, and (ii) ensure that subordinates and third parties in their trust also do the same, under the terms of the Company's Disclosure Policy.

When dealing with confidential or potentially relevant information, not yet disclosed to the market, the Bound Persons must, under the terms of the Disclosure Policy:

- disclose confidential information strictly to those persons who have an essential need to know it;
- not discuss the confidential information in the presence of third parties who have no knowledge of it, even if it can be expected that such third parties cannot intuit the meaning of the conversation;
- not discuss confidential information in conference calls where you cannot be sure who is actually participating;
- keep documents of any kind concerning confidential information, including handwritten personal notes, in a locked safe, cabinet, or file cabinet, to which only persons authorized to know the information have access;
- generate electronic documents and files concerning confidential information always with password protection systems;
- internally circulate documents containing confidential information in sealed envelopes, which should always be delivered directly to the respective addressee;
- not send documents containing confidential information by facsimile, unless it is certain that only the person authorized to learn of the information will have access to the receiving device;
- demand a third party external to the Company that needs access to confidential information to sign a confidentiality agreement, which must specify the nature of the information and contain a statement that the third party acknowledges its confidential nature, undertaking not to disclose it to any other person and not to trade in securities before the information is disclosed to the market; e
- immediately communicate to the Investor Relations Officer any suspicion or occurrence of leakage of this information from its restricted and determinable circle.

According to the Disclosure Policy, a relevant act or fact must be immediately disclosed, except when its maintenance under secrecy is indispensable to preserve the Company's legitimate interests.

The Relevant Acts or Facts may, exceptionally, not be disclosed if the Controlling Shareholder or the Board of Directors understands that its disclosure will put legitimate interest of the Company at risk, also considering that:

- the controlling shareholders or management that decide to maintain confidentiality in their favor must immediately and formally notify the Company's Investor Relations Officer of the act or fact considered as relevant in a confidential status, providing the necessary information for its correct understanding so that, by themselves, they are able to subsidize eventual disclosure under CVM Instruction 358;
- the Investor Relations Officer, or even the other members of the Company's management or controlling shareholders - the latter two groups, upon simultaneous communication to the Company's Investor Relations Officer - may request that CVM decide to maintain

confidentiality, provided that this is done in a registered, sealed envelope, with a confidentiality warning, addressed to the President of CVM; and

- in any case of maintaining the secrecy of a relevant act or fact, or when the situation is beyond the control of the Bound Persons, the Investor Relations Officer must be informed immediately and must adopt the procedures foreseen in the item above or immediately disclose the respective relevant act or fact, in which case the controlling shareholders and the Company's managers will not be released from their responsibility for disclosure

The Company's management is obliged to inform the Company, the CVM and the market entity in which the securities issued by the Company are admitted for trading, of the quantity, characteristics and form of acquisition of the securities issued by the Company and by controlled or controlling companies, provided they are publicly-held companies. They must also communicate the securities issued by these companies that belong (i) to their spouse from whom they are not legally separated; (ii) to their partner; (iii) to any dependent included in their annual income tax return; and (iv) to directly or indirectly controlled companies.

All Persons Related to the Company's Disclosure Policy are responsible for not disclosing an act or material fact in an insider manner, even if in public or restricted meetings, and, prior to the publication of an act or material fact by any means of communication, including information to the press, or in meetings with professional associations, investors, analysts or selected audiences, in the country or abroad, should contact and submit the material to be exposed or disclosed to the Company's Investor Relations Officer, on a confidential basis, who will take the necessary steps for the simultaneous disclosure of information, if applicable.

21.3 - Management responsible for implementing, maintaining, evaluating and overseeing the disclosure policy

The Officer responsible for implementing, maintaining, evaluating and overseeing the Company's information disclosure policy is the Investor Relations Officer.

21.4 – Other outstanding information

There is no other information that the Company deems relevant in relation to this item 21.