

Oi Group

Annex 2.6 - Economic-Financial Report

Rio de Janeiro, February 05, 2024



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1. General Considerations

This Economic-Financial Report ("Report") aims to assess the economic and financial feasibility, in the context of the Consolidated Judicial Reorganization Plan ("Plan" or "PRJ") of the companies: **OI S.A. - Under Judicial Reorganization** ("Oi" or "Company"), a publicly held corporation, registered with the National Register of Legal Entities of the Ministry of Finance (CNPJ/MF) under no. 76.535.764/0001-43, with headquarters and principal place of business at Rua do Lavradio no. 71, Centro, in the City and State of Rio de Janeiro, ZIP: 20230-070; **PORTUGAL TELECOM INTERNATIONAL FINANCE B.V. - Under Judicial Reorganization** ("PTIF"), a private limited company organized according to the Laws of the Netherlands, with headquarters in Amsterdam, Delflandlaan 1 (Queens Tower), Office 806, 1062 EA, and principal place of business in the city of Rio de Janeiro; **OI BRASIL HOLDINGS COÖPERATIEF U.A. - Under Judicial Reorganization** ("Oi Coop"), a private limited company organized according to the Laws of the Netherlands, with headquarters in Amsterdam, Delflandlaan 1 (Queens Tower), Office 806, 1062 EA, and principal place of business in the city of Rio de Janeiro (with Oi, PTIF e Oi Coop hereinafter jointly referred to as "Oi Group", "Debtors" or "Companies under Reorganization").

This is a free translation from the original Appendix of the Consolidated Judicial Reorganization Plan of Oi Group. In case of divergence between this version and the original version of this Report, in Portuguese language, the latter shall prevail.

This Report was prepared by Ernst & Young Assessoria Empresarial Ltda ("EY"), solely and exclusively to serve as a support document to the development of the Debtors' PRJ, and should not overlap, modify or be confused with the terms of the PRJ and should not be partitioned, divided or used partially by the Debtors and its representatives, by creditors or any other interested parties. This Report may not be used for any purpose not expressly mentioned herein.

With the purpose of achieving this work's objective, procedures were applied based on the analysis of historical facts, socioeconomic and market information, as well as data and assumptions provided by Oi Group, its employees, managers, advisors and further service providers ("Data and Information").

EY does not take any responsibility on future results differing from the projections presented on this Report and does not offer any guarantees regarding the aforementioned results. With this perspective, the conclusions here presented are the results of the analyzed Data and Information, along with macroeconomic and market forecast, as well as on performance and results of future events, and are subject to the following considerations:

- ▶ This Report involves matters of objective and subjective judgements, given the complexity of the analysis of the Data and Information and the various sources of information consulted;
- ▶ None of EY's partners or professionals involved in this work detain financial interest in Oi Group;
- ▶ The fees established for the execution of this work were not based on reported results and have no connection with it;
- ▶ The development of this Report was based on public information known by the market and information provided by Oi Group. Such information was considered true, as it is not part of EY's scope of work any type of independent investigation and/or audit procedures. Thus, EY does not assume future responsibility for the accuracy of the Data, Information and Assumptions used in this Report;
- ▶ This Report was prepared with the purpose of evaluating the feasibility of the Debtors in the context of the PRJ, EY has no responsibility towards any third party for any act or fact derived from its use for any purpose other than stated herein;

- ▶ This Report was developed at the request of Oi and should not be interpreted by any third party as a decision-making tool for investments or opinions regarding the PRJ;
- ▶ EY will not be responsible for updating this Report in regard of events or circumstances that may take place after its date of reference;
- ▶ Some of the considerations outlined in this report are based on future and uncertain events representing expectations of Oi Group, its management, advisors and further service providers, at the date of the analysis. Thus, the results presented in this Report are merely estimates, reason why they may differ from future figures; and
- ▶ The forecasts consider the current macroeconomic scenario together with the perspectives of the sector in which the Debtors operate. However, the scenario presented may not materialize, in view of external factors, in addition to changes in the macroeconomic scenario, monetary and fiscal policies, default risks and market factors.

Among the Data and Information used for the development of this Report, there are public information and information provided by Oi Group, aimed at delivering the necessary details of its operations, investments, capital structure and cash generation capacity. This Report, subject to the assumptions stated herein, intends to provide a view of the financial capacity of the Debtors in the context of the PRJ, to allow the assessment of their sustainability and the feasibility of their going concern.

2. Limitations

According to the law 11,101 of February 9, 2005, which regulates the judicial and extrajudicial reorganization and the bankruptcy of the entrepreneur and of the business company, this Report evaluates the economic-financial feasibility of the Debtors in the context of the PRJ, with certain limitation clauses.

Therefore, this Report and its conclusions, should not be interpreted or used without considering these clauses.

This Report, as well as the opinions and conclusions included, are of Oi's use in the context of the PRJ. It should be noted that this report is constituted of 57 pages and cannot, in any case, be handled separately, in which case no liability can be attributed to EY.

Any user and/or recipient of this document should be aware of the conditions and assumptions that guided this work, Brazil's market and economic conditions, as well as the market niche in which Oi Group operates.

The factors that may result in differences between the content of this Report and the content of the documents that have the same object of this work are exclusively due to the use of different sources of information and the application of different methodologies when processing data. EY has no responsibility for such differences.

EY services for the development of this Report do not represent an audit, a review, or any other type of attestation, in the way these expressions are identified by the Brazilian Accounting Council (CFC - Conselho Federal de Contabilidade). Therefore, we do not express any form of guarantee on accounting matters, financial statements, financial information, nor on internal controls of Oi Group.

We have not issued a professional opinion on the application of the accounting principles in accordance with the International Standard on Related Services (ISRS 4410), nor its subsequent changes or interpretations. This Report does not constitute a legal opinion or advice.

EY's services did not include any type of tax review. The estimates of tax impacts for Oi Group, as a result of the PRJ, were provided by Oi and incorporated into the financial projections.

EY's services did not include a review or an independent investigation with the objective of identifying illegal acts or frauds.

EY has no responsibility, and cannot be held responsible, for the study, analysis and presentation of projected costs and investments projected in the judicial reorganization scenario of the Debtors.

The independent evaluation or review of the terms and conditions of the issuance of shares for the restructuring of Credits held by Class III Unsecured Creditors as proposed in the PRJ was not part of EY's services. EY considered the assumptions provided by the Company regarding the amounts attributed to the shares for tax calculation purposes.

Until the conclusion of this Report, certain assumptions provided by Oi regarding the establishment, valuation and disposal of certain assets (through UPIs or not), notably the creation of UPIs V.Tal and ClientCo, were in initial phase of market sounding to evaluate strategic alternatives and pricing of these assets. At the time of preparation of the Report, as well as the disclosure of the PRJ by Oi, the information available about these monetization events was limited and may suffer significant impacts until its completion. In addition, negotiations regarding the end of the concession period and the arbitration initiated by Oi with the regulators are also ongoing and their outcome may present results significantly different from those estimated by Oi and indicated by the Company as assumptions for the preparation of this Report.

The studies carried out do not include the feasibility analysis of the Debtors from the perspective of corporate, tax and legal aspects. In addition, it was not part of the scope of this Report the analysis of the legal feasibility of the strategy of establishment and sale of the UPIs provided for in the PRJ.

This work does not include the evaluation of the operating costs or potential improvement of Group processes which may generate potential cost savings, as well as operational and administrative optimizations.

The forecasts are largely dependent on Oi's ability to implement the actions described in this Report, as well as to minimize the effects of possible synergy losses resulting from the implementation of its strategy.

The operational and financial assumptions and further conditions of the strategic plan were provided by Oi Group and its managers, advisors and other service providers hired for this purpose. Such assumptions and conditions have not been the subject of an independent investigation by EY. The studies implemented by EY take into account the operational, financial and further conditions of the strategic plan provided by Oi Group, so that EY does not guarantee that all these assumptions and conditions will be effectively materialize, since it relies on the success of Oi Group itself in achieving the goals established by it and the prevailing market conditions at the time of the implementation.

It is not part of EY's scope of work to review or investigate the assumptions used to determine the sale prices of UPIs ClientCo and V.Tal. Thus, EY does not assume any responsibility for any differences in values used in this Report and those that may materialize in future negotiations. In addition, EY has not carried out any type of diligence regarding the assumption adopted by the Company in the settlement of arbitration proceedings with the regulator without financial impact for Oi, EY is not responsible for any settlement that may present a financial impact different from that presented in this Report.

The considerations presented in this Report are common practices in studies of this nature, which we believe we have, and are publicly recognized as having, meaningful knowledge and experience. The provided services are limited to such knowledge and experiences and do not represent an audit, advisory or tax related services, which can be provided by EY. Notwithstanding these limitations, the conclusion of this Report was not intended or written by EY to be used, and should not be used, by the recipient or any third party for the purpose of avoiding sanctions that may be imposed by the Brazilian tax law.

3. Updates to the Economic-Financial Report

This document is presented as an Attachment to the PRJ and replaces the Report issued by EY on May 19, 2023, reflecting the most recent conditions of the PRJ presented by the Company on February 5, 2024.

Regarding the Report presented on May 19, 2023, the main changes to this Annex are:

- ▶ Update of the forecasts' reference date to December 31, 2023;
- ▶ Incorporation of new terms and conditions proposed in the updated PRJ;
- ▶ Update of macroeconomic assumptions estimated by the market, highlighting inflation, exchange rate and interest rate estimates. Update of operational projections, reflecting the most recent expectations of Oi Group. The Company made adjustments to the operational projections of its business units, as demonstrated in this Report:
 - Oi Fibra: Oi adjusted its operational projections to reflect the current market outlook, resulting in a smaller HC's¹ base, a reduction in the take up rate and a lower ARPU when compared to that projected in the PRJ of May 2023, Oi also estimates the reduction of new revenues, with the aim of prioritizing and focusing efforts on the core business, as consequence, a reduction in investment projections is estimated;
 - Oi Soluções: Oi estimates growth in Cloud Services revenue, in addition to a reduction in its investments and expenses, mainly plant expenses (plant maintenance, transmission infrastructure, telecommunications infrastructure and electricity), reflecting its expectations to reduce the connectivity contract with V.Tal. Furthermore, the Company estimates greater efficiency in general and administrative expenses, with a reduction in personnel and IT expenses, and plant expenses, the latter attributed to the reduction in electricity expenses, as a consequence of the disconnection of the Legacy network;
 - Legacy: Oi estimates an acceleration in the already started work of reducing operating expenses due to its expectation of anticipating the migration from the concession regime to authorization.
- ▶ Update of Cash Flow projections, reflecting the new conditions for financial and non-financial creditors, in addition to the expected sale of companies (ClientCo and V.Tal).
- ▶ Update of the deals' forecast regarding isolated production units:
 - According to the Company, there was a substantial change in market conditions that affected the fiber business in 2023, which led to a change in its result projections, and consequently, a reduction in ClientCo's value estimate, with an impact on the definition of the minimum price of BRL 7.3 billion.
 - Additionally, Oi altered the scope of the UPI ClientCo transaction, from the sale of a 40% stake to 100%, given, among other factors, Oi's reduction of the estimated value, aiming to fulfill its cash flow objectives. According to the Material Fact released on October 25, 2023, the Company engaged financial advisors to assist in the competitive sales process.

¹ "Homes connected", means the number of houses effectively connected to Oi Group's fiber optic services.

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- The estimated value of UPI V.Tal was also updated by Oi, reflecting its perspectives on changing market conditions and operational projections, estimating the sale of a 17% stake, with a minimum price value of BRL 8.0 billion.

4. Contextualization

Oi is a concessionaire of the Switched Fixed-line Telephony Services (STFC) in Regions I and II of the General Concession Plan (PGO), according to Decree No. 6,654, which corresponds to 26 of the country's 27 federative units. Oi Group also hold authorizations to provide data transmission (Multimedia Communication Services - SCM) and pay TV (Conditional Access Services - SeAC), throughout the country.

Oi Group's activities began through providing fixed-line services and, over time, the services of mobile telephony², internet, pay TV, among others, were incorporated into the group's portfolio.

The chart below shows how the revenues of each service are distributed within the group, taking the first nine months of 2023 as a reference.

Breakdown of Oi Group's Revenues - 9M2023

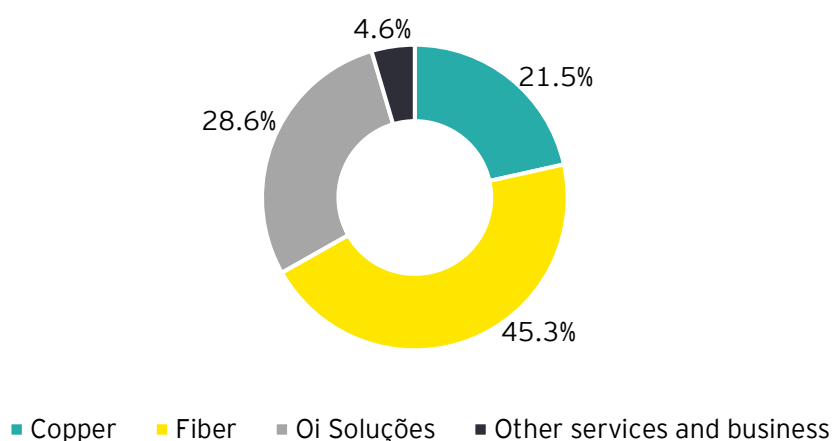


Chart 1. Source: Oi (Quarterly Earnings Report 3T2023)

4.1 Oi Group History³

The Company emerged from the privatization of the companies of the Telebrás system, initially providing intra-regional long-distance fixed telephone services in Region II. Oi Móvel's operations began in September 2004. Also in the early 2000s, and in line with the expansion of the range of services provided, the Company acquired a system of submarine fiber optic cables, an Internet Protocol (IP) services company and other services focused on the corporate market in Brazil, as well as a provider of free internet services, operating in the dial-up and broadband markets. In the late 2000s, the Company began operating in the call center segment. Over the subsequent years, Oi carried out several acquisitions, mergers and corporate restructurings, with the aim of simplifying its corporate structure.

In June 2016, Oi, along with some of its subsidiaries, filed for judicial reorganization before the Capital District of the State of Rio de Janeiro for the restructuring of its debts with approximately 55 thousand creditors. The total of these debts, according to the list of creditors, amounted to approximately BRL 64 billion. According to the Company, the request for judicial reorganization was a consequence of a period of growth in its debts at the same time that it suffered a contraction in its operating performance, reflected in its revenues and operating margins. According to management,

² Service discontinued with the sale of UPI Ativos Móveis, completed in April 2022.

³ Information obtained through the Reference Form of 2023 and Relevant Facts disclosed by Oi.

the increase in Oi Group's debt could be explained mainly by three events: (i) financing of the anticipation goals plan (regarding the universalization of telecommunications services); (ii) acquisition of Brasil Telecom and subsequent identification of certain relevant liabilities; and (iii) merger and incorporation of Portugal Telecom's debt.

The PRJ dated December 12, 2017 was presented at the General Meeting of Creditors ("GMC"), held on December 19 and 20, 2017, and approved with some modifications. Finally, on January 8, 2018, the PRJ was approved by the 7th Business Court of Rio de Janeiro (JR Court), granting the Judicial Reorganization to the Debtors and, on July 31, 2018, Oi Group communicated to the market the conclusion of the process of novation of its debts.

In February 2020, Oi Group presented a proposal for an Amendment to the Judicial Reorganization Plan, aiming, among other things, to change the payment conditions of creditors and enable the execution of its strategic plan, indicating, as reasons for a new restructuring, frustration of certain expectations and premises in the legal, regulatory and market scopes. In March of the same year, Oi communicated to the market that the JR Court issued a decision granting the holding of a new GMC to deliberate on the Amendment to the PRJ. This amendment provided for the formation and disposal of five UPIs, namely: UPI Ativos Móveis, UPI Data Center, UPI Towers, UPI InfraCo and UPI TVCo.

In March 2021, the UPI Data Center and UPI Towers disposals were completed. UPI Data Center was sold for BRL 325 million, with a cash payment of BRL 250 million, with the remaining balance paid in installments. UPI Towers was sold for BRL 1.1 billion, with BRL 860 million paid in cash and the remainder in June 2021, after assessments and adjustments provided for in the contract. Oi Group has also performed a legal transaction for the sale of Lemvig RJ Infraestrutura e Redes de Telecomunicações S.A., holder of part of Oi's reversible and non-reversible tower infrastructure, to NK 108 Empreendimentos e Participações S.A., the winning bidder in a competitive process conducted within the context of Oi Group's first judicial reorganization. Torres II Operation was released to the market through a Material Fact on July 12, 2023.

In April 2022, the sale process of UPI Ativos Móveis was completed, resulting in a total transaction value of BRL 15.9 billion. Of this amount, BRL 14.5 billion was received by the Company, while the amount of BRL 1.4 billion was retained for possible compensation due to Post-Closing Adjustments and other indemnity obligations. In addition, according to the agreement signed with the buyers, Oi could receive an additional amount in case of reaching certain migration targets, and also signed a contract to provide transition services for the operation for a period of up to 12 months. With the conclusion of the operation, the credit of the National Bank for Economic and Social Development ("BNDES") with the Company, in the amount of BRL 4.6 billion, and the debentures of the 2nd issuance of Oi Móvel, in the amount of BRL 2.4 billion, in addition to the repurchase of senior notes due in 2026, in the amount of BRL 4.6 billion. On October 4, 2023, the Company disclosed via Material Fact that after the Post-Closing Adjustment, it was defined that the total amount owed to Oi for the acquisition of UPI Ativos Móveis would be BRL 15.2 billion, being entitled, on that date, to the release of the updated amount of BRL 821 million from the withheld amount. Thus, all disputes and pending issues between Oi and the buyers were settled, as disclosed.

In June 2022, Oi concluded the sale of UPI InfraCo ("V.Tal") to Globenet Cabos Submarinos S.A. The operation totaled BRL 12.9 billion, with the Company receiving BRL 4.3 billion in cash, referring to the first installment of the secondary component. In addition, at the close of negotiations, it was agreed that the second and third installments of the secondary component, in the amount of BRL 3.7 billion, would be used to pay the Long-Term Lease Agreement for use of the transmission capacity of telecommunication signals of the submarine cables signed with Globenet. The primary component of the transaction totaled BRL 3.4 billion, while the contribution from the merger of Globenet totaled BRL 1.5 billion. On the other hand, Oi received BRL 2.7 billion in dividends from Telemar. On October

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27, 2023, Oi released a Material Fact announcing the agreement for the Onerous Transfer of Scrap with V.Tal, and the corresponding compensation and/or reduction of up to 72% of the Company's take-or-pay obligations in accordance with the Long-Term Lease Agreement. Currently, the Company holds a direct stake of 31.2% in V.Tal.

According to a Material Fact published on December 15, 2022, the Company informed that, on December 14, 2022, the Judgment of the 7th Business Court of the Judicial District of the Capital of the State of Rio de Janeiro declared the conclusion of the Judicial Reorganization process, being declared as fulfilled the obligations assumed in the approved plan and amendment of the First Judicial Reorganization.

4.2 Judicial Reorganization

In February 2023, Oi had approved its request for an urgent precautionary measure to suspend the enforceability of certain obligations assumed by the Company, aiming at protecting its cash and, consequently, the continuity of negotiations with its creditors. According to the Company, a partial anticipation of the effects of the decision to process a new judicial reorganization was sought, since it had not been possible to reach an agreement with its main financial creditors to readjust its capital structure before the deadline for payment of debts due in early February 2023.

On March 1, 2023, Oi filed, together with its subsidiaries PTIF and Oi Coop, detailed below, a request for judicial reorganization with the 7th Corporate Court of the Judicial District of the Capital of the State of Rio de Janeiro for the restructuring of its debts with approximately 165 thousand creditors⁴. The total of these debts, according to the list of creditors, amounts to approximately BRL 45 billion. The request was approved by the RJ Court on March 15.

After the request, the Judicial Reorganization Plan was initially presented on May 19, 2023, being replaced by the current PRJ.

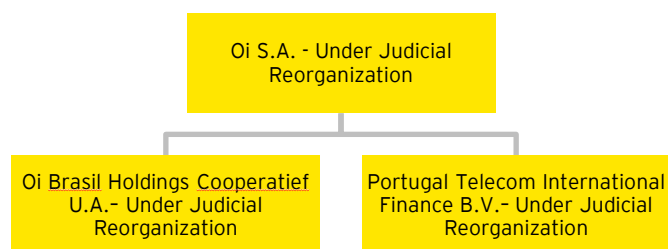


Figure 1. Source: Oi.

4.2.1 Description of the Companies under Reorganization

The table below presents a brief description of the Companies under Reorganization:

| Company | Category | Main Activities |
|---|--------------------------|---|
| Oi S.A. - Under Judicial Reorganization | Operating Parent Company | Operating Parent Company that offers telecommunication services in several fields and related activities. |
| Portugal Telecom International Finance B.V. - Under Judicial Reorganization | Financial Vehicle | Debt issuance in international markets. |
| Oi Brasil Holdings Cooperatief U.A. - Under Judicial Reorganization | Financial Vehicle | Debt issuance in international markets. |

Table 1. Source: Oi - Reference Form 2022 - V3.

The detailed descriptions of the companies categorized above are presented ahead.

⁴ List of Creditors of the Companies under Reorganization as informed by Oi.

Oi S.A. - Under Judicial Reorganization

A publicly traded company, it is one of the main providers of integrated telecommunications services in Brazil, operating throughout the national territory. Oi S.A. offers a variety of services, which include fixed telephony, interconnection, data transmission (including broadband), pay TV, internet services and other telecommunications services. It has been operating since 1998 in Regions I and II, as defined in the General Grant Plan (PGO) and brings together approximately 13 million Revenue Generating Units ("UGR"), among residential customers, companies and government agencies.

According to the company's third-quarter 2023 results presentation, Oi has about 4 million HCs. According to ANATEL data from November 2023, the Company holds approximately 26% of the fixed-line telephony market.

Portugal Telecom International Finance B.V. - Under Judicial Reorganization ("PTIF")

A wholly-owned subsidiary of the Company, PTIF is headquartered in the Netherlands and its corporate purpose is to participate in the share capital of other companies; incorporate, manage and supervise other companies and businesses; provide guarantee in favor of controlling, affiliated and/or controlled companies; provide services and finance businesses and partnerships; grant loans; acquire, dispose of, manage and undertake real estate and properties in general; engage in and commercialize patents, trademarks, licenses, know-how and intellectual property rights; to carry out any type of industrial, financial and commercial activity, as well as carrying out any related activities.

Oi Brasil Holdings Coöperatief U.A. - Under Judicial Reorganization ("Oi Coop")

Oi Coop is a cooperative constituted under the laws of the Netherlands and headquartered in that country, with the Company as its sole member. Its corporate purpose is to participate in the share capital of other companies; incorporate, manage and supervise other companies and businesses; provide guarantee in favor of controlling, affiliated and/or controlled companies; finance businesses and partnerships; obtain and extend loans, raise funds and issue debt securities; trade currency, securities and assets in general; to carry out any type of industrial, financial and commercial activity, as well as carrying out any related activities.

4.3 Reasons for the Economic and Financial Crisis

According to the PRJ, several factors contributed to the new crisis of Oi Group, among the reasons presented for the new Judicial Reorganization request, the following stand out:

1. The delay in closing UPIs sales;
2. The non-receipt of part of the divestment transaction of UPI Ativos Móveis, in the approximate amount of BRL1.4 billion, in 2022, which, after judicial and arbitration litigation, Oi Group and the UPI acquirers entered into an agreement, resulting in the late receipt of BRL 821 million;
3. The COVID-19 pandemic;
4. The instability of economic indicators (e.g. significant increases in domestic interest rates and worsening credit environment);
5. The oscillation of the exchange rate of the US currency, which adjusts the obligations held, with impact on interest payments;
6. The accelerated decline in revenues from the Company's fixed-line telephone concession services, due to the rapid change in the technological environment;
7. The continuity of contract costs with a minimum obligation ("Take or Pay") that do not bring economic benefit to the Company due to the low consumption of services;
8. The maintenance of the burden of obligations in the regulatory environment, related to the fixed-line telephony concession, and the pending resolution of regulatory issues in arbitral proceedings;
9. The pressure faced by the fiber market, resulting from macroeconomic challenges, including increased debt costs, increased price competition, increased default and churn of the user base, which hampered the growth of the homes connected base predicted by Oi and a reduction in the average revenue per user foreseen in its investment plan; and
10. The frustration of the transaction involving Oi's pay-TV customer base.

Still according to the Company, all the reasons mentioned above affected and restricted the available resources of Oi Group, making it necessary to implement a new stage of restructuring.

5. Market Analysis

5.1 Brazilian Market

The Brazilian telecommunications market has undergone transformations in recent years, following technological advances and the new consumption patterns of the population. As shown in the graph below, the market share reduction in the fixed telephony segment stands out, being replaced, for the most part, by the growth in fixed and mobile broadband.

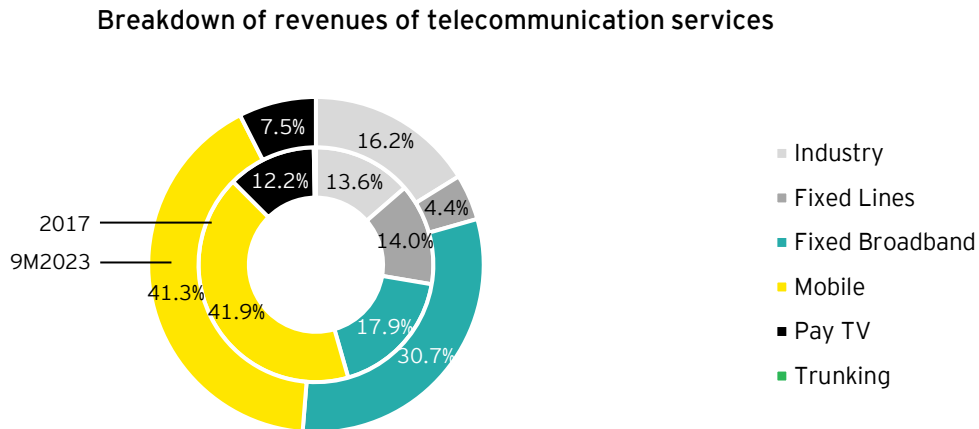


Chart 2. Conexis Brasil Digital - O Desempenho do Setor de Telecomunicações no Brasil - 3Q23.

Although investment in telecommunications infrastructure is a constant process, atypical factors contributed to an increase in the level of investments between 2013 and 2015, with emphasis on sporting events hosted in the country between 2014 and 2016. Investment resurfaced stronger in 2018 with preparations to 5G, with investments in 4G and fiber infrastructure, and maintained itself in the following years, even during the pandemic in 2020, reaching its peak in 2022.⁵

The graph below shows the evolution of investments in the sector.

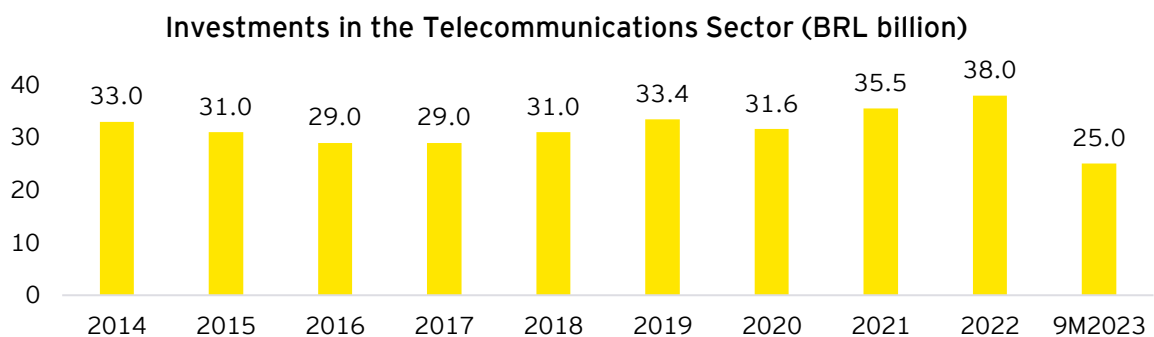


Chart 3. Source: Conexis Brasil Digital - O Desempenho do Setor de Telecomunicações no Brasil - 3T23.

5.1.1 Broadband

Fixed broadband is the second largest telecommunications subsector in the country, accounting for 30.5% of the sector's revenue in 2022, against 17.9% in 2017. Its growth is due to the expansion of the subscriber base and the constant migration for higher speed plans.

⁵ Buddecomm - Brazil - Telecoms, Mobile and Broadband - Statistics and Analysis 2021.

The growing use of internet reflects an accelerated change in household consumption habits. Activities such as streaming consumption, online gaming, and remote work and study continue to become more popular. This trend favors the adoption of high-capacity fixed broadband.

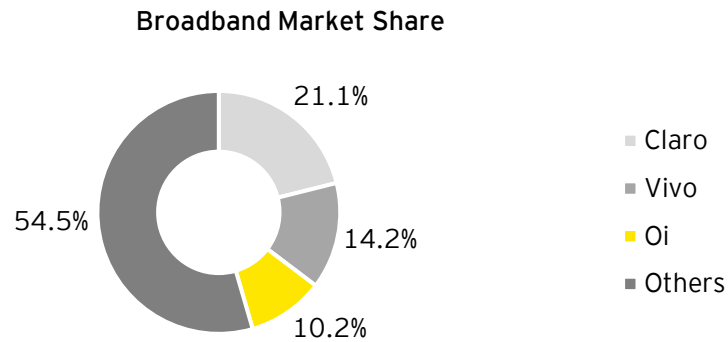


Chart 4. Source: ANATEL - Painéis de Dados - Nov/23.

The presence of small providers stands out, more representative in this segment when compared to the other subsectors of the Brazilian telecommunication market, guaranteeing themselves in markets where there is no presence of large providers, increasing their fiber networks and contributing to the growth of digital inclusion.

There is a growing demand for higher speed and quality internet services, in parallel with an intensification of competition in the market. The number of accesses with ultra-fast broadband plans (i.e., those with Internet connections of more than 34 Mbps) has increased by an average of 60% per year since 2015, reaching an 86% share of the subscriber base.⁶

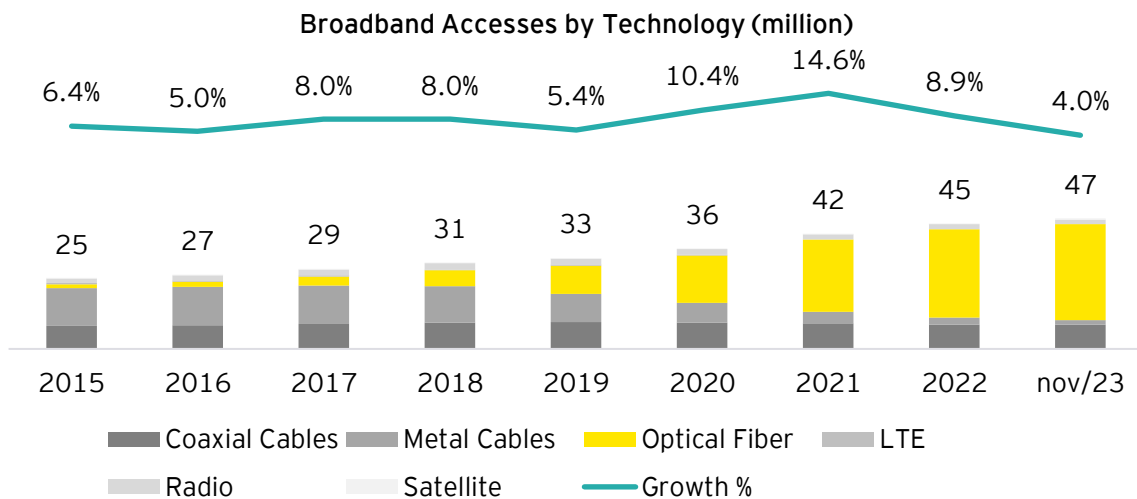


Chart 5. Source: ANATEL - Painéis de Dados - nov/23.

The number of fixed broadband subscribers using optical fiber technology grew at an annual average of 56% between 2015 and 2023 and, as shown in the graph above, the technology comprised around 74% of the broadband market in 2023, indicating a trend of migration from other technologies to fiber.

⁶ Conexis Brasil Digital - The Performance of the Telecommunications Sector in Brazil - 4Q22.

5.1.1.1 Optical Fiber

As observed in the general data on broadband, the competitive landscape for fiber is marked by the presence of small-sized providers, or “Competitives”, which are responsible for almost half of the market, as shown in the graph below.

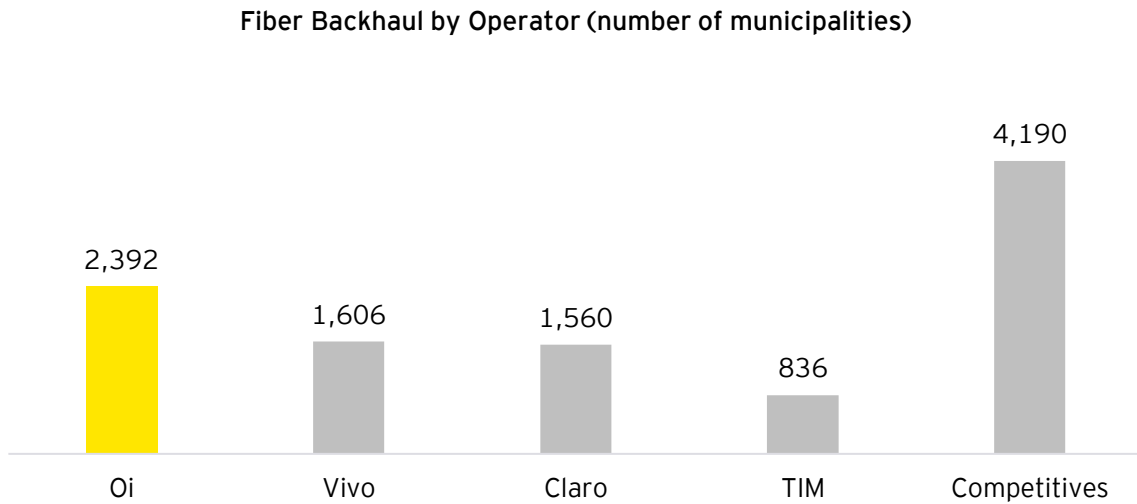


Chart 6. Source: Teleco - Market Share de Banda Larga Fixa no Brasil - accessed on January 29, 2024.

The growth in fiber-based broadband meets the demands for greater speed, capacity and connection stability. Fiber plays a role in the development of 5G, providing the backhaul resources and infrastructure necessary for its implementation. The graph below shows the evolution of fiber penetration in Brazilian municipalities.

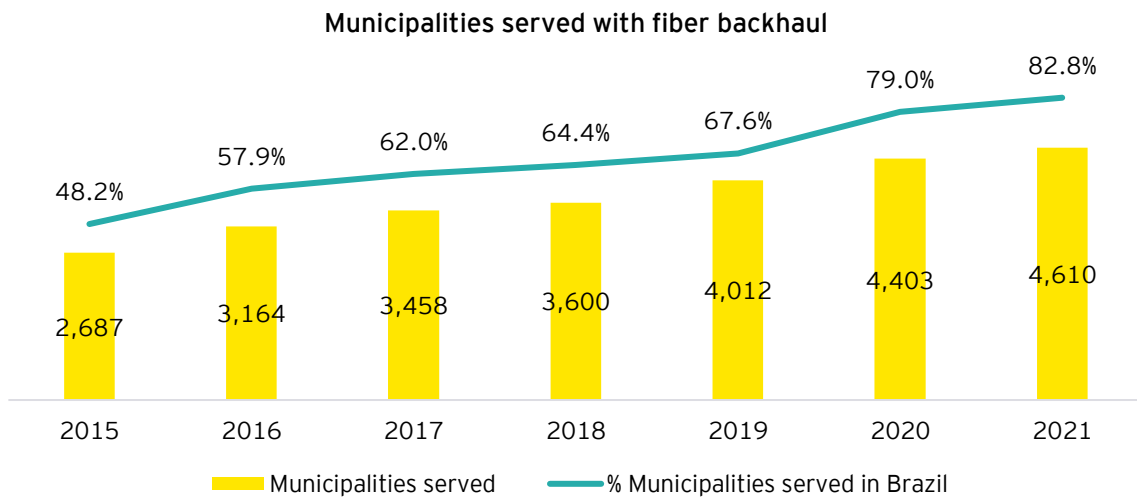


Chart 7. Source: Teleco - Market Share de Banda Larga Fixa no Brasil - accessed on January 29, 2024.

Given the role of fiber and its adoption and demand in the country, the technology grew at a high rate in its early years. However, this growth has slowed down in recent years. The net addition of 4.9 million new accesses in the first 3 quarters of 2023 was far from the addition numbers in same period in 2022 - when 6.2 million accesses were added (+26.5%).

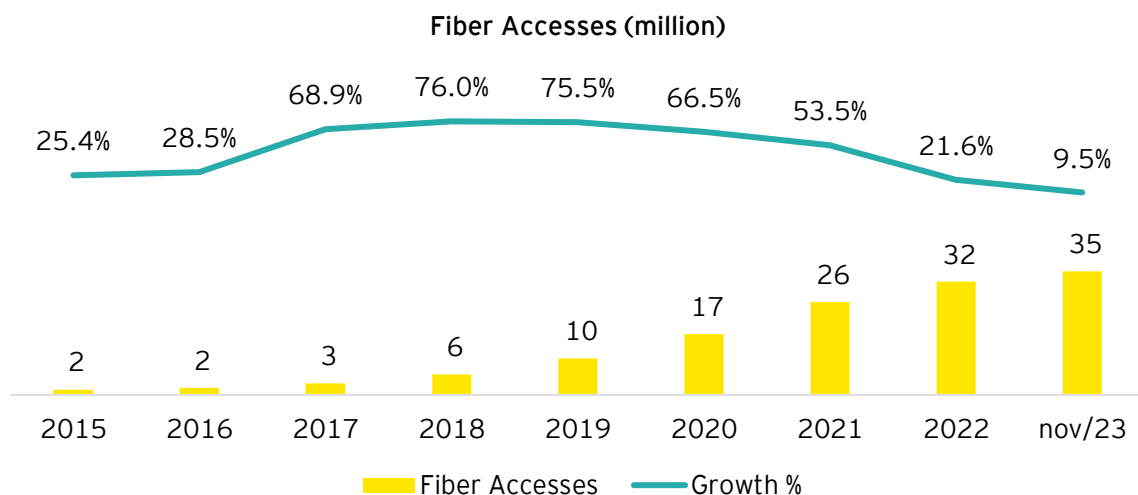


Chart 1. Source: ANATEL - Painéis de Dados - Nov/23.

Even so, according to EMIS Insights, optical fiber technology remains an opportunity in the sector, as it is the preferred tool for telecom companies to offer fixed broadband services at competitive prices, as well as allowing providers to supply affordable digital fixed telephony packages as well as IPTV services.⁷

5.1.2 Information and Communication Technology

The COVID-19 pandemic intensified the consumption of telecommunications services, however, not all segments had an increase in their demand, as is the case of fixed telephony, since Brazilian consumers are replacing these technologies with services such as those of internet and information and communication technology, which have greater added value for telecommunications companies.⁸ Driven by this factor, the IT Industry has grown at an average rate of 12% p.a. since 2018.

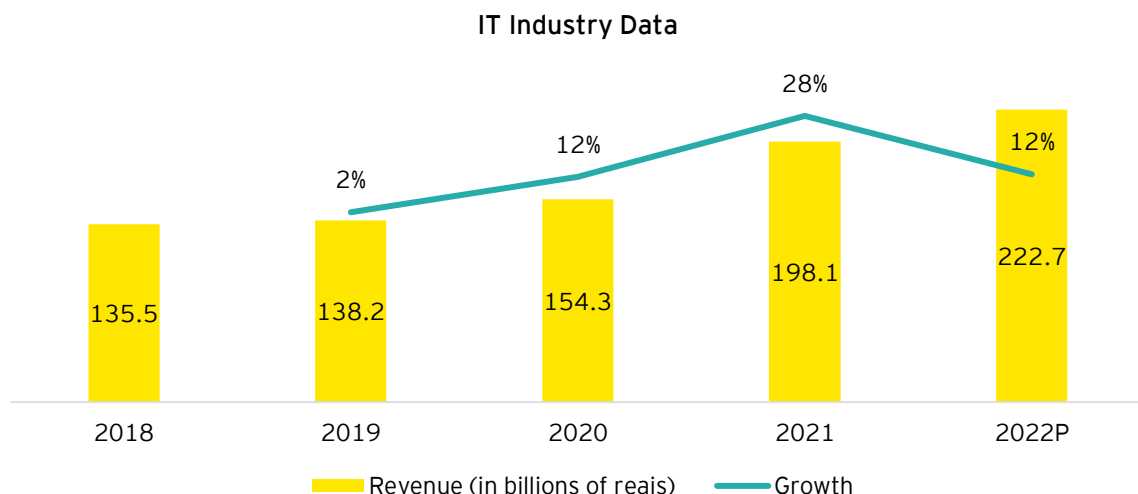


Chart 2. Source: Lafis: Panorama Setorial - Tecnologia da Informação.

⁷ EMIS Insights - Brazil ICT Sector Report 2023-2024.

⁸ EMIS Insights - Brazil ICT Sector Report 2022-2023.

The IT market in Brazil is estimated to outpace GDP growth in the medium term due to the strength of post-pandemic⁹ digitization and digital transformation trends. According to EMIS Insights, there will be a growing demand for high value-added technology solutions¹⁰. The main challenge for telecommunications companies will be to go beyond connectivity and provide solutions and service packages to their current customers, replacing efforts to attract new consumers.

⁹ Fitch Solutions - Brazil Information Technology Report | Q1 2022.

¹⁰ EMIS Insights - Brazil ICT Sector Report 2023-2024.

6. Restructuring of Oi Group

6.1 Financial Restructuring

As described therein, the Judicial Reorganization Plan presented on February 05, 2024 aims to restructure the Company's financial debt, reducing its value and extending its maturity dates, providing an injection of new money into the Company, aiming to continue fulfilling its obligations, make the necessary investments and seek more liquidity until several conditions set out in the plan are executed, such as the sale of some of its assets and the migration process with ANATEL is completely concluded, resulting in the final agreement expected by Oi, for the necessary adjustments to the concession of fixed telephony services and their obligations.

In line with the reorganization plan, Oi communicated to the market on December 20, 2023 an amendment to the fundraising in the form of the "Debtor-in-Possession" modality (Original Updated Emergency DIP), in the amount of up to USD 400 million, to meet the Company's short-term cash needs. According to the Material Fact released on January 8, 2024, the Court of the 7th Business Court of the District of the Capital of the State of Rio de Janeiro, authorized the contracting of the Updated Original Emergency DIP in accordance with the documentation duly filed in court, and approved the resignation proposed by Banco BTG Pactual S.A. regarding the refinancing of the Original Emergency DIP, as well as the right to request payment of the termination fee stipulated in the refinancing contract. The disbursement of amounts relating to additional liquidity to the Company was made on January 26, 2024. The conditions of the Original Updated Emergency DIP are:

- ▶ Interest of 12.5% per year, consisting of 7% per year in cash, 5.5% per year capitalized; and
- ▶ Fiduciary Sale of 95% of V.Tal shares held by Oi as collateral.

6.1.1 Debt Restructuring

This item presents, in a summarized manner, the main conditions of the Plan for Payment to Creditors of Oi Group, including certain information on the financial conditions present in the Judicial Reorganization Plan presented by the Company on February 05, 2024.

For further details of the determined payment conditions, refer to the PRJ of February 05, 2024. In case of any discrepancies between the summary below and the PRJ, the PRJ shall always prevail. This Report was prepared considering the financial and operational assumptions arising from the assertive execution of the PRJ. The projections contained in this Report assume the implementation of the PRJ proposed by the Companies under Reorganization.

Mediation/Conciliation/Settlement

Oi Group may offer the option of participating in Mediation/Conciliation/Settlement procedures to all Pre-Petition Creditors before the installation of the General Meeting of Creditors or after the Judicial Approval of the Plan, as the case may be. In this context, the Company may negotiate and agree (i) alternative forms of payment of the respective Pre-Petition Claims and/or (ii) the payment of the respective Pre-Petition Claims in accordance with the conditions applicable to the respective class of creditors and with the option chosen by Pre-Petition Creditor, if applicable.

Class I

Labor Credits (Class I), according to the values indicated in the List of Creditors of the Trustee, including Labor Credits held by Labor Creditors Judicial Deposit and Fundação Atlântico Labor Credit, will not be affected, and restructured under the terms of the Plan.

Class III

The payment proposal for Class III is presented below, according to the limits established in the PRJ:

| Proposal |
|--|
| <p>Each Unsecured Creditor may choose, except as otherwise provided in the PRJ, to have all of its Unsecured Claims paid or restructured in the following options.</p> <p>Reverse Auction</p> <p>Upon approval of the PRJ, Companies under Reorganization may, at their sole discretion, promote advance payment rounds from Financial Creditors who offer Financial Credits with a discount of no less than 90%, as long as they have opted for one of the Restructuring Options and have not received any installment of the payment of their Financial Credit under the terms of the PRJ.</p> <p>Debtors may use, in one or more rounds, the value of up to BRL 2 billion to pay the Financial Credits offered in the Reverse Auction. The conditions and rules for participation in the Reverse Auction must be detailed in the notice to be published prior to its execution.</p> <p>Class III Claims Linear Payment:</p> <p>Creditors of this class who are holders of credits in the amount of up to BRL 5 thousand may choose to receive the full amount of the respective Class III Credit, within 30 calendar days from the Approval Date, upon raising the value of the Judicial Deposit or in a single installment through a deposit to be made by the Debtors.</p> <p>Creditors of this class with credits in an amount greater than BRL 5 thousand may opt for payment in a single installment, provided that they agree to receive only the amount of BRL 5 thousand as full payment of their respective credit and related costs and automatically waive the right to receive payment of the amount of your Class III Credit that exceeds BRL 5 thousand.</p> <p>Restructuring Option I:</p> <p>Unsecured Creditors who agree to participate in the New Financing may opt for Restructuring Option I, through which they will receive payment of their respective remaining credits under the following terms and conditions:</p> <p>Oi will issue Roll-Up Debentures (for credits in Reais) and/or Roll Up Notes (for credits in Dollars) ("Roll-Up Debt") in the total amount of BRL 3.5 billion ("Roll-Up Total Debt Value") for payment, on a <i>pro rata</i> manner, of part of the balance of Class III Credits after Reverse Auction held by Unsecured Creditors who choose this restructuring option.</p> <ul style="list-style-type: none">▶ The principal amount will be amortized in one installment (bullet) with payment in 4.5 years, counting from the date of debt issuance;▶ For credits in Dollars, an interest rate of 8.5% per year will apply, interest will be capitalized annually to the principal amount;▶ For credits in Reais, interest will be levied at an annual rate in Reais that is equivalent to the interest rate in Dollars, as defined in the PRJ;▶ Oi will offer certain goods and assets as collateral as per annex to the PRJ, these will be subject to the necessary regulatory and third-party authorizations, including due to operational contracts executed by the Debtors, and will be subordinated to the guarantees granted in the context of the New Financing, in the context of the Bridge Loan and in the context of payment of Secured Take or Pay Credits and Unsecured Take or Pay Credits; and |

- ▶ In the event that UPI V.Tal and/or UPI ClientCo being sold for an aggregate amount equal to or exceeding BRL 15.3 billion (“Total Amount Disposal of UPIs Defined”), Oi shall, within 10 business days of completing the sale of the last defined UPI, issue new Roll-Up Debentures and Roll-Up Notes in the total amount, limited in any case, to the total value of BRL 2 billion (“Maximum Additional Amount”), provided that, in the event that the Total Sale Amount of UPIs Defined is not reached, the Maximum Additional Amount of new Roll Debentures and new Roll-Up Notes will be reduced Brazilian Real by Brazilian Real and in case such Maximum Additional Amount is equal to BRL 0, there will be no issuance of new Roll-Up Debentures and new Roll-Up Notes. The new Roll-Up Debentures and Roll-Up Notes issued will be distributed to Restructuring Option I Creditors in the same proportion of Roll-Up Debentures and Roll-Up Notes that such Creditors received at the time of payment of the Total Roll-Up Debt Amount, as applicable.

Once the Total Roll-Up Debt Amount has been reached, part of the remaining balance of Class III Credits will be capitalized as a capital increase in the Company, the part that is not capitalized will be considered as a discount. In return for the capitalization of their balances, Creditors who opt for Restructuring Option I will receive new shares in the Company, which will jointly represent up to 80% of the total share capital. The execution of the capital increase will be subject to prior approval by ANATEL and CADE.

Restructuring Option II:

Unsecured Creditors who do not participate in the New Financing may opt for Restructuring Option II, through which they will receive payment of their respective remaining credits under the following terms and conditions:

Debt instrument (“A&E Reinstated Debt”) for restructuring the equivalent of 8% of the total value of credits that choose this option, post Reverse Auction.

- ▶ The principal amount will be amortized in only one installment (bullet), on the last business day of December 2044;
- ▶ For credits in Reais, the annual interest rate of 50% of the CDI will apply, capitalized and paid together with the principal amount;
- ▶ For credits in Dollars, interest will be levied at an annual rate in Dollars that is equivalent to the interest rate in Reais, as defined in the PRJ; and
- ▶ Oi will offer certain goods and assets as collateral as per annex to the PRJ, these will be subject to the necessary regulatory and third-party authorizations, including due to operational contracts executed by the Debtors, and will be subordinated to the guarantees granted in the context of the New Financing, in the context of the Bridge Loan and in the context of payment of Secured Take or Pay Credits, Unsecured Take or Pay Credits and the Roll-Up Debt.

Debt Instrument (“Participatory Debt”) for restructuring the equivalent of 92% of the total value of credits that choose this option, post Reverse Auction.

- ▶ The principal amount will be amortized, (i) in just one installment (bullet) on the last business day of December 2050, or (ii) in advance, in part, through the distribution of 50% of Oi's net profit - after the compensation of accumulated losses and the provision for the payment of taxes, and provided that the New Financing, the Bridge Loan, if applicable, the Roll-Up Debt, the Secured Take or Pay Credits, the Unsecured Take or Pay Credits and any Additional Financing, if applicable, have been fully paid;

- ▶ For credits in Reais, remunerative interest of 0.5% per year will be charged, to be capitalized to the principal value and paid only on the due date;
- ▶ For credits in Dollars, interest will be charged corresponding to an annual rate in Reais that is equivalent to the interest rate on the business day immediately preceding the date of the GMC that deliberates on the Approval of the Plan, as defined in the PRJ;
- ▶ Oi will have the option, at its sole discretion, at any time, to repay the amounts in advance, in a pro rata manner, through the payment of 10% of the principal amount and capitalized interest incurred up to the date of exercise of the option, provided that the New Financing, the Reinstated Unsecured ToP Debt, the Reinstated Secured ToP Debt, the Roll-Up Debt and, if obtained, the Bridge Loan and any Additional Financing have been previously and fully paid off.

Restructuring Option III:

Unsecured Creditors who do not participate in the New Financing may opt for the Restructuring Option III, through which they will receive payment of their respective remaining credits under the following terms and conditions:

- ▶ Grace period for principal repayment until the last business day of December 2045;
- ▶ Amortization of the principal in 5 equal and successive installments, the first being due on the last business day of the grace period;
- ▶ For credits in Reais, the principal value will be adjusted by the TR index per year, with the total amount paid only and together with the last installment of the amortization;
- ▶ For credits in Dollars, there will be no interest on the principal amount; and
- ▶ Oi will have the option, at its sole discretion, at any time, to repay the amounts in advance, on a pro rata manner, through the payment of 20% of the principal amount and capitalized interest incurred up to the date of exercise of the option, provided that the New Financing, the Reinstated Unsecured ToP Debt, the Reinstated Secured ToP Debt, the Roll-Up Debt and, if obtained, the Bridge Loan and any Additional Financing have been previously and fully repaid.

Regulatory Agencies Pre-Petition Claims

Regulatory Agencies Pre-Petition Claims will not be affected and restructured under the terms of this Plan. The respective payment conditions will remain identical to those currently existing, as provided for in the Amendment to the First Judicial Reorganization Plan.

In the event of supervenience of a legal rule or administrative, judicial or arbitral decision that establishes an alternative method for settlement of the Liquidated or Unliquidated Regulatory Agencies Claims, the Companies under Reorganization may adhere to the new regime, subject to the terms and conditions provided for in Oi's bylaws.

Supplier Creditors' Unsecured Claims

Suppliers, including Partner Supplier Creditors, who had their respective Unsecured Claims renewed under the terms of the First Judicial Reorganization Plan will not be affected and their respective Unsecured Claims will not be restructured under the terms of this Plan.

New Supply Credits

Supplier Creditors holding Supply Credits that have not been novated under the terms of the First Judicial Reorganization Plan and that do not choose to receive payment for such Supply Credits in

accordance with the other applicable payment options will receive payment of their credits in the manner described below:

- ▶ Grace period for principal repayment until the last business day of December 2045;
- ▶ Amortization of the principal in 5 equal and successive installments, the first being due on the last business day of the grace period;
- ▶ For credits in Reais, the principal value will be adjusted by the TR index per year, with the total amount paid only and together with the last installment of the amortization;
- ▶ For credits in Dollars, there will be no interest on the principal amount; and
- ▶ Oi will have the option, at its sole discretion, at any time, to repay the amounts in advance, on a pro rata manner, through the payment of 15% of the principal amount and capitalized interest incurred up to the date of exercise of the option, provided that the New Financing, the Reinstated Unsecured ToP Debt, the Reinstated Secured ToP Debt, the Roll-Up Debt, the Reinstated A&E Debt and, if obtained, the Bridge Loan and any Additional Financing have been previously and fully repaid.

Credits from Partner Supplier Creditors

Suppliers of goods, content, rights and/or services that maintained terms and conditions practiced prior to the date of filing the Judicial Reorganization request will be paid as described below:

- ▶ Partner Suppliers who have credits of up to BRL 100 thousand (or the equivalent in Dollars or Euros), will receive their credits in a single installment, within 45 calendar days after the end of the choice of payment option, without interest or correction.
- ▶ Partner Suppliers who have credit in excess of BRL 100 thousand and up to the limit of BRL 1 million (or the equivalent in Dollars or Euros), will have their payment made in 12 monthly installments, equal and successive, the first installment falling due on the 25th day of the month following the disbursement of the New Financing, without interest or correction.
- ▶ Partner Suppliers who have credit in excess of BRL 1 million and up to a limit of BRL 10 million (or the equivalent in Dollars or Euros), will have their payment made, with a discount of 10%, in 6 quarterly installments, equal and successive, the first installment falling due on the 15th day of the 12th month following the disbursement of the New Financing, without interest or correction.
- ▶ Partner Suppliers who have credit in excess of BRL 10 million (or the equivalent in Dollars or Euros), will have their payment made, with a discount of 10%, in 6 equal and successive half-yearly installments, the first falling due installment on the 28th day of the 18th month following disbursement of the New Financing, without interest or correction.

Partner Supplier Creditors who hold Class III Credits in an amount greater than BRL 100 thousand and up to BRL 1 million (or the equivalent in Dollars or Euros) may choose to receive the entire remaining balance of their respective Credits in a single installment, with a 25% discount on the amount of the respective remaining balance, within 60 calendar days after disbursement of the New Financing.

Without prejudice to the foregoing, if a Partner Supplier Creditor wishes to receive payment of the remaining balance of its Class III Claims specifically in one of the ways provided for in items (a) to (d) described above, but the amount of the remaining balance of its claims exceeds the limit provided for in the desired payment method, such Partner Supplier Creditor shall expressly opt, in accordance with the terms and term set forth in the PRJ, to receive the total amount of the limit

provided for in the desired payment method, automatically waiving the right to receive payment of the amount of your credit that exceeds the established limit in the desired payment method.

Credits Transacted from Suppliers

Credits Transacted from Suppliers owned by Partner Supplier Creditors will be paid under the terms, conditions and deadlines currently existing and originally negotiated and agreed with Oi Group in the respective transaction instruments, without the application of any fine or penalty to Oi Group.

Any payment installments payable by Oi Group to the Partner Supplier Creditors that are not Credits Transacted from Supplier and that have become due and have not been paid by Oi Group between the Petition Date and the date of the Judicial Approval of the Plan will be paid under the terms of the clause that regulates Partner Supplier Credits and their sub-clauses, according to the option to be made by the respective Supplier Creditor under the terms of the PRJ.

Secured Supplier Take or Pay Credits

Secured Take or Pay Credits held by Partner Supplier Creditors will be restructured and paid as follows:

Between the Approval Date and January 31, 2025:

- ▶ 60% discount on Secured Take or Pay Credits from the month of PRJ Approval;
- ▶ 20% will be paid under current conditions until the PRJ approval date; and
- ▶ 20% will be restructured under the terms set out below ("Reinstated Secured ToP Debt 2024/January 2025"):
 - The principal amount will be amortized in one installment (bullet), on July 31, 2027; and
 - The principal value of the Reinstated Secured ToP Debt 2024/January 2025 Reinstated will be corrected by the IPCA variation from January 1, 2027, to be capitalized monthly to the principal value.

Between February 1, 2025 and July 31, 2027:

- ▶ Discount of 60% and the remaining balance will be paid under conditions identical to those currently existing and applicable to such Secured Take or Pay Credits ("Reinstated Secured ToP Credits February 2025/July 2027" and, together with the Reinstated Secured ToP Credits 2024/January 2025, "Reinstated Secured ToP Credits").

The Company may use the amount equivalent to 60% of all Secured Take or Pay Credits paid in the period between January 1, 2024 and the Approval Date for the purpose of paying amounts due through compensation, until such amount is fully compensated.

Oi will offer certain goods and assets as collateral as per annex to the PRJ, these will be subject to the necessary regulatory and third-party authorizations, including due to operational contracts executed by the Debtors, and will be subordinated to the guarantees granted in the context of the New Financing and in the context of the Bridge Loan.

Unsecured Supplier Take or Pay Credits

Unsecured Take or Pay Credits held by Partner Supplier Creditors will be restructured and paid as follows:

Between January 1, 2024 and December 31, 2025:

- ▶ 26% discount on Unsecured Take or Pay Credits from the month of approval of the PRJ, considered as discount;
- ▶ 24% will be paid under current conditions until the PRJ approval date; e
- ▶ 50% will be restructured under the terms set out below (“Reinstated Unsecured Take or Pay Debt 2024/2025”):
 - The principal amount will be amortized in one installment (bullet), on June 30, 2027; and
 - The principal value of the Unsecured Take or Pay Debt 2024/2025 will be corrected by the IPCA variation from January 1, 2027, to be capitalized monthly to the principal value.

Between January 1, 2026 and June 30, 2027:

- ▶ 45% discount and the remaining balance after July 1, 2027 will be subject to a 100% discount and will not be paid by the Debtors (“Reinstated Unsecured Take or Pay Debt 2026/2027” and, together with Reinstated Unsecured Take or Pay Debt 2024/2025, “Reinstated Unsecured ToP Debt”).

Oi will offer certain goods and assets as collateral as per annex to the PRJ, these will be subject to the necessary regulatory and third-party authorizations, including due to operational contracts executed by the Debtors, and will be subordinated to the guarantees granted in the context of the New Financing and in the context of the Bridge Loan.

In return for the restructuring of its credits, Oi may transfer to Creditors for payment of Unsecured Take or Pay Credits, in the form of UPIs or not, and subject to the necessary regulatory and third party authorizations, (i) the ownership of any Towers owned by Oi in relation to which it holds the right to use and, (ii) real estate properties owned by Oi, in which Towers are installed, purpose of a lending agreement with the respective Creditor holder of Unsecured Take or Pay Credits, provided that they do not exceed the unit amount of BRL 150 thousand and, in aggregate, 8% of Unsecured Take of Pay Credits or BRL 25 million, whichever is less.

Non-Qualified Ex-Bondholders Credits

Considering the nature and profile of the Non-Qualified Ex-Bondholders, Oi will pay the Non-Qualified Ex-Bondholder Credits as follows:

- ▶ Non-Qualified Ex-Bondholders who have credits of up to USD 10 thousand may choose to receive their credits in a single installment, without discount and without interest or correction until December 31, 2024;
- ▶ Non-Qualified Ex-Bondholders who have credit exceeding USD 10 thousand and up to the limit of USD 20 thousand may choose to receive their credits in a single installment, without discount, without interest or correction until December 31, 2026;
- ▶ Non-Qualified Ex-Bondholders who have credit exceeding USD 20 thousand may choose to receive their credits according to Restructuring options I, II or III; and
- ▶ If a certain Non-Qualified Ex-Bondholder does not express his option and/or does not comply with the requirements for receiving payment of his respective credit, such creditor will have the entirety of his credit allocated for payment under the General Payment Method.

General Payment Method

Unsecured Credits novated by the First Judicial Reorganization Plan will not be affected and will not be restructured under the terms of the Plan.

This offer will be applied to creditors that do not fit the conditions of the previous offers or if the offers reach their limits and the creditor still has a balance to be received. In addition to creditors who do not manifest themselves regarding the other options.

- ▶ The principal will be paid from the last business day of 2048, in 5 annual, equal and successive installments;
- ▶ Interest/monetary adjustment: TR per year, if the holder chooses to receive payment of his credits in Reais, incidents from the Judicial Approval of the Plan, and the total amount of interest and monetary restatement accrued in the period will only be paid, and jointly with the last installment of principal. No incurrence of interest if the holder chooses to receive their credits in US Dollars or Euros; and
- ▶ Oi will have the option, at its sole discretion, at any time, to repay the amounts in advance, on a pro rata manner, through the payment of 15% of the principal amount and capitalized interest incurred up to the date of exercise of the option, provided that the New Financing, the Reinstated Unsecured ToP Debt, the Reinstated Secured ToP Debt, the Roll-Up Debt, the Reinstated A&E Debt and, if obtained, the Bridge Loan and any Additional Financing have been previously and fully repaid.

Class IV

ME/EPP Credits (Class IV), according to the amounts indicated in the Bankruptcy Administrator's List of Creditors, will not be affected and restructured under the terms of this Plan.

Intercompany Claims

Credits referring to loans carried out between the companies of Oi Group, loans made with funds arising from operations carried out in the international market by the Companies under Reorganization, will be paid as described below:

- ▶ The principal will be paid from the 25th year after the discharge of credits of the General Payment Method. Principal will be paid on a straight-line basis, in 5 annual installments.
- ▶ Interest/monetary adjustment: TR per year for debts in Reais, incident from the Judicial Approval of the Plan, and the total amount of interest and monetary restatement accrued in the period will be paid only, and jointly, with the last principal installment. There is no interest charge for debts in US Dollars or Euros.
- ▶ Debtors may, within 18 months of the Homologation Date, agree on an alternative form of extinction of Intercompany Credits in Reais under their originally contracted terms and conditions, including, but not limited to, cash in payment, corporate restructuring operations, increases and capital reductions and meeting of accounts in accordance with the Law, and as long as it does not involve cash disbursement by the Companies under Reorganization
- ▶ In any event of alternative termination of Intercompany Credits in Reais, the respective payment of Intercompany Credits in Reais will be subject to the full payment of the New Financing, the Reinstated Unsecured ToP Debt, the Reinstated Secured ToP Debt, the Roll-Up Debt, A&E Reinstated Debt, Participating Debt, Restructuring Option III payments and, if obtained, the Bridge Loan and any Additional Financing.

Cash Sweep

After the full payment of the Updated Original Emergency DIP, Grupo Oi will allocate the Net Revenue from the Sale of UPI V.Tal, the Net Revenue from the Sale of UPI ClientCo, the Net Revenue from the Sale of Assets and the Net Revenue from the Sale of Real Estate Properties of following way:

Net Revenue from the Sale of UPI V.Tal

The Company will allocate (i) the equivalent of 100% of the amount of Net Sales Revenue of UPI V.Tal to amortize in advance the updated remaining value of the New Financing and, if applicable, the Bridge Loan, on a pro rata manner, (ii) the amount equivalent to 100% of the remaining value will be allocated to the amortization of (a) all or (b) part of the Reinstated Secured ToP Debt and the Reinstated Unsecured ToP Debt on a *pro rata* manner, (iii) the amount equivalent to (a) 50% of the remaining value of the Net Sales Revenue of UPI V.Tal for redemption or amortization of all or part of the outstanding securities issued in the context of the Roll-Up Debt and the amount equivalent to (b) 50% of such value remaining amount may be used by Oi for investments in its own activities.

Net Revenue from the Sale of ClientCo

Oi will allocate (i) the amount equivalent to 100% of the Net Revenue from the Sale of ClientCo to prepay the remaining balance of the New Financing and, if applicable, the Bridge Loan, on a pro rata manner, (ii) the amount of up to BRL 1.8 billion of the remaining value of the Net Revenue from the Sale of UPI ClientCo for investments in its own activities, and (iii) 100% of the remaining balance for amortization of the Reinstated Secured ToP Debt 2024/January 2025 and the Reinstated Unsecured Debt ToP 2024/2025, and (iv) after such allocations, the remaining amount will be used to redeem or amortize all or part of the outstanding securities issued in the context of the Debt Roll-Up.

If UPI ClientCo is sold for a value lower than the Minimum Price UPI ClientCo, the allocation of Net Revenue of Sale of UPI ClientCo, under the terms of item (i) described above, will be limited to the amount that exceeds BRL 1.8 billion.

In its projection, the Company indicates that the sale of UPI ClientCo, in 2025, will occur before the sale of the first installment of UPI V.Tal. If there is a reversal in the order of disposals indicated above, the Company's Cash Flow projection may be impacted.

Net Revenue from the Sale of Assets

Additionally, in the event of the sale of other assets that constitute guarantee of debts under the terms and annexes of the PRJ, other than UPI V.Tal and UPI ClientCo, if the sum of these revenues ("Net Revenue from the Sale of Assets") received by Oi is equal to or less than BRL 200 million, Oi will allocate 100% of such resources, at its sole discretion, to investments in its activities.

If the sum of the Net Revenue from the Sale of Assets received by Oi is greater than BRL 200 million and less than or equal to BRL 400 million, Oi will allocate the Available Net Revenue up to BRL 200 million as per the paragraph above, and the excess amount up to BRL 400 million will have (i) 50% of its value allocated to redeem or prepay (a) the remaining balance of the New Financing and the Bridge Loan, as applicable, (b) once these have been fully repaid, the remaining balance of the Reinstated Secured ToP Debt and the Reinstated Unsecured ToP Debt, (c) once these have been fully repaid, on a *pro rata* manner, from part of the outstanding securities issued in the context of the Roll-Up Debt, and the others (ii) 50% for investments in its activities, at its sole discretion.

The Available Net Revenue that exceeds BRL 400 million will be allocated to amortize the remaining balance of (a) first, the New Financing and, if applicable, the Bridge Loan, (b) secondly, since the New Financing and the Bridge Loan, as applicable, are fully repaid, of the Reinstated Secured ToP Debt and the Reinstated Unsecured ToP Debt, on a *pro rata* manner and, (c) once these are fully repaid, for the outstanding securities issued in the context Debt Roll-Up, on a *pro rata* manner.

Net Revenue from the Sale of Real Estate Properties

Oi will allocate the amounts of Net Revenue from the Sale of Real Estate Properties as follows:

100% of the Net Revenue from the Sale of Real Estate Properties to pay the entire remaining balance of the Reinstated Secured ToP Debt 2024/January 2025 and the Reinstated Unsecured ToP Debt 2024/2025. Oi will allocate the remaining balance as follows:

If there is any remaining balance of Net Revenue from the Sale of Real Estate Properties in the amount of up to BRL 200 million, Oi may use said balance at its sole discretion, for investments in its activities.

If the remaining balance of the Net Revenue from the Sale of Real Estate Properties received by Oi after full payment of the Reinstated Secured ToP Debt 2024/January 2025 and the Reinstated Unsecured ToP Debt 2024/2025 is greater than BRL 200 million and less than or equal to BRL 400 million, Oi will allocate Available Net Revenue up to BRL 200 million as per the paragraph above, and the excess amount up to BRL 400 million will be allocated by Oi as follows: (a) the amount equivalent to 50% of such balance remaining to prepay the updated remaining balance of the New Financing and the Bridge Loan, as applicable; and (b) the amount equivalent to 50% of such remaining balance may be used by Oi for investments in its own activities and/or those of its Affiliates.

The remaining balance of Available Net Revenue after full payment of the Reinstated Secured ToP Debt 2024/January 2025 and the Reinstated Unsecured ToP Debt 2024/2025 that exceeds BRL 400 million will be allocated to amortize the updated remaining balance, (a) in firstly, New Financing and Bridge Loan, as applicable; (b) secondly, once the New Financing and Bridge Loan, as applicable, are repaid in full, for the outstanding securities issued in the context of the Roll-Up Debt, on a pro rata manner.

New Financing

To enable the payment of of the Companies under Reorganization post-petition debts, as well as part of the debts of Companies under Reorganization immediately after the Judicial Approval of the Plan and/or to maintain activities during the period of implementation of the PRJ, any Class III Unsecured Creditor may choose to participate in the New Financing to be contracted by Oi in the total amount in Reais equivalent to USD 650 million, being certain that the amount in Reais equivalent to USD 450 million ("New Financing Value for Preliminary Creditors") can only be granted by Pre-Bankruptcy Creditors and the amount in Reais equivalent to up to USD 200 million ("New Remaining Financing Value") may be granted by any Person. The Class III Unsecured Creditor who participates in the New Financing will be entitled to receive the full amount granted under the New Financing as Post-Petition Credit with priority over all other Pre-Bankruptcy and Post-Petition Credits of the Debtors.

Once the New Financing has been obtained, Oi will allocate (a) such amount primarily to amortize in advance the updated balance of the Original Updated Emergency DIP, if it has not yet been fully paid off, unless the creditors of the Original Updated Emergency DIP and the Bridge Loan Creditors convert their credit amounts into a portion of the New Financing, and (b) the remainder, if any, for the payment of other credits of the Companies under Reorganization.

- ▶ The principal amount will be repaid in one installment (bullet) on June 30, 2027;
- ▶ For credits in Dollars, Debtors may choose between interest of 10% per year to be paid annually, or 13.5% per year, with 7.5% paid annually in cash and 6% capitalized annually to the principal value;
- ▶ For credits in Reais, interest will be levied at an annual rate in Reais that is equivalent to the interest rate in Dollars, as defined in the PRJ;
- ▶ Oi will offer certain goods and assets as collateral as per annex to the PRJ;

- ▶ Backstop Creditors will make commitments and obligations under the New Financing, including a firm commitment to disburse or obtain firm disbursement guarantee commitments in the Total New Financing Value; and
- ▶ Backstop Creditors who effectively participate in the New Financing will be entitled to receive a participation remuneration (fee) based on the value set out in the Backstop commitment, in accordance with the terms and conditions set out in the Backstop Agreement, provided that the Backstop Fee will be paid to each of the respective creditors regardless of the amount of resources actually disbursed, in an amount equivalent to the value of the Backstop Fee to which each of the respective Backstop Creditors is entitled.

Bridge Loan

As described in the PRJ, the Company may, after the Approval Date, raise new resources in the total amount of up to USD 125 million, through the Bridge Loan to be contracted under market conditions. The resource will be allocated primarily for investments in its own activities.

Additional Financing

Without prejudice to other forms of fundraising provided for in the PRJ and as long as it does not harm seniority or make it impossible to pay the New Financing and, if applicable, the Bridge Loan, Oi Group predicts that it may, after completion of the capital increase provided for in the Roll-Up, until the end of the Judicial Reorganization, raise New Resources in the amount of up to BRL 2 billion, under market conditions, to enable the payment of competitive debts, including through the holding of a Reverse Auction.

6.2 Disposal of Assets

According to the PRJ, the Company shall dispose of assets that are part of its permanent assets, in addition to other goods, movable or immovable, in the form of UPIs or not, subject to the terms and conditions of the Plan and any requirements, authorizations or regulatory limitations or provided for in the Bylaws of Oi or the other Debtors, as applicable.

Thus, the PRJ foresees the formation of UPI ClientCo, to be incorporated into a new company, with assets related to fiber retail operations and whose perimeter is being defined by Oi - and may undergo adjustments in negotiations with potential buyers -, as well as the possibility of its total sale. Additionally, the PRJ also provides for the creation of UPI V.Tal for the possible sale of up to the entire shareholding position held by Oi in V.Tal.

Oi foresees additional dilution in 2025, resulting in a remaining 17% stake in V.Tal, of which, for the purposes of this Report, the Company estimates a sale of 100% of its stake in two stages: a sale of 8.5% in 2025 for BRL 3.7 billion and another sale of 8.5% in 2026, for BRL 4.3 billion. Additionally, the Company projected a sale, in 2025, of 100% of UPI ClientCo, one of its main assets, with a minimum sale price of BRL 7.3 billion.

| UPI ClientCo | UPI V.Tal |
|--------------------------------|--|
| ▶ Disposal: 100% | ▶ Disposal: 100% of shares owned by Oi |
| ▶ Min. Price: BRL 7.3 billions | ▶ Min. Price: BRL 8.0 billions |

Figure 1. Source: Oi.

Other details about the constitution of UPIs, such as method of disposal, purpose of resources, means of payment, description of assets and others are described in the PRJ.

To comply with the objectives of this Report, certain assumptions were adopted by Oi in relation to the deadlines for completing transactions, amounts transacted and transaction structures adopted. Such assumptions were based on the best expectations of Oi Group on the date of completion of this study. It is important to mention that Oi's estimate, in relation to the value of ClientCo, considers contractual renegotiations with V.Tal to review the costs of utilizing the neutral network infrastructure, and these negotiations may impact the sales conditions.

However, and observing any limitations described in the PRJ, these premises carry some subjectivities related to transactions, and it is not possible to guarantee the accuracy of certain deadlines, values and structures considered here, whose actual sales values and conditions may differ from the premises adopted here.

It was not part of the scope of this Report the pricing or any value judgment regarding the valuation used in the PRJ as reference for the minimum prices established therein for the sale of UPIs. The correction of the figures and valuations indicated in the PRJ was considered as an assumption for the development of the studies carried out in this Report, these values were considered as the values for an eventual sale of the UPIs. EY did not review these valuations and minimum price estimates, nor did it reconcile this value with the Company's current market capitalization, so these conditions are not part of the purpose of this analysis carried out by EY, which considered the values reported by Oi.

6.2.1 UPI ClientCo

As described in the PRJ, UPI ClientCo will be made up of 100% of the shares issued by SPE ClientCo, subject to the minimum price of BRL 7.3 billion. Those interested in participating in the competitive process for the sale of UPI ClientCo may indicate in their proposals that the payment of part of the acquisition price may be made (a) through the offset of any first priority claims against Oi; and/or (b) upon payment with ClientCo Permitted Assets, in accordance with the PRJ. Additionally, the proposal presented by each interested party (or interested parties that are affiliated with each other) must consider a cash payment for the acquisition of UPI ClientCo that is equivalent, at least, to the amount of BRL 1.8 billion.

Debtors may carry out up to three rounds of competitive procedures, at any time after the failure to sell the respective UPI, during the Judicial Reorganization, for a minimum price to be informed by the Companies under Reorganization.

As a result of the sale of UPI ClientCo, SPE ClientCo and the acquirer of its shares will not succeed the Debtors in any of their debts and/or obligations.

For the purposes of this report, in the cash flow projections, the base scenario considers the disbursement of ClientCo's sale for the minimum price of BRL 7.3 billion, with the total amount being paid in cash, any scenario other than receipt of 100% of the disbursement in cash could impact the projections of this Report.

6.2.2 UPI V.Tal

As described in the PRJ, UPI V.Tal will be made up of 100% of V.Tal shares owned by Oi, subject to the minimum price of BRL 8.0 billion. Those interested in participating in the competitive process for the sale of UPI V.Tal can indicate in their proposals that the payment of part of the acquisition price may be made through payment of V.Tal Permitted Assets, in accordance with the PRJ.

Debtors may carry out up to three rounds of competitive procedures, at any time after the failure to sell the respective UPI, as long as during the Judicial Reorganization, for a minimum price to be informed by the Companies under Reorganization.

Annex 2.6
February 05, 2024

It is worth noting that for the purposes of this Report, the projected scenario takes into account the successful sale of UPI V.Tal at the minimum price established in the PRJ, as well as its receipt in full in cash. Any scenario other than this may impact the projections of this Report.

7. Economic-Financial Projections

This chapter presents the most recent economic and financial projections of Oi Group, which consider the operational and financial assumptions estimated by the Company within the scope of the financial and operational restructuring. The assumptions were provided by Oi to EY through reports and studies prepared by Oi and its external advisors, interviews with management and its advisors, memorandums and legal opinions. In this sense, the projections presented here reflect the assumptions adopted by the Company.

The expected cash flows for the business after the approval of the PRJ will still be subject to possible changes. In addition to the natural uncertainties inherent in these projections, there are other factors that may compromise the future cash flow of the business, such as: structuring of operations, accounting practices to be adopted and consequent tax impacts arising from the tax treatment given to the underlying transactions, regulatory understandings, legal interpretations, the non-completion of transactions under the foreseen terms and conditions, in addition to the market's appetite for transactions to take place within the planned terms.

All assumptions made in this Report were based on scenarios expected and designed exclusively by the Company and its managers, advisors and other service providers hired to prepare the PRJ and were not subject to independent investigation by EY, which was not part of the scope of contracted work, propose or judge any aspects related to such events. The Company opted not to adopt the IFRS 16 / CPC 06 (R2) standard in its projections and, for comparability purposes, the historical financial information is also presented without the effect of the adoption of IFRS 16 / CPC 06 (R2). Thus, EY's conclusions contained in this Report assume, therefore, the basic premise that, when designing these scenarios, the Company observed all applicable legal, regulatory and tax aspects, including those related to the treatment given to the disposals of UPIs and other shareholdings envisaged in the PRJ. It is important to point out that such understandings of the Company when designing such scenarios may be different from those of its creditors, tax authorities, legal authorities and regulatory agencies.

Given that the companies of Oi Group have significant economic and operational interconnections, the projections were presented on a consolidated basis, including the assumptions and values of the Companies under Reorganization, as well as the other subsidiaries of Oi.

As described in the PRJ, the changes occurring in the Telecommunications sector, in relation to the change in the consumption pattern for mobile voice and data services, combined with the Company's disputes with ANATEL, motivated Oi Group to adopt as a premise massive discontinuity, in the year 2025, of services linked to copper in Oi companies. In this way, Oi will have as a base scenario the migration of services provided to the authorization model if it adapts its concession or will have its concession terminated by 2025.

Based on the strategic plan, the PRJ and other documents provided by the Company, described in the "General Considerations" section, all of which contain, in aggregate, the Company's operating assumptions. EY analyzed the operating assumptions and future results projected by Oi Group.

For this purpose, the following activities were carried out:

1. Discussions with the Company to understand the projections;
2. Identification, based on the spreadsheets provided by Oi, of the most relevant and necessary assumptions for the projections; and
3. Comparison between historical and projected results.

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The projections of Oi's financial modeling in nominal terms are detailed below (inflation already considered in the projections).

7.1 Macroeconomic Data

The following tables present the macroeconomic assumptions that served as support for the financial projections.

| Description | Unit | Source | Date | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|----------------------|--------|------------------|--------|--------|-------|-------|-------|-------|-------|
| IPCA | % p.a. | BCB | dec/23 | 4.47% | 3.87% | 3.57% | 3.53% | 3.53% | 3.53% |
| CPI | % p.a. | Oxford Economics | dec/23 | 4.16% | 2.61% | 2.00% | 2.07% | 2.04% | 2.01% |
| EURO (year average) | BRL | Oxford Economics | dec/23 | 5.66 | 5.91 | 6.03 | 6.16 | 6.33 | 6.53 |
| USD (year average) | BRL | BCB | dec/23 | 5.00 | 5.00 | 5.03 | 5.10 | 5.12 | 5.20 |
| EURO (end of period) | BRL | Oxford Economics | dec/23 | 5.83 | 5.97 | 6.09 | 6.24 | 6.43 | 6.66 |
| USD (end of period) | BRL | BCB | dec/23 | 4.92 | 4.96 | 5.01 | 5.05 | 5.07 | 4.88 |
| TR ¹¹ | % p.a. | | dec/23 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Selic | % p.a. | BCB | dec/23 | 11.75% | 9.00% | 8.50% | 8.50% | 8.50% | 8.50% |
| TJLP | % p.a. | BCB | dec/23 | 6.55% | 6.55% | 6.55% | 6.55% | 6.55% | 6.55% |
| Description | Unit | Source | Date | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| IPCA | % p.a. | BCB | dec/23 | 3.53% | 3.53% | 3.53% | 3.53% | 3.53% | 3.53% |
| CPI | % p.a. | Oxford Economics | dec/23 | 2.01% | 2.01% | 2.01% | 2.02% | 2.02% | 2.02% |
| EURO (year average) | BRL | Oxford Economics | dec/23 | 6.80 | 7.02 | 7.11 | 7.19 | 7.27 | 7.35 |
| USD (year average) | BRL | BCB | dec/23 | 5.27 | 5.35 | 5.43 | 5.51 | 5.59 | 5.68 |
| EURO (end of period) | BRL | Oxford Economics | dec/23 | 6.93 | 7.07 | 7.15 | 7.23 | 7.31 | 7.39 |
| USD (end of period) | BRL | BCB | dec/23 | 4.96 | 5.03 | 5.11 | 5.18 | 5.26 | 5.34 |
| TR | % p.a. | | dec/23 | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Selic | % p.a. | BCB | dec/23 | 8.50% | 8.50% | 8.50% | 8.50% | 8.50% | 8.50% |
| TJLP | % p.a. | BCB | dec/23 | 6.55% | 6.55% | 6.55% | 6.55% | 6.55% | 6.55% |

Table 1.

¹¹ Estimate provided by Oi Group.

7.2 Regulatory Framework

From the regulatory point of view, the end of the fixed-term Switched Fixed-line Telephony Services (STFC) concession is expected to happen in 2025.

Alternatively to the end of the fixed-term Concession Agreement, there is a legal provision for adapting the concession instrument to an authorization, in which the declining service would be provided in a reduced form only in areas where there is no competition, reducing the regulatory obligations and expenses of the operators. Moreover, according to Oi, the authorization model is more aligned to the current sector situation in the country, given the declining attractiveness of the Switched Fixed-line Telephony Services granted. The adaptation of the concession to authorization is optional to the Concessionaire, not mandatory.

In a decision issued on July 24, 2023, the Regulatory Agency estimated that adapting the model will cost Oi approximately BRL 20 billion - considering the value attributed to reversible assets, obligations related to PGMUs and other topics related to the concession contract. In addition to this amount, the Company also has a renegotiation with the Regulator, carried out within the scope of the First Judicial Reorganization, regarding non-tax debts, including fines, charges and late payment interest, the outstanding balance of which is in the amount of BRL 8.4 billion.

On the other hand, Oi reported the existence of an arbitration procedure initiated at the International Chamber of Commerce. In this procedure, Oi used, in its initial protocol, a reference value of BRL 16 billion, which, according to the Company, is a provisional and not updated value, which will still be subject to settlement. Still according to information from Oi, this updated value already exceeds BRL 50 billion. The subject matter of the Arbitration deals with the economic and financial imbalance of the contract and its unsustainability.

In the agreement reached in the context of the First Judicial Reorganization, Oi was granted a discount of 54.99% on the total value of the credit held by the Regulatory Agency, with the payment starting through the withdrawal of judicial deposits and the remaining balance to be paid in 126 non-linear installments until 2033. On December 29, 2023, Oi communicated the temporary suspension of payments, in view of the negotiations related to the context of the Plan and potential consensual solution. According to the Company, the temporary suspension of payments is supported by the contract.

As described in the PRJ, since August 2023, negotiations between Oi and ANATEL have been subjected to a consensual solution procedure constituted by the Consensual Solution Committee ("CSC"), which includes members of the TCU, ANATEL, the Ministry of Communications and Oi participate. Currently, the CSC is discussing a proposal that, on a friendly manner, puts an end to all existing controversies and litigations between the parties, definitively resolving the pending issues for the termination of fixed-line telephone concession contracts with transition to an authorization model.

The PRJ informs that the Pre-Bankruptcy Credits Regulatory Agencies will not be affected and restructured under the terms of the Plan and will be paid in the original negotiated forms and conditions, in accordance with the relevant legislation, as provided for in the First Judicial Reorganization Plan. However, the document provides that in the event of the supervening of a legal rule or administrative, judicial or arbitration decision that establishes an alternative method for the settlement of Net or Illiquid Regulatory Agency Credits, Debtors may adhere to the new regime. In this context, in its Judicial Reorganization Plan, the Company indicates that there is an expectation that the resolution of the consensual resolution procedure involving the migration to a concession, the arbitration process and other pending issues involving the concession will occur in 2024.

Accordingly, the economic and financial projections provided by Oi Group consider a balanced outcome in the negotiation of the termination of the concession and in the arbitration proceedings and, therefore, the operating and financial assumptions adopted by Oi reflect this scenario.

However, the conclusion of the proceedings involving Oi and the regulatory agencies regarding the concession expiration and arbitration proceedings is not yet known. The final amounts and timing for completion of these proceedings may differ from the assumptions adopted by Oi and could have an impact on its analysis of its financial performance. As the assumptions were provided by Oi to EY through reports and studies prepared by Oi and its external advisors, these assumptions were assumed to be true, given that it is not within EY's scope of work to conduct any type of independent investigation or review of these assumptions.

7.3 Operational Projections

The values and charts presented comprise forecasted information only and the company's audited data until September 2023. EY had access to public historical data, but not to the audited financial statements of December 2023, since this Report was completed on a date prior to the date of disclosure from the Company.

Net Revenue

The consolidated revenue of Oi Group was divided between Legacy, Oi Fibra, Oi Soluções and its Subsidiaries. The taxes applied on Gross Revenue established in the Brazilian legislation are PIS, COFINS, ICMS and ISS.

As described in the PRJ, the Company is undergoing an operational and strategic transformation process, reflected in some variations over the projected period, with emphasis on the termination of Legacy revenues, in line with the end of the concession, in addition to the cease of revenue from the pay-TV operation as a result of the possible discontinuance of this service according to the Company's assumptions and the sale of UPI ClientCo in its entirety in 2025.

The projections of Oi Group's revenue lines are presented below.

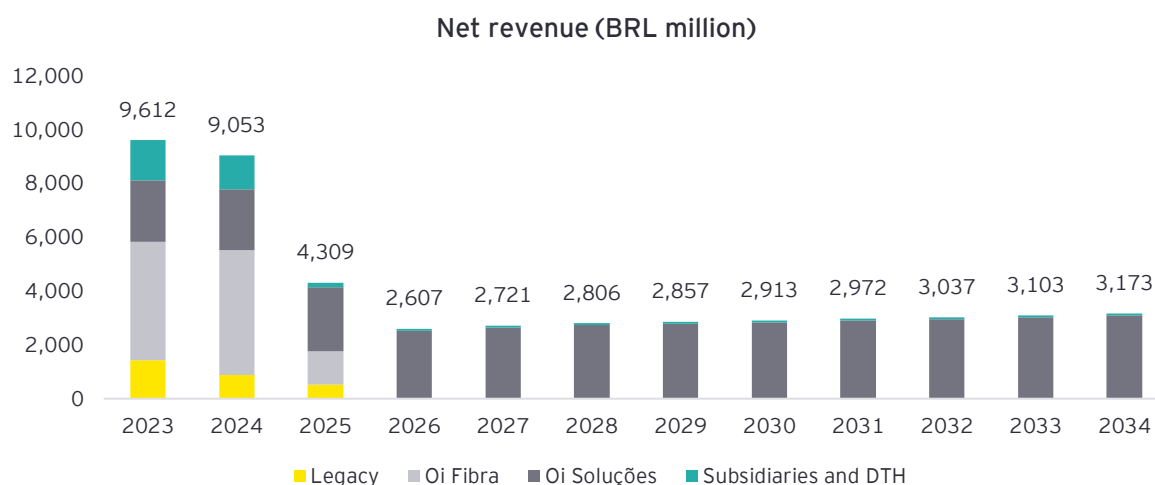


Chart 3. Source: Oi.

The projections shown above were made available by the Company and reflect the strategic planning and expectations regarding the evolution of market dynamics and user consumption patterns for copper (Legacy), fiber (Oi Fibra) and B2B (Oi Soluções) services. Further details of Oi Group's expectations regarding the behavior of these revenue streams are described below.

Legacy

Legacy revenues are comprised of local and long-distance fixed-line services, pursuant to authorizations and concessions issued by ANATEL, for retail, wholesale and business customers (small and medium-sized companies).

The following chart shows the projected unfolding of Legacy's net revenue:

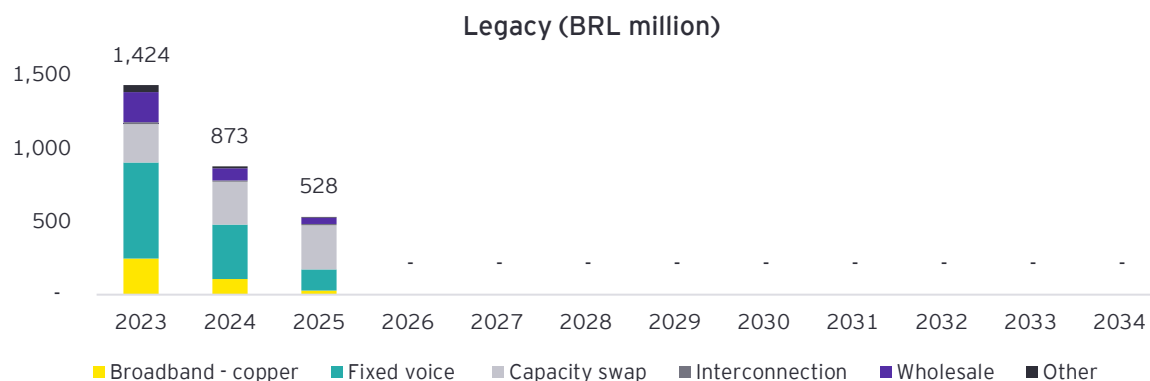


Chart 4. Source: Oi.

According to Oi, the drop in Legacy revenues between 2023 and 2025 stems from two main factors, namely (i) a market trend of falling demand for voice services, and (ii) the Company's planning to reduce its focus on copper, through the shutdown of commercial activities in locations with low expected return and reduction of expenses in order to compensate for the drop in revenue.

Despite the possibility of adapting the concession model to the authorization model, the Company does not forecast any results from Legacy services after 2025, upon the concession ending. In this sense, the projections do not include possible revenues and expenses related to authorization after migration.

Oi Fibra

Oi Fibra revenues considers the provision of broadband, fixed telephony, IPTV and OTT services to retail and business customers through Fiber to the Home (FTTH) technology, including other revenues, mainly composed of the provision of digital services.

The graph below shows the unfolding of Oi Fibra's net revenue, projected by Oi:

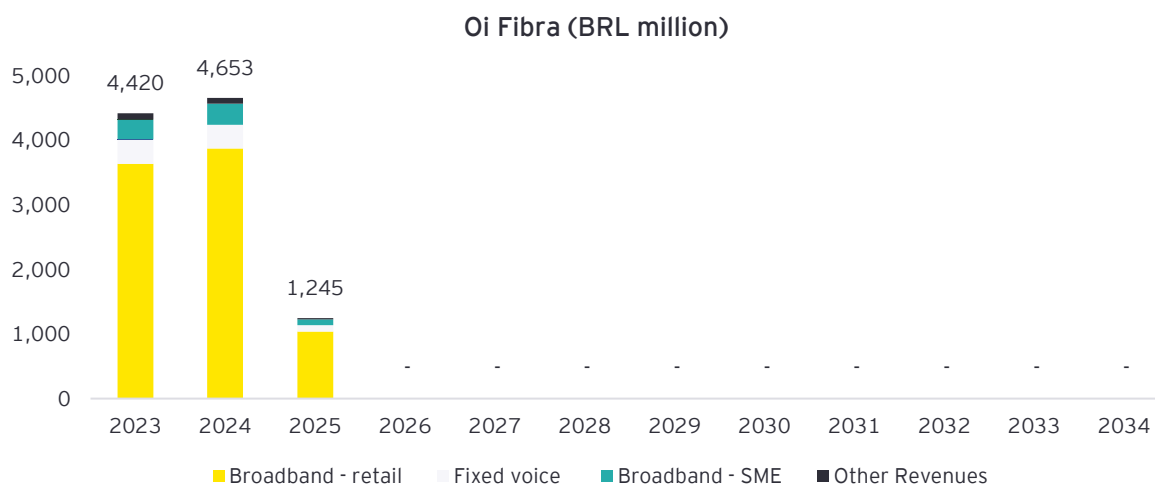


Chart 5. Source: Oi.

In the Fiber operation, the main revenue line is broadband for retail customers, its growth is justified by the increase in ARPU and the customer base, which grows to 4.75 million homes connected by 2025, as a consequence of the expansion of around 6 million homes passed by V.Tal in the period.

The projections were made considering the sale of 100% of UPI ClientCo, in March 2025, reason why the Company's projection goes only until that period.

Oi Soluções

Oi Soluções' revenue considers the supply of fixed telephony, data, broadband and IT services to corporate clients using fiber structure. Until 2025, fixed telephony, data and broadband services that use the copper structure are also considered. With the end of the concession, it is expected that all customers who use copper services will migrate to fiber.

The graph below shows the evolution of Oi Soluções' net revenue, projected by Oi:

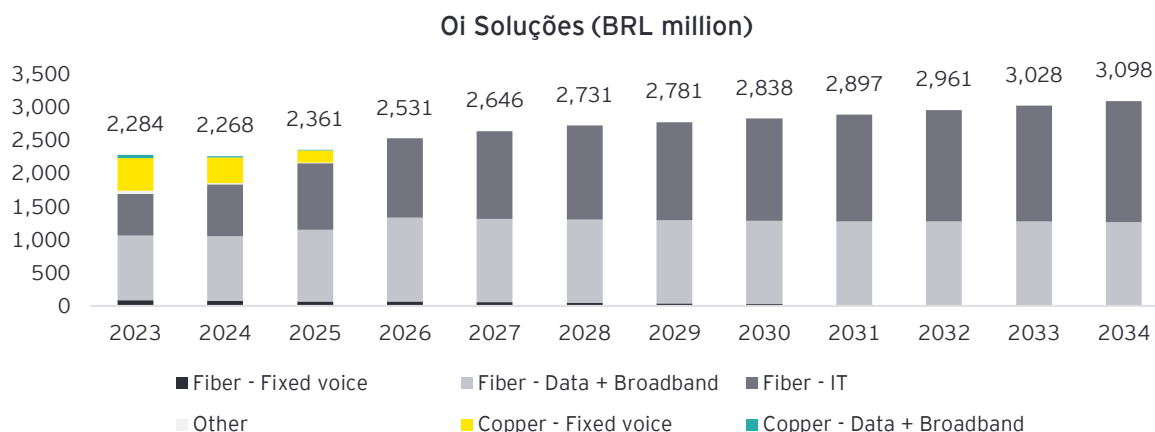


Chart 6. Source: Oi.

As shown in the chart above, the main focus of the B2B segment will be services related to data and broadband and information technology, which reflects a market trend in the Company's view. Following this movement, the Company expects to strengthen its presence in the IT market, consequently, this service line will represent 50% of Oi Soluções' revenue in 2027. This increase is based on the growth of SDWAN, Cybersecurity and Cloud solutions.

Considering the focus on the IT segment, the Company projected a stabilization of Data + Broadband revenue from 2027 onwards.

Subsidiaries and DTH

This line considers the additional revenues from the subsidiaries of Oi Tahto, Serede and the DTH operation:

- ▶ Tahto: revenue comes from the supply of customer service centers and telemarketing;
- ▶ Serede: revenue comes from the supply of installation, maintenance, operation and construction services for networks. The Company considers the sale of Serede; and
- ▶ DTH (*Direct to home*): pay-television operation. The discontinuation of DTH is considered from 2025 onwards.

The graph below shows the unfolding of other revenues, projected by Oi:

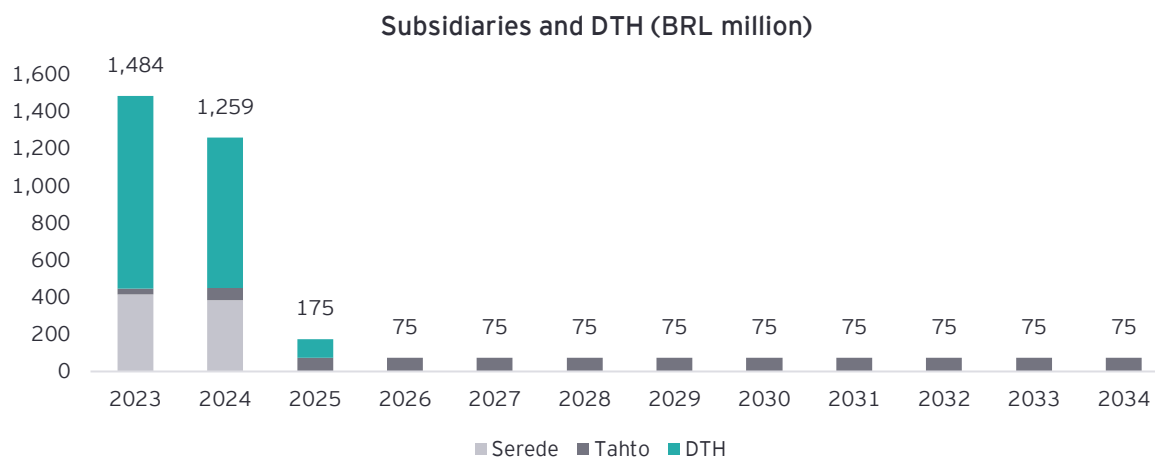


Chart 7. Source: Oi.

Costs and Expenses

Costs and expenses were projected by Oi with the following breakdown: revenue-related expenses, plant-related expenses, selling expenses, general and administrative expenses and other expenses.

Expenses Related to Revenue

Expenses related to revenue include: interconnection expenses, BDP expenses, ANATEL fees, content acquisition and value-added service (VAS), as shown in the chart below.

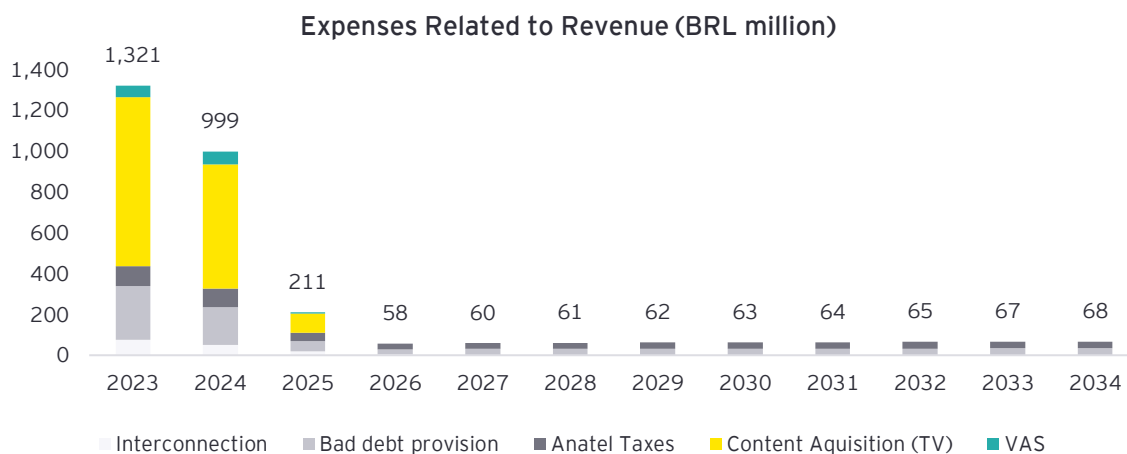


Chart 8. Source: Oi.

In line with the discontinuation of DTH, the termination of the concession and the sale of ClientCo in 2025, expenses related to revenue, more specifically Content Acquisition, Interconnection and VAS, show a reduction in the first couple periods. In addition to the BDP line, which reduces from 2.7% of net revenue in 2023 to 1.1% in 2025, and after such changes, Oi expects this expense line to stabilize.

Network Expenses

Network expenses involve plant maintenance, transmission infrastructure, telecommunications infrastructure, infrastructure rental revenue, customer relationship, billing, payment support and electricity, as shown below:

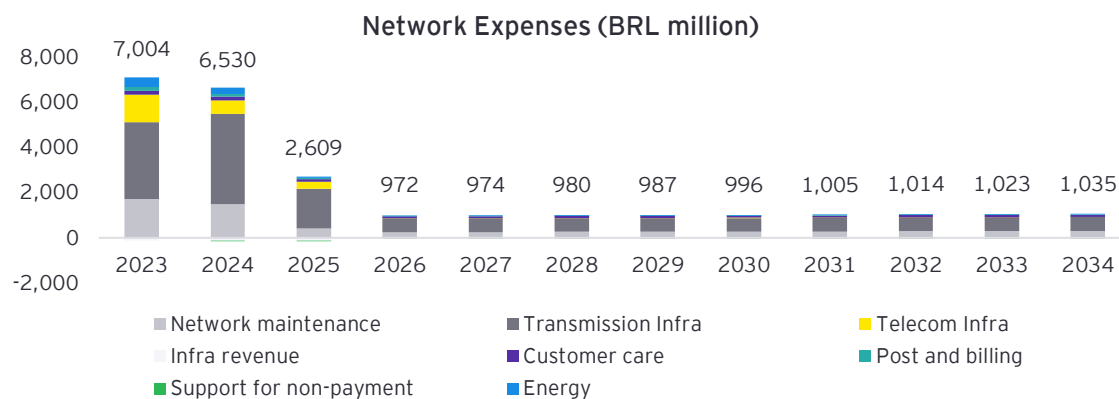


Chart 9. Source: Oi.

With the termination of the concession and sale of ClientCo, expenses with plant maintenance, telecommunications infrastructure and electricity suffer, together, a reduction of 92%, between 2023 and 2026.

Expenses with transmission infrastructure are the most representative of network expenses and presents a variation of -82% between 2023 and 2026, this expense considers the connection expenses between Oi Fibra and V.Tal and the satellite, EILD and Oi Soluções connectivity contracts. Between 2023 and 2024, this expense line shows growth due to the increase in homes served by Oi Fibra, in line with the adaptation of the business model with the rental of V.Tal's fiber network. From 2025 onwards, the expense will be mainly made up of V.Tal's connectivity contract with Oi Soluções.

The main expenses impacted by the end of Legacy are plant maintenance, telecommunications infrastructure and electricity. Additionally, the Company estimates a reduction in expenses in 2024 and 2025 to reflect possible savings due to the anticipation of the migration to the authorization model. These savings combined total an amount of BRL 1.2 billion. The savings related to the Towers Take or Pay contract and the satellites contract are linked to the conditions established by the Plan.

Commercial Expenses

The commercial expenses, projected by Oi, include advertising, sales, inventory management and cost of goods sold:



Chart 10. Source: Oi.

Sales expenses are made up of customer acquisition expenses and customer retention expenses, these expenses are mostly related to Oi Fibra and are projected based on the volume and gross additions of homes connected. The projection foresees a significant reduction in such expenses after the sale of UPI ClientCo, maintaining only the costs for the operation of Oi Soluções and subsidiaries,

reducing from 6% of net revenue to 1%. The positive value of inventory management in 2023 refers to the sale of copper scrap.

G&A Expenses

General and administrative expenses, projected by Oi, are segregated between personnel, information technology, general expenses and specialized services.

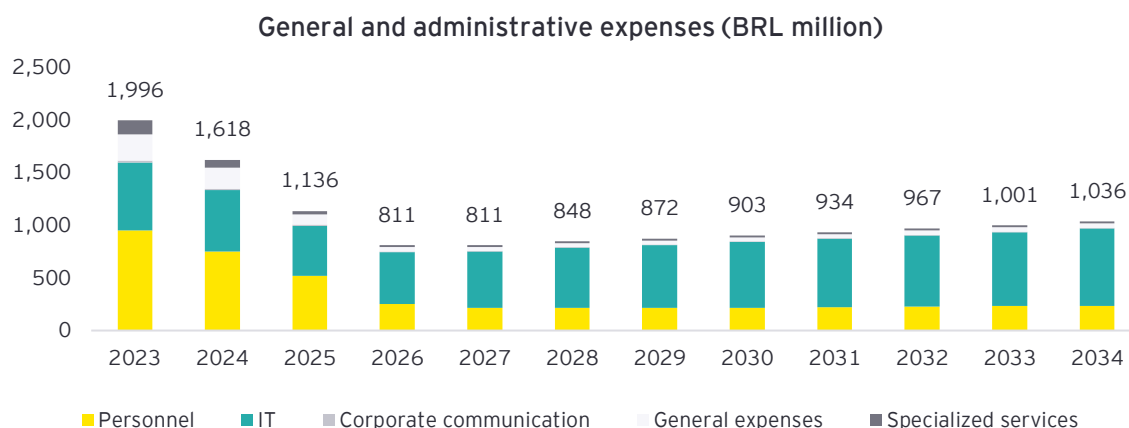


Chart 11. Source: Oi.

With the end of the concession, the discontinuation of DTH and the disposal of UPI ClientCo, there is a reduction in the Company's headcount and, consequently, a reduction in personnel expenses. For other general and administrative expenses, the projection considers inflation-aligned adjustments.

Other Expenses

Other expenses refer to contingencies, legal and tax obligations, as shown in the chart below:

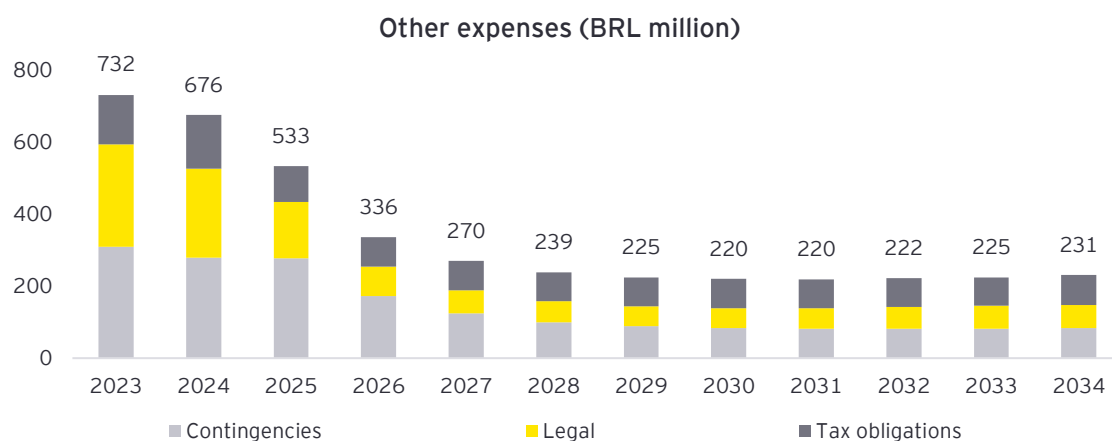


Chart 12. Source: Oi.

The gradual reduction in other expenses is mainly due to the reduction in the size of the company's operations, resulting in a reduction in costs linked to contingencies in the medium and long term. Tax obligations are mainly represented by taxes on other operating income (PIS/COFINS/ISS) and fines.

EBITDA and EBITDA Margin

Considering the accounts above, the chart below shows the evolution of EBITDA for the current projection.

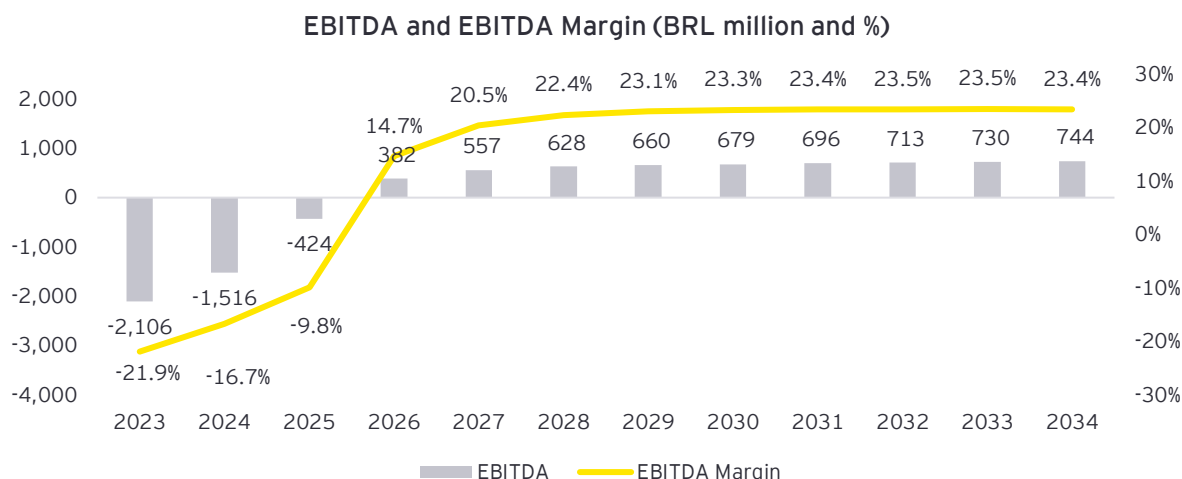


Chart 13. Source: Oi.

The Company estimates EBITDA margins higher than current levels and its recent history. It is important to highlight that EBITDA until 2025 is negatively impacted by Legacy, Serede and Oi Fibra operations.

According to the Company, its planning includes:

- ▶ The sale of 100% of UPI ClientCo, one of its main assets, in 2025. The fiber unit negatively impacts EBITDA by around BRL 600 million per year in 2023 and 2024;
- ▶ The optimization of Oi Soluções operation, with the end of the Legacy and resulting savings in expenses associated with B2B copper customers and in line with the expectation of greater demand for technology and information services, resulting in a margin gain throughout the projected period; and
- ▶ The discontinuation in 2025 of Legacy, whose operation negatively impacts EBITDA by around BRL 1.1 billion per year.

The consolidated EBITDA margin projected by Oi reaches 20.5% in 2027, which represents a gain of 42.4 p.p. during the projection. Furthermore, the Company foresees stable growth, with an average margin of approximately 23% between 2028 and 2033.

Depreciation, Amortization and Capital Expenditure

Below are the expenses with depreciation and amortization projected by Oi. The depreciation rate considered by Oi for new investments was 10%. For other assets, it was considered the depreciation projected by the Company.

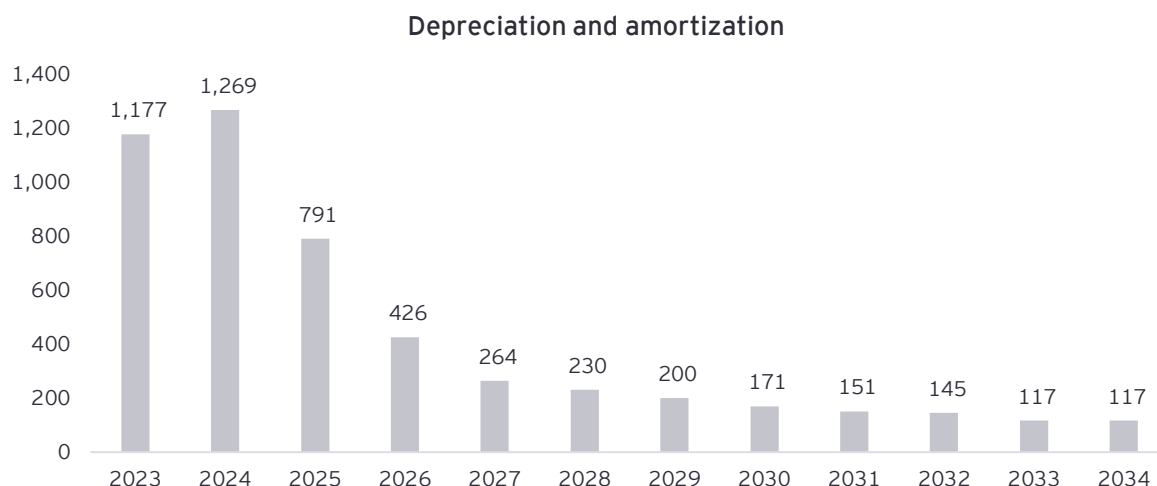


Chart 14. Source: Oi.

According to the Company's assumptions, the reduction in depreciation and amortization in the projected period is due to the change in the mix of assets and reduction in investments necessary for the maintenance of its activities, focused on an asset light model of technology services, as can be seen in the graph below.

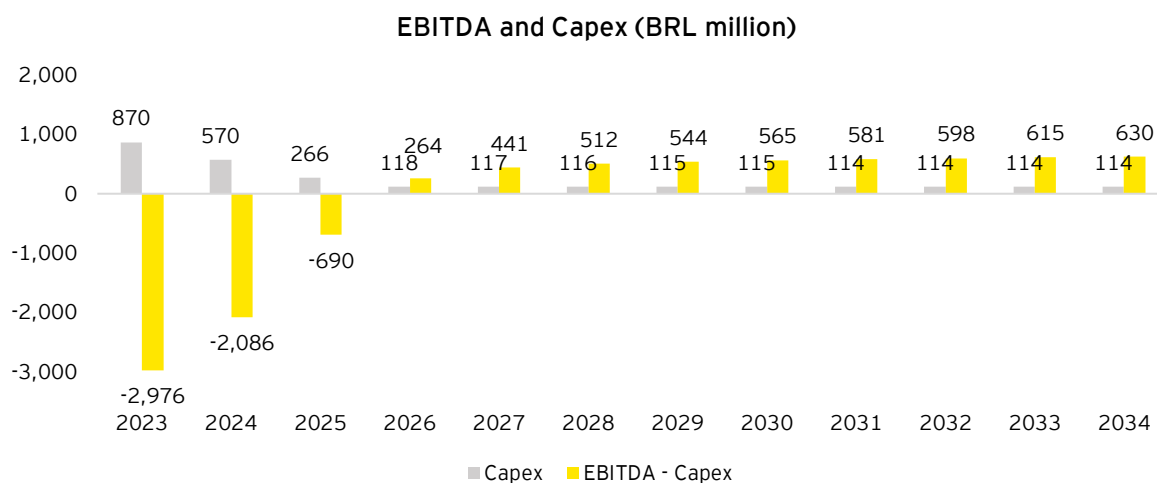


Chart 15. Source: Oi.

7.4 Consolidated Income Statement

The table below shows the forecasted consolidated income statement of Oi Group.

| Consolidated Income Statement (BRL million) | | | | | | | | | | | |
|---|----------------|--------------|--------------|--------------|------------|------------|------------|------------|------------|------------|------------|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| Net revenue | 9,053 | 4,309 | 2,607 | 2,721 | 2,806 | 2,857 | 2,913 | 2,972 | 3,037 | 3,103 | 3,173 |
| Cost and expenses | (10,569) | (4,733) | (2,225) | (2,164) | (2,178) | (2,197) | (2,234) | (2,276) | (2,324) | (2,374) | (2,429) |
| Revenue-related expenses | (999) | (211) | (58) | (60) | (61) | (62) | (63) | (64) | (65) | (67) | (68) |
| Network expenses | (6,530) | (2,609) | (972) | (974) | (980) | (987) | (996) | (1,005) | (1,014) | (1,023) | (1,035) |
| Commercial expenses | (746) | (244) | (48) | (49) | (50) | (51) | (52) | (54) | (56) | (58) | (60) |
| General and administrative expenses | (1,618) | (1,136) | (811) | (811) | (848) | (872) | (903) | (934) | (967) | (1,001) | (1,036) |
| Other expenses | (676) | (533) | (336) | (270) | (239) | (225) | (220) | (220) | (222) | (225) | (231) |
| EBITDA¹² | (1,516) | (424) | 382 | 557 | 628 | 660 | 679 | 696 | 713 | 730 | 744 |
| EBITDA margin | -16,7% | -9,8% | 14,7% | 20,5% | 22,4% | 23,1% | 23,3% | 23,4% | 23,5% | 23,5% | 23,4% |
| Depreciation and amortization | (1,269) | (791) | (426) | (264) | (230) | (200) | (171) | (151) | (145) | (117) | (117) |
| Other Revenues (Expenses) | 835 | 7,964 | 2,731 | 1,970 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| EBIT | (1,950) | 6,749 | 2,687 | 2,263 | 548 | 609 | 659 | 694 | 718 | 762 | 778 |
| Financial Result ¹³ | 14,974 | (1,651) | (1,203) | (799) | (494) | (416) | (363) | (316) | (282) | (256) | (229) |
| EBT | 13,024 | 5,098 | 1,485 | 1,464 | 55 | 193 | 296 | 378 | 436 | 506 | 548 |
| Income tax and social contribution | (32) | (3) | (1) | (1) | (1) | (1) | (11) | (40) | (60) | (97) | (110) |
| Net income | 12,992 | 5,095 | 1,483 | 1,463 | 53 | 192 | 285 | 338 | 376 | 409 | 438 |

Table 2.

The line "Other Income (and Expenses)" is comprised of capital gains relating to the sale of assets such as the East Timor operation, Real Estate assets, UPI ClientCo, UPI V.Tal and PIS/COFINS credits. It is also comprised of deferred tower revenues and provisions for tax obligations.

¹² Normalized EBITDA.

¹³ This line includes, among others, capital gains resulting from the conversion of part of the debt of creditors opting for Restructuring Option I into 80% of the Company's capital and the impact of the potential result of consensus on credits owed to Regulatory Agencies.

It is worth noting that the results for 2024, 2025 and 2026 are positively impacted by the capital gains resulting from the restructuring of debts and the disposals of the UPIs ClientCo (sale of 100%), and V.Tal (sale of 100% of the stake).

7.5 Cash Flow of Oi Group

The Company's consolidated cash flow was calculated based on EBITDA including the change in working capital, taxes, investments, debts, payment plan to creditors and other expenditures that have a cash effect on the projection, detailed below.

7.5.1 Cash Flow from Operating Activities

The operating cash flow is presented below:

| Cash Flow from Operating Activities (BRL million) | | | | | | | | | | | |
|--|----------------|----------------|--------------|--------------|------------|------------|------------|------------|------------|------------|------------|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| = EBITDA | (1,516) | (424) | 382 | 557 | 628 | 660 | 679 | 696 | 713 | 730 | 744 |
| (-) Income tax and social contribution | (32) | (3) | (1) | (1) | (1) | (1) | (11) | (40) | (60) | (97) | (110) |
| (+/-) Changes in working capital - others | 236 | (831) | (773) | 1,169 | (226) | (185) | (169) | (151) | (140) | (128) | (105) |
| (-) Tax refinancing | (116) | (72) | (81) | (90) | (70) | (48) | (38) | (42) | (48) | - | - |
| (=) Cash flow from operating activities | (1,429) | (1,330) | (473) | 1,635 | 331 | 425 | 462 | 462 | 465 | 504 | 528 |

Table 3.

Income Tax and Social Contribution

This line includes Income Tax (IRPJ) and Social Contribution on Net Income (CSLL), in addition to Income Tax withheld in favor of third parties relating to financial transactions.

The rate of the income tax is equivalent to 15% of the earnings before tax (EBT) on the Actual Profit tax system (Lucro Real), plus an additional 10% on the amount above BRL 240 thousand (annual). The social contribution rate was projected at 9% of the taxable income.

For the calculation of IRPJ and CSLL, the NOL carryforward as of December 2023 was considered, as informed by the Company. Additionally, once accumulated losses are verified through the projection, these balances are deducted from the Income Tax and Social Contribution on Net Income calculation basis by up to 30.0%, limited to the remaining balance of accumulated losses.

According to Oi, the taxable gains generated (i) by the renegotiation with its creditors, (ii) by the sale of UPIs and (iii) sale of other assets, will be fully absorbed, according to article 6th-B of Law 11.101/2005, which provides for the compensation of 100% of the gains for current and accumulated tax losses of the Debtors.

Working Capital Needs

Working capital needs were projected by Oi, the Company calculates working capital profiles for each of the companies, including Oi S.A. (composed of the operations of Oi Fibra, Oi Soluções, Legacy and DTH), Serede and Tahto, and estimates average receivables and payables turnover cycles shorter than current terms. With the sale of UPI ClientCo, an increase in the average receiving period is expected, in order to reflect the profile of the remaining customer portfolio.

Additionally, included in the projection of the Company's working capital needs, are the tax compensations, the impacts of court deposits, the price adjustment of the Take or Pay contract in

2025 and the obligations assumed with V.Tal, associated to mobile operation contracts. In addition to these topics, the costs related to the IT and engineering segregation projects provided for in the contract within the scope of V.Tal's carve-out, the advance payment of the surplus distribution of the National Supplementary Pension Superintendence administered by Sistel and the agreement with suppliers also are included.

In 2027, Oi estimates a cash inflow of BRL 1.6 billion from the sale of PIS and COFINS tax credits on interconnection operations. It is important to note that the aforementioned credit is undergoing a legal process for its recognition. The projected amount considers a discount of 70% on the total value of the credit, according to the Company's expectations.

We emphasize that the values referring to the Suppliers included in the Receiver's Creditor List were, within the limit of their credits pending, disregarded in the projection of operating cash flow, since the payment schedule is reflected in the payment flow to creditors, below.

Tax Refinancing

According to Oi, the installments of the Company's tax debts include the installments of Law No 11,941/2009, Law 12,865/2013 and Law 13,946/2017, already negotiated.

7.5.2 Cash Flow from Investing Activities

The projection below includes the investment activities of Oi Group.

| Cash Flow from Investing Activities (BRL million) | | | | | | | | | | | |
|--|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| (-) Capex | (570) | (266) | (118) | (117) | (116) | (115) | (115) | (114) | (114) | (114) | (114) |
| (+/-) Disposals and non-recurring operations | 243 | 25 | 40 | - | - | - | - | - | - | - | - |
| (+/-) ClientCo sale | - | 7,300 | - | - | - | - | - | - | - | - | - |
| (+/-) V.Tal sale | - | 3,693 | 4,307 | - | - | - | - | - | - | - | - |
| (=) Cash flow from investing activities | (327) | 10,752 | 4,229 | (117) | (116) | (115) | (115) | (114) | (114) | (114) | (114) |

Table 4.

Currently, Oi directs its investments mainly to the maintenance of fiber operations, with the connection of homes to Oi Group's fiber optic services. With the sale of UPI ClientCo, the Company estimates that it will have a less capital-intensive operation, focused on the services provided by Oi Soluções, and investments will fall from 6% of net revenue in 2024 to 4% in 2026, with this level being maintained for the remainder of the projection.

Disposals and non-recurring operations

Receipts related to the disposal of East Timor and Real Estate operations.

V.Tal Sale

Presents the amounts estimated by the Company to be received from the sale of its share in V.Tal. This projection considers a possible significant dilution expected for 2025, according to the SPA signed at the time of the sale of UPI InfraCo. For the purposes of this Report, the sale is considered in two installments of 8.5% in 2025 and 2026 respectively, for a total value of BRL 8.0 billion, according to the minimum price described in the PRJ, paid in cash.

ClientCo Sale

The UPI ClientCo transaction was considered for a minimum price of BRL 7.3 billion, paid entirely in cash.

The amounts related to the sales of the UPIs V.Tal and ClientCo were based on the minimum prices defined in the PRJ. Any variation in these amounts, as well as their non-receipt in full in cash, may affect the projections analyzed in this Report and may even lead to a possible additional cash need to the operations continuity and compliance with the payment plan to creditors.

7.5.3 Cash Flow from Financing Activities

The projection below contemplates the financing activities of Oi Group.

| Cash Flow from Financing Activities (BRL million) | | | | | | | | | | | |
|--|--------------|----------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|------------|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| (+/-) DIP Cash Flow | (1,289) | - | - | - | - | - | - | - | - | - | - |
| (+/-) New Financing Cash Flow | 3,250 | (3,955) | - | - | - | - | - | - | - | - | - |
| (+/-) Other Post-petition debt | (60) | (393) | (489) | (377) | (408) | - | - | - | - | - | - |
| (-) ANATEL Current Payments Schedule | (820) | (839) | (909) | (986) | (1,069) | (1,702) | (1,846) | (2,002) | (2,171) | (764) | - |
| (+) Compensation from ANATEL Arbitration | 820 | 839 | 909 | 986 | 1,069 | 1,702 | 1,846 | 2,002 | 2,171 | 764 | - |
| (+/-) Other financial incomes (expenses) | (120) | (84) | (32) | (8) | (58) | (120) | (103) | (82) | (59) | (33) | (1) |
| (+/-) Other financing needs | - | - | - | - | - | - | - | - | - | - | - |
| (-) Financial expenses - Other financing needs | - | - | - | - | - | - | - | - | - | - | - |
| (=) Cash flow from financing activities | 1,781 | (4,432) | (521) | (385) | (465) | (120) | (103) | (82) | (59) | (33) | (1) |

Table 5.

In addition to the forms of financing detailed in the PRJ, Oi Group considered additional funding, in order to meet the projected cash needs, through the "Other Financing" line, its conditions are described below.

Updated Original Emergency DIP Cash Flows

Refers to DIP Financing, raised in two tranches by the Company, with (i) BRL 1 billion disbursed in June 2023 and (ii) BRL 650 million disbursed in January 2024.

New Financing Cash Flow

This line includes the New Financing and the Bridge Loan, which will be converted into the New Financing. The Company plans to raise the Bridge Loan in a total amount equivalent to USD 125 million, after the Approval of the Plan, and the New Financing in the amount of USD 650 million.

Additionally, adherence to Backstop was also considered as a guarantee for the New Financing, generating a payment as a commission equivalent to 10% of the total value of the New Financing.

The Company adopted as a premise for this Report the option of paying interest of 13.5% per year, 7.5% in cash and 6% capitalized.

Other Post-petition debt

This line covers the future obligations that Oi has with Globenet, already considering the 72% discount offered by V.Tal in the context of the agreement to acquire copper scrap.

In addition to the obligations mentioned above, there are also post-petition amounts owed to Banco de Brasília (BRB), remaining balances of senior notes issued in July 2021, which will mature in 2026, and Take or Pay contracts for the Hughes and Hispamar satellites, already considering that the balances relating to Hispamar will be paid considering the discounts imposed on Unsecured ToP described in the PRJ.

ANATEL Current Payments Schedule

This line includes the installment payments to ANATEL, in line with the agreement entered into with the regulatory agency based on Laws no. 13,988/2020 and no. 14,112/2020. Although the agreement provides for a remaining balance to be paid by 2033, Oi communicated the temporary suspension of payments in December 2023, as described in the PRJ.

Compensation from ANATEL Arbitration

Oi estimates that the resolution of the arbitration with ANATEL will have a balanced outcome. Therefore, the Company estimates that, as of 2024, the receipts due to the arbitration or agreement will be sufficient to cover potential costs with the end of the concession and the payments of obligations with ANATEL mentioned in the previous topic (ANATEL Current Payments Schedule), as described in the PRJ, neutralizing the effect on the Company's cash flow.

As previously highlighted, the procedures with regulatory bodies are in progress and are not necessarily connected and subordinated, meaning that the result might be different from that projected by the Company for this Report, with possible effects on Oi's future cash balance. Therefore, there is no definition or evidence to support this premise as of the completion date of this Report.

Other financing needs

To maintain a minimum cash balance of BRL 1 billion, Oi forecasts other financing with an interest rate equivalent to CDI + 3% per year.

Financial expenses - Other financing needs

This line includes cash inflows from the Company's available funds, insurance expenses, bank expenses, guarantee commissions and interest on overdue payments from customers.

7.5.4 Projection of the Creditors Plan

The payment flow to creditors is presented below, in accordance with the Judicial Reorganization Plan.

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|---------------------|--------------|----------------|----------------|----------------|----------------|------|------|------|------|----------------|------|
| Class I | (241) | (201) | (193) | (188) | (186) | - | - | - | - | - | - |
| Class II | - | - | - | - | - | - | - | - | - | - | - |
| Class III | (229) | (3,908) | (2,961) | (431) | (1,310) | - | - | - | - | - | - |
| Class IV | (14) | - | - | - | - | - | - | - | - | - | - |
| Payment Flow | (483) | (4,110) | (3,154) | (619) | (1,496) | - | - | - | - | - | - |
| | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 |
| Class I | - | - | - | - | - | - | - | - | - | - | - |
| Class II | - | - | - | - | - | - | - | - | - | - | - |
| Class III | - | - | - | (1,414) | - | - | - | - | - | (2,926) | - |
| Class IV | - | - | - | (13) | - | - | - | - | - | - | - |
| Payment Flow | - | - | - | (1,426) | - | - | - | - | - | (2,926) | - |

Table 6.

The table above does not show the expected payment of Participatory Debt in 2050.

Class I

Class I creditors will not have their debts restructured and their payments will remain on schedule.

Class III

For the purposes of this Report, it was considered an assumption of adhesion to Restructuring Option I of the creditors whose credits total BRL 13.1 billion and, therefore, BRL 15.9 billion to Restructuring Option II. It was not considered the adhesion of Creditors to the Restructuring Option III. This premise reflects the Company's best expectations on the date of this Report, based on its ongoing discussions with creditors, given that Restructuring Option I is intended for resource providers through New Financing.

It is important to note that creditors' choices regarding payment options will take place after the approval of the PRJ and, therefore, are unknown at this time. Additionally, since Restructuring Option I provides for (i) a debt instrument limited to the principal amount of BRL 5.5 billion for the credits restructured by this option and (ii) that any excess credits will be restructured through the issuance of shares of the Company, any change in the distribution of credits between the options may have an adverse effect on the projections, as it will result in a lower capitalization of credits and a greater allocation of unsecured credits in the options that translate into obligations with a cash effect for the Company. Financial creditors who choose not to participate in the New Financing will be able to choose

between Restructuring Options II or III, or, if they do not choose, the General Payment Method. For the purposes of this Report, Oi considered that everyone opts for Restructuring Option II, however, this may not materialize as described since creditors may have different understandings and opt for any other modality, which could have an impact on the cash flow presented herein.

Payments in 2025 and 2026 arise from the Cash Sweep deriving from the sale of the UPIs ClientCo and V.Tal to the Roll Up Debt, Reinstated Secured ToP Debt and Reinstated Unsecured ToP Debt. The total value of the Roll Up Debt was estimated at BRL 5.5 billion, with BRL 3.5 billion issued at the time of disbursement of the New Financing, and BRL 2.0 billion after the sale of the last tranche of UPI V.Tal, since the scenario projected by Oi for this Report considers the sale of UPIs at their respective minimum prices, and fully paid in cash, resulting in a Total Amount Disposal of UPIs Defined equivalent to BRL 15.3 billion and, therefore, enabling the issuance of new Roll Up Debentures and new Roll Up Notes up to their limit value.

The assumption of the sale amounts for UPI ClientCo and UPI V.Tal were established by Oi in the PRJ and the effective occurrence of this scenario is linked to the attainment of these amounts. In case of a non-completion of the sales of UPIs ClientCo and V.Tal, there will be an impact on the payment flow to Class III creditors, in addition, any scenario other than receipt of the projected amount could also impact the Company's financial capacity.

Payments in 2038 and 2044 refer, respectively, to the exercise of the prepayment of the General Payment Method (First JR), through a discount of 85% of the outstanding balance, and the maturity of the single installment of the A&E - Restructuring Option II. As the definition of the General Payment Method (current JR process) will only take place after the GMC, it is not possible to define its value in advance.

The payment flow to Class III creditors also includes payments from Suppliers, Partner Suppliers, Transacted Suppliers, Reinstated Secured ToP Debt and Reinstated Unsecured ToP Debt and General Payment Method.

Class IV

Class IV creditors will not have their debts restructured and their payments will remain on schedule.

It is worth noting that, for the purposes of this Report, Oi did not forecast the holding of a Reverse Auction, if this mechanism is activated, there will be an impact on the payment flow to creditors, taking into account the payoffs offered to the winners of the Reverse Auction.

7.5.5 Consolidated Cash Flow

The consolidated cash flow is presented below.

| Consolidated Cash Flow (BRL million) | | | | | | | | | | | |
|--|----------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| = EBITDA | (1,516) | (424) | 382 | 557 | 628 | 660 | 679 | 696 | 713 | 730 | 744 |
| (-) Income tax and social contribution | (32) | (3) | (1) | (1) | (1) | (1) | (11) | (40) | (60) | (97) | (110) |
| (+/-) Changes in working capital - others | 236 | (831) | (773) | 1,169 | (226) | (185) | (169) | (151) | (140) | (128) | (105) |
| (-) Tax refinancing | (116) | (72) | (81) | (90) | (70) | (48) | (38) | (42) | (48) | - | - |
| (=) Cash flow from operating activities | (1,429) | (1,330) | (473) | 1,635 | 331 | 425 | 462 | 462 | 465 | 504 | 528 |
| (-) Capex | (570) | (266) | (118) | (117) | (116) | (115) | (115) | (114) | (114) | (114) | (114) |
| (+/-) Disposals and non-recurring operations | 243 | 25 | 40 | - | - | - | - | - | - | - | - |
| (+/-) ClientCo sale | - | 7,300 | - | - | - | - | - | - | - | - | - |
| (+/-) V.Tal sale | - | 3,693 | 4,307 | - | - | - | - | - | - | - | - |
| (=) Cash flow from investing activities | (327) | 10,752 | 4,229 | (117) | (116) | (115) | (115) | (114) | (114) | (114) | (114) |
| (+/-) DIP Cash Flow | (1,289) | - | - | - | - | - | - | - | - | - | - |
| (+/-) New Financing Cash Flow | 3,250 | (3,955) | - | - | - | - | - | - | - | - | - |
| (+/-) Other Post-petition debt | (60) | (393) | (489) | (377) | (408) | - | - | - | - | - | - |
| (-) Anatel Current Payments Schedule | (820) | (839) | (909) | (986) | (1,069) | (1,702) | (1,846) | (2,002) | (2,171) | (764) | - |
| (+) Compensation from Anatel Arbitration | 820 | 839 | 909 | 986 | 1,069 | 1,702 | 1,846 | 2,002 | 2,171 | 764 | - |
| (+/-) Other financial incomes (expenses) | (120) | (84) | (32) | (8) | (58) | (120) | (103) | (82) | (59) | (33) | (1) |
| (+/-) Other financing needs | - | - | - | - | - | - | - | - | - | - | - |
| (-) Financial expenses - Other financing needs | - | - | - | - | - | - | - | - | - | - | - |
| (=) Cash flow from financing activities | 1,781 | (4,432) | (521) | (385) | (465) | (120) | (103) | (82) | (59) | (33) | (1) |
| (=) Cash Flow Before Creditors Plan | 26 | 4,990 | 3,235 | 1,134 | (250) | 189 | 245 | 266 | 291 | 357 | 413 |
| Class I | (241) | (201) | (193) | (188) | (186) | - | - | - | - | - | - |

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| | | | | | | | | | | | |
|------------------------------------|-------|---------|---------|-------|---------|-------|-------|-------|-------|-------|-------|
| Class II | - | - | - | - | - | - | - | - | - | - | - |
| Class III | (229) | (3,908) | (2,961) | (431) | (1,310) | - | - | - | - | - | - |
| Class IV | (14) | - | - | - | - | - | - | - | - | - | - |
| (=) Cash Flow After Creditors Plan | (457) | 880 | 81 | 515 | (1,746) | 189 | 245 | 266 | 291 | 357 | 413 |
| Cash Balance | 1,737 | 2,617 | 2,698 | 3,213 | 1,467 | 1,656 | 1,901 | 2,167 | 2,458 | 2,815 | 3,228 |

Table 7.

Beyond the projection period presented in this Report, the Company assumes a stable operating cash flow generation, which, in the base scenario of creditors adhering to Restructuring Options I and II, is sufficient to satisfy the payments of the General Modality of the First Judicial Reorganization, in 2038, the Reinstated A&E Debt, in 2044, and the Participatory Debt, in 2050.

8. Report Conclusion

This Report was prepared by EY solely as a subsidy to the Debtors' PRJ and is subject to the premises and assumptions expressed in it. It is noteworthy that all the assumptions used for the preparation of this Report, including accounting practices to be adopted, the structuring of operations and the consequent tax impacts resulting from the tax treatment given to the underlying transactions of the PRJ, regulatory understandings and legal interpretations, were provided by Oi Group, so that any omission or inaccuracy from the Company that represents a key factor on the PRJ may affect the results of this work.

This Report aims to assess the economic and financial feasibility of the Debtors in the context of its PRJ, observing the principles of the Brazilian Bankruptcy Law.

The studies carried out do not include the feasibility analysis of the Debtors from the perspective of corporate by-laws, tax and legal aspects. This Report also does not include an independent assessment by EY of the valuations of the entities to be sold, notably the sale of Oi's entire stake in V.Tal, through UPI V.Tal, and the sale of UPI ClientCo, an entity with a perimeter yet to be defined.

It is also important to highlight that the study for the preparation of this Report was based on the analysis of the projected results for Oi Group, containing estimates. However, such estimates involve risks and uncertainties as to their realization, with respect to external factors outside the control of Oi Group.

The measures proposed in the PRJ, as well as the premises provided by Oi, represent a structural change in Oi Group's strategic planning and consider:

1. The sale of 100% of UPI ClientCo for the amount of BRL 7.3 billion in 2025 - with its full receipt in cash -, an operation that is very relevant in the composition of Oi Group's revenue;
2. The sale of 100% of the stake held by Oi in V.Tal, equivalent to 17% after the expected dilution, for a total value of BRL 8.0 billion in 2025 and 2026, also considering its full receipt in cash;
3. EBITDA margins higher than current levels and its recent history, which will require greater efficiency in a more competitive environment; and
4. Resolution of the disputes with the regulatory agency without imposing burdens on the Company.

Between the current restructuring proposal and the one submitted in May 2023, Oi Group has suffered an additional cash stress, due to, among other factors, i) lower-than-expected revenues, as a result of a smaller number of HCs and a drop in ARPU and ii) delays in negotiations with creditors, which consequently postponed the entry of new resources into the Company arising from the Emergency DIP. These combined factors have affected the debt repayment capacity and the proposal presented to creditors.

In the previously presented Plans, the Company's cash generation was heavily dependent on the sale of assets. It is important to note that, with the sale of UPI ClientCo, UPI V.Tal and the termination of the concession, all of the Company's revenues will come from the activities of Oi Soluções business unit, making the company heavily dependent on its operating cash flow generation only, and no longer on assets sales. The remaining operations projected in the flows represent 24% of Oi's current revenues.

Despite having managed to reduce and renegotiate its debts since the first JR in 2016/17, the Company shall face increasing challenges to its operation continuity based on its new business model.

In this way, the feasibility of the PRJ, from an economic-financial perspective, is based on the materialization of the premises, assumptions and disclaimers expressed therein. Furthermore, the success of the business plan designed by Oi Group, and described in this Report, also depends on the completion of the Bridge Loan, the New Financing and other third-party fundraising described in this Report and in the PRJ. In addition to the challenges of implementing its strategic plan and the difficulties of its satisfactory execution, the success in implementing the PRJ largely depends on the balanced outcome of its claims and negotiations with regulatory bodies within the scope of the end of the concession and arbitration procedures.

It is worth to highlight that several of these events do not depend solely on Oi for their materialization and the amounts projected by the Company may change as the negotiations for their realization advance.

The Report considered the economic and financial conditions and the projections contained in the Debtors' PRJ. Thus, the effective occurrence and accomplishment of these conditions and projections is an indispensable condition for achieving a feasible scenario for the continuity of operations, according to the comments outlined throughout this Report. The failure to materialize any of the assumptions adopted here, as well as changes in the economic scenario presented herein, will turn the analysis subject to review and, possibly, to modification in relation of its feasibility status.

The original Report in Portuguese was signed by:

Ernst & Young Assessoria Empresarial Ltda.

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