

OI FIBRA
muda tudo.

**EARNINGS
RELEASE**

4Q21



simples.
poder.
fazer.



Earnings Release

May 4, 2022

English conference call

May 5, 2021

11:00 a.m. [Brasília]

10:00 a.m. [NY] / 3:00 p.m. [UK]

ZOOM: [click here](#)

Portuguese conference call

May 5, 2021

11:00 a.m. [Brasília]

10:00 a.m. [NY] / 3:00 p.m. [UK]

SIMULTANEOUS
TRANSLATION

TEAMS: [click here](#)

Consolidated Information and Results (Unaudited)

This report contains the operating and financial performance of Oi S.A. – under Judicial Reorganization [“Oi S.A.” or “Oi” or “Company”] – and its subsidiaries for the fourth quarter of 2021.





HIGHLIGHTS OF BRAZILIAN OPERATIONS

4Q21 DELIVERED IMPORTANT OPERATIONAL RESULTS, WHILST ACCOMPLISHING STRUCTURAL MILESTONES OF NEW OI'S PLAN

SOLID FUNDAMENTALS ON THE CORE BUSINESS		SOLID, SUSTAINABLE & SIMPLIFIED OPERATING MODEL	STRUCTURAL MILESTONES IN FINAL PHASE
ACCELERATION OF FIBER BUSINESS		STRONG COST EFFICIENCY PROGRAM CONTINUES	DELIVERING M&A PLAN
1st in market share growth and leader in 17 states <div> <div>3.4 mn Homes connected</div> <div>14.6 mn Homes passed</div> </div> <div> R\$ 2.9 bn Revenue (+124% CAGR 19-21) <i>Guidance delivered</i> </div>		-6.9% YoY cost reduction in 4Q21 [-2.6% YoY in 2021] Real gain of ~13% (vs +10.1% IPCA in 2021) -7.6% YoY in manageable costs reduction in 4Q21 [-R\$174 mm]	<i>[Apr 2022]</i> Closing of Mobile UPI <i>[Apr 2022]</i> Term Sheet with Sky for the DTH TV V.tal deal approved by CADE and about to be voted by Anatel Launch of V.tal brand and start of independent operation
CONFIRMING RESIDENTIAL TURNAROUND		SIMPLIFIED ORGANIZATION, GREATER FOCUS	
1st time in 9yrs of full-year annual growth 64% Fiber UGRs mix in the segment 53% Fiber Revenue mix in the segment		-18% YoY in personnel cost 4Q21 [-R\$122 mm] -8% YoY in personnel cost FY [-R\$192 mm]	
GROWTH ON SME AND ICT		APPLYING ESG WHERE IT MATTERS	
+5.2% YoY SME revenue in 4Q21 +13.4% YoY ICT revenue in 2021		50% of energy consumption supplied by renewable sources 82% perception of Oi as an inclusive environment	Signing with BTG for V.tal deal Closing of Tower and Data center UPIs



Summary

Table 1 – Highlights

in R\$ million or otherwise stated	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
Oi S.A. Consolidated								
Total Net Revenues	4.571	4.777	4.520	-4,3%	1,1%	17.933	18.776	-4,5%
Routine EBITDA	1.612	1.491	1.460	8,1%	10,4%	5.495	5.845	-6,0%
Routine EBITDA Margin [%]	35,3%	31,2%	32,3%	4,0 p.p.	3,0 p.p.	30,6%	31,1%	-0,5 p.p.
Net Income (Loss) attributable to owners of the Company	-1.669	1.798	-4.813	-192,9%	-65,3%	-8.381	-10.530	-20,4%
Net Debt	32.573	21.797	29.899	49,4%	8,9%	32.573	21.797	49,4%
Available Cash	3.288	4.554	4.132	-27,8%	-20,4%	3.288	4.554	-27,8%
CAPEX	1.961	1.742	1.825	12,6%	7,5%	7.545	7.318	3,1%
BRAZIL								
Total Net Revenues	4.525	4.720	4.464	-4,1%	1,4%	17.717	18.557	-4,5%
Routine EBITDA	1.489	1.460	1.443	2,0%	3,2%	5.331	5.842	-8,7%
Routine EBITDA Margin [%]	32,9%	30,9%	32,3%	2,0 p.p.	0,6 p.p.	30,1%	31,5%	-1,4 p.p.
CAPEX	1.948	1.729	1.812	12,7%	7,5%	7.503	7.265	3,3%
Routine EBITDA - CAPEX	-459	-269	-369	70,5%	24,6%	-2.172	-1.423	52,6%



Net Revenues

Table 2 – Breakdown of Net Revenues

R\$ million	Quarter					12 months			Weight %	
	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY	4Q21	4Q20
Consolidated Total Net Revenues	4,571	4,777	4,520	-4.3%	1.1%	17,933	18,776	-4.5%	100%	100%
Brazil	4,525	4,720	4,464	-4.1%	1.4%	17,717	18,557	-4.5%	99.0%	98.8%
New Oi	2,539	2,604	2,578	-2.5%	-1.5%	10,267	10,711	-4.1%	55.5%	54.5%
Residential	1,261	1,310	1,335	-3.8%	-5.5%	5,214	5,187	0.5%	27.6%	27.4%
B2B	919	902	869	1.9%	5.8%	3,549	3,901	-9.0%	20.1%	18.9%
DTH TV	342	372	355	-8.1%	-3.7%	1,418	1,530	-7.3%	7.5%	7.8%
Other services	17	20	20	-14.6%	-13.4%	86	93	-7.6%	0.4%	0.4%
Discontinued Operations	1,987	2,115	1,885	-6.1%	5.4%	7,450	7,846	-5.0%	43.5%	44.3%
International Operations	46	58	57	-21.4%	-19.8%	216	219	-1.2%	1.0%	1.2%
Revenue Generating Units [RGU] - ['000]	56,414	52,100	55,464	8.3%	1.7%	56,414	52,100	8.3%	100%	100%
New Oi	14,372	15,448	14,763	-7.0%	-2.6%	14,372	15,448	-7.0%	25.5%	29.7%
Residential	9,819	10,529	10,125	-6.7%	-3.0%	9,819	10,529	-6.7%	17.4%	20.2%
B2B	3,460	3,572	3,475	-3.1%	-0.4%	3,460	3,572	-3.1%	6.1%	6.9%
DTH TV	965	1,194	1,030	-19.2%	-6.3%	965	1,194	-19.2%	1.7%	2.3%
Public Telephones	128	153	133	-16.4%	-3.7%	128	153	-16.4%	0.2%	0.3%
Discontinued Operations	42,041	36,651	40,702	14.7%	3.3%	42,041	36,651	14.7%	74.5%	70.3%
Mobile	42,041	36,651	40,702	14.7%	3.3%	42,041	36,651	14.7%	74.5%	70.3%

Consolidated net revenues totaled R\$ 4,571 million in 4Q21 [+1.1% QoQ and -4.3% YoY]. In 2021, consolidated net revenues totaled R\$ 17,933 million [-4.5% from R\$ 18,776 million in 2020].

Net revenues from Brazilian operations ["Brazil"] totaled R\$ 4,525 million [+1.4% QoQ and -4.1% YoY]. In 2021, net revenues in Brazil amounted to R\$ 17,717 million [-4.5% from R\$ 18,557 million in 2020].

Net revenues from continued operations in Brazil amounted to R\$ 2,539 million in 4Q21 [-1.5% QoQ and -2.5% YoY]. In 2021, net revenues from continued operations in Brazil totaled R\$ 10,267 million [-4.1% from R\$ 10,711 million in 2020].

The Company made some reclassifications in the comparative period, arising from the change in the sale plan of TV Co UPI, which was no longer classified as assets held for sale and liabilities associated with held for sale in the balance sheet and discontinued operation in the statement of income for the year, as determined by the accounting rule of CPC 31, the entity must carry out the reclassification including such operations in the result of continuing operations. These reclassifications did not affect the results for the year or the Company's shareholders' equity. In this report, for the purpose of analyzing the results, TV DTH is being considered as an isolated business unit.

Net revenues from international operations [Africa and East Timor] totaled R\$ 46 million in the quarter, down 19.8% over 3Q21 and down 21.4% over 4Q20. In 2021, net revenues from international operations totaled R\$ 216 million [-1.2% from R\$ 219 million in 2020].



Residential

Table 3 – Net Revenues and RGUs of the Residential segment (Continuing Operations)

	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
Residential								
Net Revenues [R\$ million]	1,261	1,310	1,335	-3.8%	-5.5%	5,214	5,187	0.5%
Fiber	801	480	751	66.7%	6.6%	2,767	1,312	110.9%
Copper	460	830	583	-44.6%	-21.1%	2,447	3,875	-36.8%
Copper Voice	267	549	393	-51.3%	-32.0%	1,618	2,500	-35.3%
Copper Broadband	193	280	190	-31.3%	1.2%	829	1,375	-39.7%
Revenue Generating Units (RGU) - ('000)	9,819	10,529	10,125	-6.7%	-3.0%	9,819	10,529	-6.7%
Fiber	6,325	3,965	5,946	59.5%	6.4%	6,325	3,965	59.5%
Fixed Broadband	3,126	1,954	2,936	60.0%	6.5%	3,126	1,954	60.0%
Fixed Line in Service	3,116	1,923	2,919	62.0%	6.7%	3,116	1,923	62.0%
IPTV	84	88	90	-5.1%	-6.9%	84	88	-5.1%
Copper	3,494	6,563	4,179	-46.8%	-16.4%	3,494	6,563	-46.8%
Fixed Line in Service	2,382	4,425	2,822	-46.2%	-15.6%	2,382	4,425	-46.2%
Fixed Broadband	1,112	2,139	1,358	-48.0%	-18.1%	1,112	2,139	-48.0%
FTTH – Homes Connected (HC's)	3,163	1,996	2,975	58.5%	6.3%	3,163	1,996	58.5%

Net revenues from the Residential segment totaled R\$ 1,261 million in 4Q21 [-5.5% QoQ and -3.8% YoY]. On the other hand, for the year of 2021, the segment's net revenues reached R\$ 5,214 million, recording growth for the first time in 9 years [+0.5% YoY].

In 4Q21, revenues from Fiber services amounted to R\$ 801 million [+66.7 YoY] and R\$ 2,767 million accumulated for the year [+110.9% YoY], reaching a 64% share of the revenue mix in the Residential segment. This performance consolidated the segment's turnaround, in addition to demonstrating the successful strategic path adopted by the Company, focused on business growth and its operational execution capacity.

At the end of the quarter, Oi had 9,819 thousand RGUs in the Residential segment, down 3.0% QoQ and down 6.7% YoY. RGUs in the Fiber residential segment reached 6,325 thousand [+59.5% YoY], already accounting for 64% of the RGUs in the segment.

Fiber (Residential and Small Enterprises)

The Company ended 4Q21 with 14.6 million homes passed with Fiber (HPs), adding more than 1 million HPs to the V.tal infrastructure for the tenth consecutive quarter. In the year, the Company added approximately 5.5 million homes passed with FTTH, a strong network expansion pace, with an average growth of nearly 457 thousand HPs per month.

Since the beginning of 2022, infrastructure operations have been fully segregated and done by V.tal, which has been operating with its own governance, preserving neutrality, fairness, and confidentiality in intercompany relationships. After the conclusion of the transaction, Oi will hold a 42% stake in this asset. However, the lock-box agreement came into effect in January and the continuity of the investment has already been guaranteed by the future controller since then (subsequent events section).

Oi closed 2021 with nearly 3.380 million Homes Connected (HCs) to Fiber (being 3.163 million in the Residential segment) and a take-up rate of 23.2% for HPs. Net additions for HCs totaled 214 thousand accesses in 4Q21 (88% in the Residential segment) and 1.3 million in the year. In the quarter, 14.2% of Fiber customers [+3.7 p.p. QoQ] had broadband plans of 400MB or higher, while 68% of the new plans sold were in this range [+49 p.p. QoQ].



The slowdown in net additions during the last months of the year was due to a management adjustment in base growth, as a result of impacts from macroeconomic indicators for involuntary churn and defaults. As a response to the new scenario, the Company prioritized the quality of incoming customers and, combined with a strong growth volume, maintained the product's profitability. To achieve this, the Company reinforced its credit rules at the end of the previous quarter and tightened its acquisition policy. This change immediately impacted sales volume, which will be accommodated to the new churn level in the coming months. In addition, Oi has been working on new actions and commercial strategies, driven by network growth, to increase its potential market and maintain average additions in 2022 at the same levels as in the previous year.

Consolidated Fiber revenues reached R\$ 858 million in 4Q21, being R\$ 801 million from residential customers and R\$ 57 million from companies, increasing 70% YoY and by 6.6% QoQ. As a result, Fiber revenues have already reached R\$ 2,945 billion in the year (+113% YoY). Fiber ARPU was R\$ 87.5 in 4Q21, down 2.0% over 3Q21 and 0.3% higher than in 4Q20. In 2021, ARPU increased by 2.2% over 2020.

Legacy (Copper Fixed Voice, Copper Broadband and Others)

Oi closed 4Q21 with 2,382 thousand copper fixed voice customers in the Residential segment (-15.6% QoQ and -46.2% YoY). In copper broadband, the Company recorded 1,112 thousand RGUs in the segment (-18.1% QoQ and -48.0% YoY).

Copper services accelerated its decline trend, in line with (i) a structural change in the sector, with lower demand arising from the replacement of fixed lines with mobile lines, priority to distribute 'on demand' content, as well as more advanced technologies, with lower latency and higher speed, such as broadband Fiber; and (ii) reduction in the Company's focus on commercializing these services, with copper sales being carried out on demand, and acceleration of the migration process to alternative technologies with lower service costs.

B2B

Table 4 – Net Revenues and RGUs of the B2B segment (Continuing Operations)

	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
B2B								
Net Revenues (R\$ million)	919	902	869	1.9%	5.8%	3,549	3,901	-9.0%
Oi Soluções [Corporate]	578	593	571	-2.6%	1.3%	2,319	2,635	-12.0%
ICT Core	100	65	95	54.1%	5.9%	374	330	13.4%
Telecom Core	343	343	336	0.0%	2.3%	1,365	1,478	-7.7%
Non-Core	135	185	141	-27.2%	-4.1%	580	826	-29.8%
Small Enterprises	214	204	217	5.2%	-1.1%	845	838	0.9%
Fiber	57	26	53	122.3%	7.0%	178	69	157.8%
Legacy	157	178	164	-11.6%	-3.8%	667	769	-13.2%
Wholesale	126	105	81	20.8%	56.1%	385	429	-10.2%
Revenue Generating Units (RGU) - ('000)	3,460	3,572	3,475	-3.1%	-0.4%	3,460	3,572	-3.1%
Fiber	398	187	344	113.4%	15.7%	398	187	113.4%
Copper Voice	2,841	3,053	2,884	-6.9%	-1.5%	2,841	3,053	-6.9%
Copper Broadband	220	333	246	-33.8%	-10.5%	220	333	-33.8%

Net revenues from continued operations in the B2B segment totaled R\$ 919 million in 4Q21, up 1.9% over 4Q20 and 5.8% higher than in 3Q21. In 2021, the segment had net revenues of R\$ 3,549 million, 9.0% lower than in 2020.



The Company closed 4Q21 with 3,460 thousand RGUs in the segment [-3.1% YoY and -0.4% QoQ].

Oi Soluções [Corporate]

Net revenues from continued operations in the Oi Soluções segment totaled R\$ 578 million in 4Q21 [-2.6% YoY and +1.3% QoQ].

ICT Core revenues, which are the company's focus for the segment's turnaround, totaled R\$ 100 million in the quarter, 54.1% YoY and +5.9% QoQ. Telecom Core revenues totaled R\$ 343 million, in line with the annual comparison and growth of 2.3% compared to 3Q21. Non-Core revenues totaled R\$ 135 million, down 27.2% YoY and -4.1% QoQ.

The segment's revenue recovery trend has been slower, as expected by the Company, since short-term dynamics are strongly impacted by the challenging macroeconomic scenario in the country, reflected in price reductions from contract renegotiations for legacy products with companies and government. On the other hand, growth in IT revenues will be supported by medium-term actions, such as the portfolio's evolution to more value-added services, increasing the exposure of its base to digital solutions. In this sense, the Oi Soluções platform has received important market recognition, conquering new customers throughout 2021, and winning the CONAREC award in 4Q21, the most important award for customer relationship, reaffirming our positioning as a provider of integrated digital solutions through advisory and customized services.

Small Enterprises

Net revenues from continued operations in the Small Enterprises segment totaled R\$ 214 million in 4Q21, up 5.2% over 4Q20 and down 1.1% over 3Q21. In 2021, revenues totaled R\$ 845 million, 0.9% higher than in 2020.

Revenues from Fiber services totaled R\$ 178 million in 2021, up 157.8% over 2020, while revenues from legacy services declined by 13.2%. The expansion in Fiber penetration continued to be the main driver for the segment's growth dynamics, which was also driven by activation synergies in retail channels to increase the sales capillarity of small enterprises. Commercial acceleration was also combined with a stronger resilience of legacy services, resulting from a customer profile with lower churn rates when compared to the Residential segment.

The Company's strategy for the segment is to continue the mass marketing of Fiber, through regional presence and by intensifying commercial actions for channels and promotions. In terms of promotions, the Company is focusing on a simplified and attractive approach, combining high speeds and leveraged by a complementary standard solution portfolio for the segment's needs [digital marketing, online sales, security, vertical solutions, Oi Expert, etc.]. In the last quarter of 2021, backed by the evolution of its partnership ecosystem, Oi began to offer the PagSeguro service as a differential in its Fiber bundle, improving convenience levels for customers in the small enterprises segment.

Wholesale

Net revenues from continued Wholesale operations, namely copper infrastructure for regulated services and which will remain at Nova Oi, totaled R\$ 126 million in 4Q21 [+20.8% YoY and +56.1% QoQ]. In 2021, revenues totaled R\$ 385 million, 10.2% lower than in 2020. This decline is related to the migration of customers to speeds faster than those regulated by Anatel.



Additional Information [Discontinued Operations]

Since 4Q20, the Company has disclosed the UPIs provided in the Amendment to the JRP as discontinued operations, as they represent assets available for sale. Accordingly, in previous sections, in terms of revenue, we sought to provide more details about the continuing portion of the Company's business. To facilitate market analysis, we are providing an overview of the Personal Mobility segment as supplementary information, which is now being accounted for in the total revenue line from discontinued operations.

Personal Mobility

In 4Q21, net revenues from discontinued operations in the Personal Mobility segment totaled R\$ 1,667 million, increasing 6.4% over 3Q21 and flat in the annual comparison. The performance was due to the consistency of commercial actions to ensure organic growth by (i) launching special promotions focused on profitability and to attract new customers [such as the Black Friday campaign]; (ii) rationalizing the portfolio to reduce maintenance costs and offer more profitable promotions, with additional benefits that are in line with current customer needs [such as expiration of promotions, higher prepaid entry recharges]; and (iii) increasing the effectiveness of BTL campaigns to encourage consumption [such as acquisition of additional data bundles].

Oi's mobile customer base [Personal Mobility + B2B] totaled 42,041 thousand RGUs [+14.7% YoY]. The Company closed 3Q21 with 38,800 thousand RGUs in Personal Mobility, up 15.7% over its base in 2020, or 5,265 thousand net additions, of which 2,982 thousand were additions in the postpaid segment and 2,283 thousand were additions in the prepaid segment. The B2B segment had 3,241 thousand RGUs in 4Q21 [+4.0% YoY].

Customer revenues [excluding interconnection and handsets] totaled R\$ 1,603 million in the quarter [+1.5% YoY and +6.8% QoQ]. Postpaid revenue increased in both the annual comparison [+7.8%] and in relation to 3Q21 [+4.4%].

Network usage revenues totaled R\$ 55 million in 4Q21 [-14.5% YoY and +0.8% QoQ].

Operating Costs and Expenses

Table 5 – Breakdown of Routine Operating Costs and Expenses

R\$ million	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
Routine Operating Costs and Expenses								
Brazil	3,037	3,260	3,020	-6.9%	0.5%	12,386	12,715	-2.6%
Personnel	558	679	553	-17.9%	0.8%	2,221	2,413	-8.0%
Interconnection	97	120	95	-19.5%	2.1%	385	463	-17.0%
Third-Party Services	1,385	1,356	1,281	2.1%	8.1%	5,291	5,428	-2.5%
Network Maintenance Service	177	220	187	-19.4%	-5.0%	770	889	-13.4%
Handset Costs/Other [COGS]	17	37	19	-52.6%	-7.0%	69	97	-29.7%
Marketing	79	122	95	-34.9%	-16.8%	414	352	17.4%
Rent and Insurance	609	589	638	3.5%	-4.6%	2,557	2,350	8.8%
Provision for Bad Debt	11	62	72	-82.7%	-85.2%	211	394	-46.5%
Contingencies, Taxes and Other	103	76	80	36.5%	28.5%	469	327	43.4%
International Operations	-77	26	40	-395.3%	-292.1%	53	216	-75.6%
Routine OPEX	2,959	3,286	3,060	-9.9%	-3.3%	12,438	12,931	-3.8%



Consolidated routine operating costs and expenses [Opex], including international operations, totaled R\$ 2,959 million in 4Q21 [-9.9% YoY and -3.3% QoQ]. Routine Opex from Brazilian operations amounted to R\$ 3,037 million [-6.9% YoY and a small 0.5% growth QoQ]. In 2021, operating costs and expenses from routine Brazilian operations reduced 2.6% in relation to 2020.

As part of its strategic transformation plan, Oi continues to act strongly on the costs reduction initiatives, operational simplification, efficiency and digital transformation, preparing the Company to be a more asset light, agile and focused on the customer's experience after this operational transition phase.

All of these initiatives were reflected in cost efficiency in the main lines that impact the Company's operation, such as Personal and Network Maintenance Services, for example. On the other hand, this reduction was offset by higher costs related to commercial growth [in the Marketing lines], mainly for Fiber and Postpaid services, in addition to seasonal inflation and FX variations on rental contracts, particularly in infrastructure for Rent and Insurance.

Personnel

Personnel expenses totaled R\$ 558 million in 4Q21 [-17.9% YoY and flat in relation to the previous quarter]. In 2021, personnel costs reached R\$ 2,221 million, down 8.0% over 2020. This reduction, both in the quarterly and in the accumulated view, was mainly due to the recurring costs reduction captured in the Company's most significant movement, the transformation and restructuring process that took place in the previous quarter, contributing positively to the comparative base.

Interconnection

Interconnection costs from Brazilian operations amounted to R\$ 97 million in 4Q21 [+2.1% QoQ and -19.5% YoY]. The increase in costs in the sequential comparison period was mainly due to higher roaming traffic costs. In the annual comparison, the reduction was due to the settlement terms with operators during 4Q20, in addition to lower SMS costs arising from anti-fraud actions.

Third-Party Services

Costs and expenses related to third-party services from Brazilian operations totaled R\$ 1,385 million [+2.1% YoY and +8.1% QoQ]. In the last quarter of 2021, we had higher consulting, IT and Energy project costs impacting such expenses. Despite the higher one-time cost, which occurred in 4Q21, in 2021, costs with third-party services decreased by 2.5% compared to the previous year. The Company remains focused on cost reduction initiatives through automation and digitization [66% of the Fiber customers already have e-billing, +35 p.p. YoY], with a direct impact on the Customer Relations and Billing lines, in addition to the positive impacts in contractual renegotiations occurred throughout the year.

Network Maintenance Services

Network maintenance service costs and expenses totaled R\$ 177 million in the quarter [-19.4% YoY and -5.0% QoQ]. In the annual comparison, this variation was mainly due to contractual renegotiations.

In 2021, network maintenance service costs and expenses totaled R\$ 770 million, 13.4% lower than in 2020. This cost reduction was mainly due to the following factors (i) continuous efforts to increase efficiency in field operations and the digitization of processes and customer service. The growing use of the virtual technical



troubleshooting application is a great example of cost reduction in this line – currently 63% of requests for technical assistance for Fiber are made using this tool; [ii] growth and expansion of the Fiber network, replacing the legacy network, which is older and deteriorated, and requires more repair; and [iii] contractual renegotiations with certain suppliers, which allowed us to reduce plant maintenance costs.

Handset Costs/Other (COGS)

Handset costs in Brazilian operations totaled R\$ 17 million in 4Q21 [-52.6% YoY and -7.0% QoQ]. The decline was mainly due to the increase in handset sales volume.

Marketing

Marketing expenses totaled R\$ 79 million in the quarter, down 34.9% over 4Q20 and by 16.8% over 3Q21. The main factor in the cost reduction was the Fiber campaigns, carried out more efficiently, in addition to lower expenses in mobility campaigns.

In 2021, marketing expenses totaled R\$ 414 million, increasing by 17.4%, mainly due to lower expenses in the first half of 2020 arising from the impacts caused by the COVID-19 pandemic.

Rent and Insurance

Rent and insurance expenses in Brazilian operations totaled R\$ 609 million in 4Q21 [+3.5% YoY and -4.6% QoQ]. The regularization of swap expenses for Fiber was the main item impacting rental and insurance costs during the quarter.

In 2021, rent and insurance expenses totaled R\$ 2,557 million, up 8.8%. This increase was mainly due to contractual adjustments by the IGP-M index in tower rental fees, as well as new expenses with tower rentals and data centers after the sale of two UPIs – it is worth mentioning that a relevant part of these contracts will be transferred with the conclusion of the sale of Mobile Assets UPI. In addition, the FX variation on contracts in foreign currency also negatively impacted rent expenses during 2021.

Provision for Bad Debt

Provision for bad debt totaled R\$ 11 million in 4Q21 [-82.7% YoY and -85.2% QoQ]. In general, the fourth quarter presents a positive Bad Debt seasonality. In addition, the tightening of the credit policy, carried out at the end of last quarter, increased the quality of the incoming base, which, together with the work to improve collection performance contributed to a lower impact on delinquency levels.

Contingencies, Taxes and Others

Provision for contingencies, taxes and others in Brazilian operations amounted to R\$ 103 million in 4Q21 [+36.5% YoY and +28.5% QoQ]. This increase was mainly due to a provision reversal in labor liabilities.



EBITDA

Table 6 – EBITDA and EBITDA Margin

	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
Oi S.A.								
Routine EBITDA (R\$ million)	1.612	1.491	1.460	8.1%	10.4%	5.495	5.845	-6.0%
Brazil	1.489	1.460	1.443	2.0%	3.2%	5.331	5.842	-8.7%
International Operations	123	32	17	-286,1%	-637,5%	164	3	-4744,3%
Routine EBITDA Margin (%)	35,3%	31,2%	32,3%	4,0 p.p.	3,0 p.p.	30,6%	31,1%	-0,5 p.p.
Brazil	32,9%	30,9%	32,3%	2,0 p.p.	0,6 p.p.	30,1%	31,5%	-1,4 p.p.
International Operations	289,5%	54,9%	29,3%	214,6 p.p.	240,2 p.p.	75,7%	1,5%	74,1 p.p.
Non-routine Items (R\$ million)	-1.021	175	-62	n.m.	n.m.	132	564	n.m.
EBITDA (R\$ million)	591	1.666	1.398	-64,5%	-57,7%	5.627	6.409	-12,2%
Brazil	468	1.634	1.381	-71,4%	-66,1%	5.464	6.124	-10,8%
International Operations	123	32	17	286,1%	637,5%	164	285	-42,6%
EBITDA Margin (%)	12,9%	34,9%	30,9%	-22,0 p.p.	-18,0 p.p.	31,4%	34,1%	-2,8 p.p.

Consolidated routine EBITDA totaled R\$ 1,612 million in 4Q21 [+8.1% YoY and +10.4% QoQ].

Routine EBITDA from Brazilian operations totaled R\$ 1,489 million in 4Q21 [+2.0% YoY and +3.2% QoQ]. Routine EBITDA margin from Brazilian operations was 32.9%, increasing by 2.0 p.p. and 0.6 p.p. over 4Q20 and 3Q21, respectively. The recovery in operating results and margin expansion were mainly the outcome of strict cost control and efficiency, part of the Company's transformation plan, as well as the growth in fiber revenues in the residential and personal mobility segments, which currently make up the discontinued operations, partially offsetting the structural decline in legacy services.

Routine EBITDA from international operations [Africa and East Timor] reached R\$ 123 million in 4Q21, compared to R\$ 32 million in 4Q20 and R\$ 17 million in 3Q21.

Non-routine items, in 4Q21, totaled a negative amount of R\$ 1,021 million, and refer mainly to (i) recognition of an additional provision related to the submarine cable capacity contract totaling R\$ 1.5 billion [as a result, the part of the contract that impacted the rental costs until the last quarter, is now 100% recognized as an onerous liability in the balance sheet]; (ii) partial reversal of the provision for impairment of assets in the total amount of R\$ 641 million; and (iii) costs related to the closing of physical stores, shutdown of stations, in addition to costs with personnel termination, being mitigated by revenue from sales of properties, in the negative total of R\$ 157 million.



Capex

Table 7 – Capex

R\$ million	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
Capex								
Brazil	1,948	1,729	1,812	12.7%	7.5%	7,503	7,265	3.3%
Fiber ⁽¹⁾	1,347	1,150	1,302	17.2%	3.5%	5,293	4,734	11.8%
Copper	141	94	149	50.6%	-5.2%	671	764	-12.2%
DTH	14	15	12	-10.1%	16.2%	49	67	-26.4%
Mobile	221	266	185	-16.8%	19.4%	795	1,067	-25.4%
B2B	225	204	164	10.1%	37.0%	694	633	9.7%
International Operations	2	13	3	-81.3%	-19.2%	22	53	-57.9%
Total	1,951	1,742	1,815	12.0%	7.5%	7,525	7,318	2.8%

(1) Includes Fiber + Wholesale. (2) Capex allocation by product, considering investments in network infrastructure and support (e.g. IT systems).

The Company's consolidated Capex, including international operations, totaled R\$ 1,951 million in 4Q21 (+12.0% YoY and +7.5% QoQ).

Capex in Brazilian operations amounted to R\$ 1,948 million in the quarter (+12.7% YoY and +7.5% QoQ). In 2021, Capex for Brazilian operations totaled R\$ 7,503 million, up 3.3% over 2020. In 4Q21 and throughout 2021, the Company focused on its transformation plan to continue the expansion of the FTTH network in Brazil, bringing high-speed broadband to its customers' homes.

Investments in Fiber totaled R\$ 1,347 million, accounting for nearly 70% of the total Capex in the quarter. In 2021, investments to expand the Fiber network totaled R\$ 5,293 million, or approximately 71% of total Capex for the year. As previously mentioned in the section on Fiber revenues, at the end of 2021, Oi had approximately 14.6 million homes passed with Fiber (HPs), adding more than 1 million HPs to its base during 10 consecutive quarters. This focus on Fiber investments has been directly responsible for the accelerated operational turnaround process recorded in the Residential segment.



Operational Cash Flow [Routine EBITDA – Capex]

Table 8 – Operational Cash Flow

R\$ million	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
Oi S.A.								
Routine EBITDA	1,612	1,491	1,460	8.1%	10.4%	5,495	5,845	-6.0%
Capex	1,951	1,742	1,815	12.0%	7.5%	7,525	7,318	2.8%
Routine Operational Cash Flow [EBITDA – Capex]	-339	-251	-355	35.2%	-4.5%	-2,030	-1,473	37.9%

Table 9 – Operational Cash Flow from Brazilian Operations

R\$ million	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
Oi S.A.								
Routine EBITDA	1,489	1,460	1,443	2.0%	3.2%	5,331	5,842	-8.7%
Capex	1,948	1,729	1,812	12.7%	7.5%	7,503	7,265	3.3%
Routine Operational Cash Flow [EBITDA – Capex]	-459	-269	-369	70.5%	24.6%	-2,172	-1,423	52.6%

Consolidated routine operational cash flow (routine EBITDA minus Capex) was negative by R\$ 339 million in 4Q21, while routine operational cash flow from Brazilian operations was negative by R\$ 459 million. In 2021, consolidated routine operational cash flow was negative by R\$ 2,030 million, while routine operational cash flow from Brazilian operations was negative by R\$ 2,172 million. The result was in line with expectations due to the continuity of the FTTH expansion process to ensure the implementation of the Company's transformation plan.

As mentioned in the Fiber revenue section, since the beginning of 2022, the continuity of the investment from this date onwards has already been guaranteed by the future controller of the operation [see section on subsequent events]

Depreciation/Amortization

Table 10 – Depreciation and Amortization

R\$ million	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
Depreciation and Amortization								
Total	818	1,762	1,087	-53.6%	-24.8%	4,092	6,937	-41.0%

The Company's depreciation and amortization expenses totaled R\$ 818 million in 4Q21 [-53.6% YoY and -24.8% QoQ]. In 2021, depreciation and amortization expenses totaled R\$ 4,092 million, 41.0% lower than in 2020. This decline was basically due to the cessation of depreciation and amortization of assets classified as held for sale in December 2020, as required by IFRS standards.



Financial Results

Table 11 – Financial Result (Oi S.A. Consolidated)

R\$ million	4Q21	4Q20	3Q21	2021	2020
Oi S.A. Consolidated					
Net Interest (on fin. investments and loans and financing)	-937	-473	-809	-2,856	-1,983
Amortization of fair value adjustment	-342	-113	-483	-1,243	-1,413
Net FX Result (on fin. investments and loans and financing)	-401	1,173	-1,224	-1,076	-2,593
Other Financial Income / Expenses	-1,621	-2,161	-2,314	-5,702	-7,513
Net Financial Income (Expenses)	-3,301	-1,574	-4,830	-10,877	-13,502

Oi S.A. recorded a consolidated net financial expense of R\$ 3,301 million in 4Q21, down by R\$ 1,529 million in the quarter and up by R\$ 1,726 million in the annual comparison. In 2021, the Company's consolidated expenses totaled R\$ 10,877 million, down by R\$ 2,626 million over 2020.

The decline observed in the quarter was mainly due to a lower "Net FX Result", as a result of lower depreciation of the real against the US dollar in the period (2.59% vs. 8.74% in the previous quarter), in addition to lower "Other Financial Expenses". The main impact that reduced this line was the decrease exchange rate depreciation on onerous liabilities related to data transmission via submarine cables and satellites), totaling R\$ 185 million in 4Q21 vs. R\$ 576 million in the previous quarter. In addition, the Company had lower tax expenses, as well as lower appropriation of the adjustment to present value of suppliers. On the other hand, the increase in the "Net Interest" line was related to the Company's higher debt indexes, namely the CDI, TJLP and IPCA.

In the annual comparison, the reduction in financial expenses was mainly due to the "Other Financial Income/Expenses" line. It should be noted that these expenses suffered with by the strong 28.9% depreciation of the real against the US dollar, which impacted onerous liabilities in 2020, as mentioned above, in addition to expenses with provisions for Anatel, as determined in amendment approved to the Judicial Reorganization Plan. In 2021, the devaluation of the real against the US dollar was 7.39%, much lower than in 2020, which also explains the reduction in expenses in the "Net FX Result" line. However, the "Net Interest" line was higher in 2021, due to disbursements made in the year, as already detailed in the Consolidated Debt section, in addition to the higher CDI, TJLP and IPCA levels.



Net Earnings (Loss)

Table 12 – Net Earnings (Loss) [Oi S.A. Consolidated]

R\$ million	4Q21	4Q20	3Q21	YoY	QoQ	2021	2020	YoY
Net Earnings (Loss)								
Earnings before interest and taxes (EBIT)	-227	-96	310	137,4%	-173,2%	1.330	-529	-351,6%
Financial Results	-3.301	-1.574	-4.830	109,7%	-31,7%	-10.877	-13.502	-19,4%
Income Tax and Social Contribution	1.885	3.468	-292	-45,7%	-745,8%	1.054	3.503	-69,9%
Consolidated Net Income (Loss)	-1.643	1.798	-4.811	-191,4%	-65,9%	-8.493	-10.528	-19,3%
attributable to owners of the Company	-1.669	1.798	-4.813	-192,9%	-65,3%	-8.516	-10.530	-19,1%
attributable to non-controlling interests	26	0	1	7227,9%	2225,4%	24	1	1516,2%

In 4Q21, the Company's operating earnings (loss) before financial results and taxes (EBIT) was negative R\$ 227 million, compared to a negative result of R\$ 96 million in 4Q20 and a result of R\$ 310 million in 3Q21. In the quarter, the Company recorded a negative net financial result of R\$ 3,301 million and an Income Tax and Social Contribution credit of R\$ 1,885 million, mainly due to the deferred taxes impairment reversal regarding the estimated recovery of these taxes in the next 12 months, including the expectation of gain from disposals. As a result, the Company recorded resulting in a consolidated net loss of R\$ 1,643 million in the period.

Debt and Liquidity

Table 13 – Debt

R\$ Million	4Q21	4Q20	3Q21	% Gross Debt
Debt				
Short Term	5,778	432	2,960	16.1%
Long Term	30,083	25,919	31,072	83.9%
Total Debt	35,860	26,351	34,031	100.0%
Local Currency Exposure	15,503	9,488	14,884	43.2%
Foreign Currency Exposure	20,351	16,856	19,164	56.8%
Swaps	6	7	-17	0.0%
(-) Cash	-3,288	-4,554	-4,132	-9.2%
(=) Net Debt	32,573	21,797	29,899	90.8%

Consolidated gross debt was R\$ 35,860 million at the end of 4Q21, up 5.4%, or R\$ 1,829 million, over 3Q21 and up 36.1%, or R\$ 9,509 million, in the annual comparison. The increase in the quarter was mainly explained by interest accrual, amortization of the adjustment to present value (AVP), and the 2.59% devaluation of the real against the US dollar in the period.

In the annual comparison, in addition to interest accrual, AVP amortization, and the 7.39% devaluation of the real against the US dollar in the period, the increase was also due to the capital fundings carried out in 2021, namely the 2nd private debenture issue, in the amount of R\$ 2.0 billion, the senior bond, in the amount of US\$



880 million, both at Oi Móvel, and the private debenture issue for V.tal, in the amount of R\$ 2.5 billion. These items were partially offset by amortizations, of R\$ 4.7 billion, which includes the prepayment of the 1st private debenture issue for Oi Móvel (R\$ 3.8 billion), mostly settled with the proceeds from the senior bond maturing in 2026, in addition to the interest on 2025 bond (R\$ 877 million). The 2nd private debenture issue of Oi Móvel and the 1st private debenture issue of V.tal will be prepaid on the closing of the sale transactions of Mobile Assets UPI and InfraCo UPI, respectively.

With the conclusion of the sale of Mobile Assets UPI, on April 20, 2022, as part of the receipt of these funds, and as provided for in the Company's Judicial Recovery Plan, on the same date, the full settlement of its debts with BNDES was carried out, in the amount of R\$ 4.6 billion. Additionally, the advance payment of the 2nd issue of Oi Móvel debentures, in the amount of R\$ 2.4 billion, was made. Finally, also on this date, the mandatory public offering for the Senior Bond 2026 was closed, with adhesion of 98.71% of the total outstanding principal, which represents approximately US\$ 869 million of principal. It is worth mentioning that the 1st issue of V.tal debentures will be prepaid at the closing of InfraCo UPI.

In 4Q21, debt in foreign currency accounted for 53.8% of fair value debt, with an average consolidated term of just over 7.5 years.

The Company ended the year with a consolidated cash of R\$ 3,288 million, reducing by R\$ 844 million in the quarter and R\$ 1,266 million in the year. These reductions were mainly due to the maintenance of the high level of Capex for the expansion of the Fiber network. The reduction in the annual comparison was also due to the payment of obligations arising from the Judicial Reorganization Plan, namely, the penultimate installment of payment to suppliers, in addition to the interest of the 2025 bond. As a result, net debt totaled R\$ 32,573 million in 4Q21, up 8.9% over 3Q21 and 49.4% higher than in 4Q20.



Table 14 – Gross Debt Breakdown

R\$ Million

Gross Debt Breakdown - 4Q21	Face Value	Fair Value Adjustment	Fair Value
BNDES	4,586	-	4,586
Local Banks	9,693	[3,864]	5,828
ECAs	9,644	[4,972]	4,672
Qualified Bonds	9,665	[669]	8,996
Facility "Non Qualified"	561	[144]	417
General Offering	6,101	[4,915]	1,186
V.Tal Convertible Deb.	2,879	-	2,879
Mobile Bridge Loan	2,200	-	2,200
Bonds 2026	5,212	-	5,212
Other	[117]	-	[117]
Total Gross Debt	50,425	[14,565]	35,860

Table 15 – Cash Position (Brazilian Operations)

R\$ Million

3Q21 Cash Position	4,132
Routine EBITDA	1,489
IFRS16	-556
Capex	-1,948
Working capital	403
Onerous liability	-334
Judicial Deposits + Taxes	86
Financial operations	-121
Non Core	138
4Q21 Cash Position	3,288



Additional Information

Table 16 – Income Statement (Oi S.A. Consolidated)

R\$ million	4Q21	4Q20	3Q21	2021	2020
Net Operating Revenues	4,571	4,777	4,520	17,933	18,776
Operating Costs and Expenses	-3,980	-3,111	-3,123	-12,306	-12,367
Personnel	-654	-691	-564	-2,354	-2,462
Interconnection	-97	-121	-96	-388	-467
Third-Party Services	-1,483	-1,371	-1,294	-5,431	-5,491
Network Maintenance Service	-207	-220	-187	-802	-890
Handset Costs/Other (COGS)	-19	-41	-21	-78	-114
Marketing	-80	-123	-96	-416	-355
Rent and Insurance	-707	-592	-645	-2,672	-2,367
Provision for Contingencies	-84	-12	-57	-219	-140
Provision for Bad Debt	-10	-62	-73	-212	-395
Taxes and Other Revenues (Expenses)	-639	121	-90	266	314
EBITDA	591	1,666	1,398	5,627	6,409
Margin %	12.9%	34.9%	30.9%	31.4%	34.1%
Depreciation and Amortization	-818	-1,762	-1,087	-4,298	-6,937
EBIT	-227	-96	310	1,330	-529
Financial Expenses	-3,490	-1,865	-4,817	-11,278	-14,570
Financial Income	189	291	-12	401	1,068
Net Earnings (Loss) Before Tax and Social Contribution	-3,528	-1,670	-4,520	-9,547	-14,031
Income Tax and Social Contribution	1,885	3,468	-292	1,054	3,503
Consolidated Net Earnings (Loss)	-1,643	1,798	-4,811	-8,493	-10,528
Margin %	-35.9%	37.6%	-106.4%	-47.4%	-56.1%
Profit (Loss) attributed to the controlling shareholders	-1,669	1,798	-4,813	-8,516	-10,530
Profit (Loss) attributed to the non-controlling shareholders	26	0	1	24	1



Table 17 – Balance Sheet [Oi S.A. Consolidated]

R\$ million	12/31/2021	09/30/2021	12/31/2020
TOTAL ASSETS	77,950	75,529	73,840
Current	14,003	46,291	15,106
Cash and cash equivalents	3,090	3,020	4,350
Financial investments	189	192	194
Derivatives	7	25	0
Accounts Receivable	5,289	4,238	5,050
Inventories	364	422	390
Recoverable Taxes	307	362	365
Other Taxes	1,048	973	1,882
Assets in Escrow	1,183	1,354	1,096
Held-for-sale Assets	705	34,413	113
Other Current Assets	1,822	1,292	1,667
Non-Current Assets	63,947	29,238	58,733
Long Term	12,277	9,445	12,722
.Recoverable and Deferred Taxes	6,234	3,671	3,623
.Other Taxes	1,014	1,016	1,619
.Financial investments	9	9	10
.Assets in Escrow	4,076	4,077	6,233
.Other	943	671	1,237
Investments	27	113	124
Property Plant and Equipment	46,852	16,508	41,433
Intangible Assets	4,792	3,172	4,455
TOTAL LIABILITIES	77,950	75,529	73,840
Current	18,811	23,470	12,050
Suppliers	5,431	3,546	4,543
Leases	2,020	700	1,689
Loans and Financing	5,771	268	426
Credit Assignment - Sistel	180	197	197
Financial Instruments	14	4	0
Payroll and Related Accruals	645	610	951
Provisions	717	872	782
Payable Taxes	15	11	21
Other Taxes	1,799	1,669	1,407
Dividends Payable	6	21	18
Liabilities associated to held-for-sale assets	0	13,938	42
Authorizations and Concessions Payable	63	0	88
Other Accounts Payable	2,150	1,632	1,886
Non-Current Liabilities	59,863	50,980	54,020
Suppliers	3,779	3,607	5,021
Leases	8,301	2,437	6,929
Loans and Financing	30,083	31,072	25,919
Credit Assignment - Sistel	0	33	180
Payable and Deferred Taxes	1,446	0	0
Other Taxes	934	1,316	1,328
Contingency Provisions	5,014	4,455	5,092
Pension Fund Provision	813	779	702
Other Accounts Payable	9,492	7,282	8,849
Shareholders' Equity	-723	1,079	7,770



Table 18 – Income Statement Reconciliation [Oi S.A. – Continuing Operations]

For accounting purposes, Mobile Asset UPI and InfraCo UPI were classified as discontinued operations, as they represent assets available for sale. Accordingly, following accounting rules, the Financial Statements presented in the Individual and consolidated financial statements [DFP] refer only to the Company's continuing operations.

To facilitate the analysis of the evolution of the Company's results, in line with the information usually disclosed in previous years, the table below presents a restatement of the consolidated information, which comprises the sum of the results from continuing and discontinued operations. For comparison purposes, this Earnings Release uses the consolidated information in its analysis. For more information, please refer to note 31 of the DFP.

It is worth noting that the result of continuing operations considers the businesses that will be sold not to be part of the result of the operations on the reporting dates, as it segregates the result of the UPIs that will be sold, and should not be used as an approximation of the Company's results after the completion of the sale of the UPIs, since this statement is an accounting document and does not consider all the changes that will happen in the Company's operation and business during its ongoing transformation process.

R\$ million	4Q21			2021		
	Consolidated	Discontinued Operations	Continued Operations	Consolidated	Discontinued Operations	Continued Operations
Net Operating Revenues	4,571	1,985	2,585	17,933	7,450	10,483
Operating Costs and Expenses	-3,980	-1,215	-2,766	-12,306	-3,787	-8,519
Personnel	-654	-186	-468	-2,269	-427	-1,842
Interconnection	-97	-63	-34	-388	-244	-144
Third-Party Services	-1,483	-507	-975	-5,351	-1,307	-4,044
Network Maintenance Service	-207	-115	-92	-772	-334	-438
Handset Costs/Other [COGS]	-19	-17	-1	-78	-71	-7
Marketing	-80	-13	-67	-416	-53	-363
Rent and Insurance	-707	-1,913	1,205	-2,581	-1,213	-1,368
Provision for Contingencies	-84	0	-84	-195	1	-196
Provision for Bad Debt	-10	12	-23	-212	-121	-91
Taxes and Other Revenues [Expenses]	-639	1,588	-2,227	-44	-18	-26
EBITDA	591	771	-180	5,627	3,662	1,965
Margin %	12.9%	38.8%	-7.0%	31.4%	49.2%	18.7%
Depreciation and Amortization	-818	205	-1,023	-4,298	-296	-4,002
EBIT	-227	976	-1,203	1,330	3,367	-2,037
Financial income [expenses]	-3,301	-428	-2,873	-10,877	-1,323	-9,554
Net Earnings [Loss] Before Tax and Social Contribution	-3,528	548	-4,076	-9,547	2,044	-11,591
Income Tax and Social Contribution	1,885	-162	2,047	1,054	-982	2,036
Consolidated Net Earnings [Loss]	-1,643	386	-2,029	-8,493	1,062	-9,555



Subsequent Events

Sale of Mobile Asset UPI

- On January 31, 2022, the Company informed its shareholders and the market in general, through a material fact, that it learned that Anatel, in deliberation at the 19th Extraordinary General Meeting of the Board of Directors, granted prior consent for the sale of Mobile Assets UPI by the Company and Oi Móvel S.A – In Judicial Reorganization to the companies Claro S.A., Telefônica Brasil S.A. and TIM S.A., with the transfer of authorizations for the use of associated radio frequencies to the respective Mobile SPEs, and later, the transfer of control thereof to each of the Purchasers.
- On February 9, 2022, the Company informed its shareholders and the market in general, through a material fact, that it became aware that the Administrative Court of the Council for Economic Defense (CADE), in deliberation at the 190th Ordinary Trial Session occurred on this date, approved the sale transaction of Mobile Assets UPI by the Company and Oi Móvel S.A – In Judicial Reorganization for the companies Claro S.A., Telefônica Brasil S.A. and TIM S.A., subject to the execution and fulfillment of the Merger Control Agreement.
- On February 22, 2022, the Company informed the shareholders and the market in general that the Merger of Oi Móvel by Oi became effective on this date. The merger was one of the stages of the organizational restructuring process of the Oi companies, expressly provided for in the Addendum to the Judicial Reorganization Plan and in the Company's Strategic Plan, with the objective, among others, of enhancing synergies and increasing Oi's results.
- On April 13, 2022, the Company informed its shareholders and the market in general, through a material fact, in continuity to the Material Facts disclosed on September 7 and December 14, 2020, and the Notice to the Market disclosed on January 29, 2021, that, on this date, the Company and Telefônica Brasil S.A., TIM S.A. and Claro S.A., signatories of the Purchase and Sale Agreement and Other Covenants, whose purpose is the sale of Mobile Assets UPI ("Transaction"), exchanged notices confirming compliance or waiver, as applicable, of all precedent conditions for the conclusion of the Transaction and, in the coming days, the parties would continue with the required procedures for the closing. The parties set the Transaction's closing date for April 20, 2022.
- On April 20, 2022, the Company informed the shareholders and the market in general that, after complying with all the conditions precedent set forth in the Share Purchase Agreement and Other Covenants entered into on January 28, 2021, on this date the sale of Mobile Assets UPI to the Purchasers took place, which were the winners of the competitive procedure carried out on December 14, 2020, in accordance with the Amendment to the Judicial Recovery Plan.

Sale of control of InfraCo UPI (V.tal)

- On January 21, 2022, the Board of Directors approved the proposal to enter into an Advance for Future Capital Increase ("AFAC") agreement between Globenet Cabos Submarinos S.A. ("Investor") and V.tal, in the amount of up to R\$ 1.5 billion, through one or more disbursements in favor of V.tal as follows (i) the Investor will make an initial disbursement, in favor of V.tal, in the amount of R\$ 607,535,146.00; and (ii) upon V.tal's request, the Investor may make, at its sole discretion, further additional disbursements.



- On April 28, 2022, the agenda was released, which again includes the V.tal process after the request for views of the April 14, 2022 meeting, for the next ordinary Anatel meeting, to be held on May 5, 2022 at 3:00 pm, when the request for Prior Consent to complete the operation will be evaluated

Disposal of other non-core assets

- On April 28, 2022, the Company entered into a Term Sheet with SKY to (i) allow for the eventual transfer of the entire DTH postpaid customer base, in line with its strategy of divestment of the Pay TV business with based on DTH technology; and (ii) the use of Oi's IPTV infrastructure and the provision of services in relation to this infrastructure by SKY, with the sharing of revenues earned between Oi and SKY.

Other Topics

- On January 31, 2022, the Company disclosed to its shareholders and the market in general a Material Fact announcing that, on this date, the Board of Directors reelected Mr. Rodrigo Modesto de Abreu as the Company's Chief Executive Officer, with a mandate term until January 31, 2024.
- On February 14, 2022, the Company disclosed to its shareholders and the market in general a Material Fact announcing its deregistration with the U.S Securities and Exchange Commission ["SEC"], effective from this date. As previously informed, the Company's common and preferred ADRs are being traded on the over-the-counter market in the United States under the trading codes "OIBZQ" and "OIBRQ", respectively.
- On February 22, 2022, the Company disclosed to its shareholders and the market in general, a notice to shareholders announcing that the Board of Directors, at a meeting held on this date, approved the increase in the Company's share capital, for private subscription, within the limit of the authorized capital ["Capital Increase"], under the following terms and conditions: [\[click here\]](#). The Capital Increase will be in the amount of R\$ 4,572,699.60, through the capitalization of credits held by the executives beneficiaries of the Long-Term Incentive Plan based on shares issued by the Company for Executives in force, for the achievement of the minimum performance condition for the acquisition of the right to receive the shares by the Beneficiaries related to the 2nd vesting of the 1st grant of shares carried out in the Long-Term Incentive Plan.
- On February 25, 2022, the Company informed its shareholders and the market in general that, on this date, it received Official Letter 59/2022-DIE of B3 S.A. - Brasil, Bolsa, Balcão informing B3's approval, on an extraordinary basis, of the Company's request related to Official Letter 61.2022-SLS, previously sent by B3 requesting to disclose the procedures and timetable to be adopted to achieve its shares price in an amount equal to or greater than R\$ 1,00 (i) on or prior to July 19, 2022; or (ii) by the date of the first general meeting to be called following the receipt of the referred Official Letter, whichever occurred first. In this regard, the Company informed that the determinations of Official Letter 61.2022-SLS remained ineffective so that, from March 31, 2022, was reinstate a new period for the eventual calculation of 30 [thirty] uninterrupted trading sessions with a price below R\$ 1.00.
- On April 13, 2022, the Company informed its shareholders and the market in general that, on this date, a tender offer was initiated for the purchase, in cash ["Tender Offer"], of any and all Senior Secured Notes due 2026 and semiannual interest of 8.750% ["Notes"]. The Tender Offer was made by the Company in compliance with the obligations made by the Company in the indenture of the Notes, dated July 30, 2021



["Indenture"]. On April 20, 2022, the Public Offering was closed, where US\$ 868.6 million in aggregate principal amount of the Notes were validly offered, representing approximately 98.71% outstanding, with settlement carried out on April 26, 2022



CVM RESOLUTION 44/2021, ARTICLE 12: Direct or indirect controlling shareholders and shareholders who elect members of the Board of Directors or the Fiscal Council, and any other individual or legal entity, or group of persons, acting as a group or representing the same interests, that attains a direct or indirect interest representing five percent (5%), ten percent (10%), fifteen percent (15%), and so forth, of a type or class of shares of the capital of a publicly held company, must notify the Brazilian Securities and Exchange Commission (CVM) and the Company of the fact, in accordance with the above article.

Oi recommends that its shareholders comply with the terms of article 12 of CVM Resolution 44, but it takes no responsibility for the disclosure or otherwise of acquisitions or disposals by third parties of interests corresponding to 5% or more of any type or class of its shares, or of rights over those shares or other securities that it has issued.

Table 19 – Shares of the Company's Capital Stock

	Capital	Treasury	Free-Float
Common	6,440,496,850	644,049,685	5,796,447,165
Preferred	157,727,241	1,811,755	155,915,486
Total	6,598,224,091	645,861,440	5,952,362,651

Shareholding position on December 31, 2021.

Please note

The main tables in this Earnings Release will be available in Excel format in the "Financial Information/Quarterly Reports" section of the Company's website (<https://ri.oi.com.br/en/>).

Definitions of the terms used in the Earnings Release are available in the Glossary section of the Company's website: <https://ri.oi.com.br/en/glossary/>



This report includes consolidated financial and operating information for Oi S.A. – Under Judicial Reorganization [“Oi S.A.” or “Oi” or “Company”] and its direct and indirect subsidiaries as of December 31, 2021. In compliance with CVM instructions, the information is presented in accordance with International Financial Reporting Standards [IFRS]. Due to the seasonality of the telecommunications sector in its quarterly results, the Company will focus on comparing its financial results with the same period of the previous year, unless stated otherwise.

This report contains projections and/or estimates of future events. The projections contained herein were compiled with due care, taking into account the current situation, based on work in progress and its corresponding estimates. The use of terms such as “projects”, “estimates”, “anticipates”, “predicts”, “plans”, “hopes” and so on is intended to indicate possible trends and forward-looking statements, which clearly involve uncertainty and risk, so that future results may differ from current expectations. These statements are based on various assumptions and factors, including economic, market, industry conditions, and operational factors. Any changes to these assumptions and factors may lead to practical results that differ from current expectations. Excessive reliance should not be placed on these statements.

Forward-looking statements only relate to the date on which they were made, and the Company is not obliged to update them as new information or future developments arise. Oi takes no responsibility for transactions carried out or investment decisions taken on the basis of these projections or estimates. The financial information contained herein is unaudited and may therefore differ from the final results.

Oi – Investor Relations

www.oi.com.br/ri

+55 (21) 3131-2918 | +55 (21) 3131-2586 | +55 (21) 3131-1315

invest@oi.net.br