



# 4Q23

# earnings

# release

**OIFIBRA**  
is a game changer.  
ask our  
**clients.**



March 27, 2024

**OIBR**  
B3 LISTED N1

## MESSAGE FROM MANAGEMENT

“ 2023 was both promising and challenging for the Company. While we pursued financial balance and opened negotiations on issues related to our concession agreement, we recorded significant growth in our core businesses, Oi Fibra and ICT services at Oi Soluções. At Oi Fibra, revenue growth was +11% YoY in 2023. In terms of operations, in turn, we continue to seek greater efficiency and customer satisfaction in several segments.

We have been aiming our efforts at expanding the fiber optic broadband operation through the Oi Fibra service. In this segment, we reached 4.0 million connected homes in 2023, a year-on-year growth of 3 percent. Oi Fibra is currently our main product, accounting for approximately 46 percent of Nova Oi's revenue.

Oi, which had already been recognized as the carrier with the most satisfied internet customers in Brazil, led the growth of high-speed accesses, with the activation of 1.1 million accesses above 300 megabytes in 2023 (40% of the total among large carriers). Oi Fibra also won the title of fastest internet in ten Brazilian states (and second place overall), in several major cities exceeding the national average speed of the leading carrier.

We also highlight the performance, in 2023, in the revenue generated by business portfolio services provided by Oi Soluções, which currently accounts for 24 percent of the Company's revenue. Through this operation, we seek to generate earnings by integrating of fiber infrastructure with a vast portfolio of ICT products, in partnership with startups and key industry players. ICT products posted year-on-year growth of +29% in 2023.

In the regulatory front, we worked hard to adapt our obligations arising from our concession and were successful in making both the Federal Court of Auditors (TCU) and the regulator of the Brazilian telecommunications industry (ANATEL) to accept negotiating an agreement regarding the terms and conditions to adapt our fixed telephony concession to a license model. After the discussions that began in October, we had a significant breakthrough this week. The working group at SecexConsenso concluded the negotiation phase of a consensual solution that seeks to enable the addressing of the most relevant pillars of its Plan. The agreement depends on the ratification of its terms in the shortest possible time, meeting the governance premises of each party involved. Oi expects the migration of the STFC concession to an authorization model, the maintenance of the service in areas where there is no alternative voice service, for a defined period, with guarantees to be granted and additional commitments, in accordance with the adaptation regulations. In addition, the resumption of the arbitration proceeding is expected, as well as the deferral of the payment of Anatel's fines renegotiation until the arbitration decision. The definitive solution to the regulatory issue will enable the execution of an audacious cost-saving plan, with relevant potential efficiencies and reduction of regulatory restrictions on the sale or encumbrance of real estate assets.

Despite the successful implementation of the Transformation Plan within the scope of the first judicial reorganization, we continued to face major challenges in the pursuit of our long-term sustainability based on three key pillars: (i) improving operating performance by increasing the generation of core revenue and adjusting the organizational structure; (ii) resolving the regulatory situation of the STFC concession; and (iii) restructuring our future obligations, especially our financial debt. As a result, we filed a petition for a second judicial reorganization in 2023. This time, the proceeding is primarily focused on balancing our capital structure still pressured by financial debts with ECAS holders, bondholders, and domestic banks, most of them indexed to exchange rate fluctuation, as well as claims with

take-or-pay suppliers, in particular Tower and Satellite companies.

Our capital structure was worsened by the delay to close the sales transactions of the UPIs; the dispute with other operators regarding the amount withheld in the sale of the UPI Mobile Assets, which led to the suspension of the down payment of R\$1.7 billion; the appreciation of the US dollar against the Brazilian real; in addition to a drop in economic activity in the post-pandemic period, and the deepening of the structural crisis in the fixed telephony segment, and a more challenging competitive scenario in broadband in a context of continued high interest rates combined with higher household indebtedness with effects on the industry's take-up and churn.

In this sense, the year 2023 was marked by intense negotiations that culminated in relevant events and ensured the reduction of the Company's future obligations, such as the agreement to offset commitments related to the LTLA submarine cable contract, as well as the liquidity necessary to maintain the working capital needs of the operations. In addition, Oi expects to achieve the restructuring of its financial debts and credits from take-or-pay suppliers, adapting them to its payment capacity, without compromising its operation and the expansion of its business in the fiber optic segment, the Company's main product. The main commercial terms to enable such restructuring were agreed with a group of creditors, during the General Creditors' Meeting on March 26, 2024, suspended until April 10, for the formalization of the documents and subsequent voting.

Amidst the challenges, the Company remains firm in its purpose of bringing digital life to everyone and with a vision of being a leader in digital solutions and fiber optic connections that improve the lives of people and companies. In that regard, we have put in place actions that aim to make Oi an increasingly sustainable company in line with the ESG pillars. We are based on caring for our people, including employees, suppliers and customers, for the environment and for the way our Company is managed.

We have led a journey of appreciation and respect for our employees, even during the most challenging moments. As a result of this process, we received the Top Employers seal for excellence in people management. This certification adds to our other achievements in Human Resources management. These include the "Prêmio Gupy – 100 RHs que inspiram", and the special achievement as the company that rose the most in the "Anuário 360º" people management ranking, of "Época Negócios 2022".

In terms of environmental and social issues, we have been investing in sustainable projects, such as the generation of clean energy (Oi Energy) and educational projects, such as the NAVE, an institution ranked among the 10 best state public high schools in Brazil.

Finally, we could not fail to mention Oi Futuro, our innovation and creativity institute for social impact, which in 2023 has taken a strategic step to expand its collaboration networks for the new innovation moment of its main programs, making room for new partners and sponsors. Within the new governance with more sponsoring companies alongside us, program management will be charged to Oi Futuro, which already has a cross-disciplinary team. ”

**- Mateus Affonso Bandeira, CEO**

## HIGHLIGHTS OF BRAZILIAN OPERATIONS IN 4Q23

- **Growth in core revenues:** Fiber +1.9% YoY and ICT services for B2B customers +15.8% YoY
- **Efficiency actions ensuring continuous deliveries in expenditures reductions,** with total Opex and Capex declining by 8.2% YoY
- **New significant reduction in Capex, by 65.1% YoY,** supported by an efficient allocation of resources and the fiber operating model based on the rental of neutral network infrastructure
- **Evolution of important stages of the restructuring process:** presentation of the general terms of the consensus proposal, within the scope of the TCU's SecexConsenso, through which Oi seeks the adaptation of the STFC concession and the deferral of payments of the Transaction Instrument<sup>1</sup>, as well as the commercial terms agreement with the creditors group, to be voted on at the GMC, on April 10th

### \_ HOMES CONNECTED

**4,0** million  
2.9% YoY

### \_ OI FIBRA REVENUE

R\$ **1,1** billion  
1.9% YoY

### \_ EFFICIENCY OPEX+CAPEX

**-8.2%** YoY

### \_ CASH POSITION

R\$ **2,2** billion

(1) Transaction Instrument entered into with Anatel on May 31, 2022.



## HIGHLIGHTS OF BRAZILIAN OPERATIONS

R\$ mn	4Q23	4Q22	Δ YoY	3Q23	Δ QoQ	2023	2022 <sup>1</sup>	Δ YoY
<b>New Oi Net Revenue</b>	<b>2,276</b>	<b>2,618</b>	-13.1%	<b>2,397</b>	-5.0%	<b>9,612</b>	<b>10,371</b>	-7.3%
Core Revenue	1,638	1,672	-2.0%	1,689	-3.1%	6,702	6,340	5.7%
<b>Routine EBITDA</b>	<b>(114)</b>	<b>345</b>	-133.0%	<b>(331)</b>	-65.6%	<b>(123)</b>	<b>2,173</b>	-105.7%
Margin Routine EBITDA	-5.0%	13.2% (18 p.p.)		-13.8%	9 p.p.	-1.3%	17.4% (19 p.p.)	
<b>Capex</b>	<b>186</b>	<b>533</b>	-65.1%	<b>201</b>	-7.5%	<b>869</b>	<b>3,856</b>	-77.5%
<b>Routine EBITDA - Capex</b>	<b>(300)</b>	<b>(188)</b>	59.5%	<b>(532)</b>	-43.6%	<b>(992)</b>	<b>(1,683)</b>	-41.0%
<b>Net Debt (fair value)</b>	<b>23,292</b>	<b>19,079</b>	22.1%	<b>22,709</b>	2.6%	<b>23,292</b>	<b>19,079</b>	22.1%
<b>Cash Position</b>	<b>2,194</b>	<b>3,223</b>	-31.9%	<b>2,493</b>	-12.0%	<b>2,194</b>	<b>3,223</b>	-31.9%

Note: (1) Considers the result of UPI Ativos Móveis (until Mar/22) and UPI InfraCo (until May/22).

**New Oi's net revenues totaled R\$2.3 billion in 4Q23.** The drop in quarterly and annual comparisons mainly reflected the accelerated reduction in non-core services, including revenues from legacy services, wholesale, DTH TV, and subsidiaries, partially offset by the revenue performance of Oi Fibra and Oi Soluções' ICT services. Revenues from core services (Oi Fibra and Oi Soluções) already represent more than 70% of New Oi's total revenues.

**On the operational efficiency front, Opex + Capex combined continued to significantly reduce, by 8.2% YoY in 4Q23,** due to initiatives aimed at cost reduction, efficiency, and a rational approach to investments. In the year, these lines fell by double-digits compared to the previous year (-25.2% YoY in 2023).

## NET REVENUE

R\$ mn	4Q23	4Q22	Δ YoY	3Q23	Δ QoQ	2023	2022 <sup>2</sup>	Δ YoY
Brazil	2,276	2,618	-13.1%	2,397	-5.0%	9,612	12,490	-23.0%
New Oi	2,276	2,618	-13.1%	2,397	-5.0%	9,612	10,371	-7.3%
Core	1,638	1,672	-2.0%	1,689	-3.1%	6,702	6,340	5.7%
Oi Fibra	1,098	1,077	1.9%	1,116	-1.7%	4,421	4,001	10.5%
Oi Soluções	540	595	-9.3%	573	-5.8%	2,281	2,339	-2.5%
Não-core <sup>1</sup>	639	946	-32.5%	707	-9.7%	2,910	4,031	-27.8%
Discontinued Oper. or Held for Sale <sup>2</sup>	-	-	n/a	-	n/a	-	2,119	-100.0%
International Operations	30	30	-2.8%	25	18.2%	105	114	-7.6%

Note: (1) With the conclusion of the sale of InfraCo, Serede's result (one of the non-core lines), relating to services for V.tal, loses the intercompany effect and is no longer eliminated, being now recognized in Oi's consolidated revenues and expenses, therefore impacting the annual comparisons; (2) Considers the results of UPI Ativos Móveis (until March/22) and UPI InfraCo (until May/22).

## **OI FIBRA**

<i>Fiber Highlights</i>	<b>4Q23</b>	<b>4Q22</b>	$\Delta$ YoY	<b>3Q23</b>	$\Delta$ QoQ	<b>2023</b>	<b>2022</b>	$\Delta$ YoY
<b>Oi Fibra Net Revenue (R\$ mn)</b>	<b>1,098</b>	<b>1,077</b>	1.9%	<b>1,116</b>	-1.7%	<b>4,421</b>	<b>4,001</b>	10.5%
<b>ARPU (R\$/mo)</b>	<b>91</b>	<b>93</b>	-2.4%	<b>92</b>	-1.6%	<b>91</b>	<b>91</b>	0.7%
<b>Homes Connected ('000)</b>	<b>4,021</b>	<b>3,910</b>	2.9%	<b>4,029</b>	-0.2%	<b>4,021</b>	<b>3,910</b>	2.9%
Net Adds ('000)	(8)	86	-108.9%	(30)	-74.7%	119	530	-77.5%
Take-up	18.2 %	19.8 %	(2 p.p.)	18.3 %	(0 p.p.)	18.2 %	19.8 %	(2 p.p.)
Fiber Market Share <sup>1</sup>	17.0 %	18.8 %	(2 p.p.)	16.8 %	0 p.p.	17.0 %	18.8 %	(2 p.p.)

Note: (1) Oi's market share in fiber broadband in its coverage area, excluding São Paulo. Source: Anatel.

**In 4Q23, Oi Fibra's net revenue totaled R\$1.1 billion, up 1.9% YoY and down 1.7% QoQ.** This performance was due to the maintenance of a strong customer base, with 4.0 million homes connected (+2.9% YoY and -0.2% QoQ), which guaranteed the Company's fiber leadership in the regions where it operates, with a market share of 27.3%<sup>1</sup>. In the year, Oi Fibra recorded a significant revenue growth (+10.5% YoY), especially when considering the intense market competition, combined with the still challenging macroeconomic scenario that restricts the availability of family income<sup>2</sup>.

Within this context, the Company used its unique attributes to protect and defend its client base and focus on profitability. Even so, ARPU reduced by 2.4% YoY and 1.6% QoQ in 4Q23 and increased slightly by 0.7% YoY in 2023.

The Company maintains a unique position and is one of the largest fiber providers in Brazil, present in 296 cities and offering the fastest broadband service in 10 states<sup>3</sup>, while also being recognized as the operator with the most satisfied customers<sup>4</sup>, in addition to leading the growth of high-speed accesses during the year with the activation of 1.1 million accesses above 300 mbps (40% of the total amount among large operators)<sup>5</sup>.

The commercial strategy to expand growth at Oi Fibra continues to be leveraged by (i) its new portfolio, with connectivity and service solutions specifically adapted to the needs of different customer profiles; (ii) an approach tailored to regional dynamics, adapting sales channels, pricing and marketing; and (iii) converting the existing HP base to HC growth, taking advantage of the productivity of local channels with a strategy that combines national channels, such as the digital one.

(1) Ex-SP, (2) In Jun-23, family income committed to debt service reached the highest level in 18 years (Bacen), (3) *Melhor Escolha* website, (4) Among large operators (Anatel's Perceived Quality Satisfaction Survey 2022), (5) Anatel.

## OI SOLUÇÕES

R\$ mn	4Q23	4Q22	Δ YoY	3Q23	Δ QoQ	2023	2022	Δ YoY
<b>Oi Soluções Net Revenue</b>	<b>540</b>	<b>595</b>	-9.3%	<b>573</b>	-5.8%	<b>2,281</b>	<b>2,339</b>	-2.5%
ICT	171	148	15.8%	182	-6.0%	678	524	29.4%
% ICT	31.6%	24.8%	7 p.p.	31.7%	(0 p.p.)	29.7%	22.4%	7 p.p.
Telecom <sup>1</sup>	284	332	-14.6%	298	-4.8%	1,210	1,329	-8.9%
Other <sup>1</sup>	86	116	-25.9%	94	-8.5%	393	487	-19.3%

In 4Q23, Oi Soluções recorded net revenues of R\$540 million, down by 9.3% YoY and 5.8% QoQ. In the year, this line reduced by 2.5% from 2022.

ICT services, which is a growth lever for the segment, represented 31.6% of Oi Soluções' revenues in 4Q23. The growth of these applications, by 15.8% YoY in 4Q23, had a strong contribution from Cyber security and Cloud services. Its quarterly performance showed a drop of 6.0% QoQ, being mainly impacted by the volatility in the resale of equipment between quarters.

The reduction recorded for this segment was directly impacted by the dynamics of Telecom and Others revenues line, which fell in the annual comparison due to the reduction in traditional services, mainly those related to copper technology.

## NON-CORE OPERATIONS

R\$ mn	4Q23	4Q22	Δ YoY	3Q23	Δ QoQ	2023	2022 <sup>2</sup>	Δ YoY
<b>Não-core</b>	<b>639</b>	<b>946</b>	-32.5%	<b>707</b>	-9.7%	<b>2,910</b>	<b>4,031</b>	-27.8%
Legacy & Wholesale	290	532	-45.6%	336	-13.8%	1,424	2,385	-40.3%
DTH TV	238	297	-19.8%	256	-7.0%	1,040	1,244	-16.4%
Subsidiaries <sup>1</sup>	111	117	-5.5%	115	-3.8%	446	403	10.8%
<b>Discontinued Oper. or Held for Sale</b>	<b>-</b>	<b>-</b>	n/a	<b>-</b>	n/a	<b>-</b>	<b>2,119</b>	-100.0%

Note: (1) With the conclusion of the sale of UPI InfraCo, Serede's result, relating to services for V.tal, loses the intercompany effect and is no longer eliminated, being now recognized in both Oi's consolidated revenue and expense and therefore impacting annual comparisons; (2) Considers the results of UPI Ativos Móveis (until March/22) and UPI InfraCo (until May/22).

In 4Q23, legacy and wholesale services had a total net revenue of R\$290 million, falling by 45.6% YoY and 13.8% QoQ, and by 27.8% in 2023 vs. 2022. This performance reflects the accelerated trend of customers reducing services based on the copper network, due to the structural transformation of the sector, and migrating to services with more advanced technology and speeds, such as fiber.

**Net revenue for DTH TV totaled R\$238 million in the quarter**, down by 19.8% YoY and 7.0% QoQ. In 2023, this line dropped by 16.4% over 2022. Just as in the legacy's dynamic, this drop in performance was due to the proportional reduction in customer base, resulting from the changes in consumer habits for the sector, replacing traditional TV services with content streaming services.

**Net revenue from subsidiaries totaled R\$111 million in 4Q23 (-5.5% YoY and -3.8% QoQ).** The behavior of this line was determined by Serede's performance, which operates field installation and maintenance services, mainly for V.tal. The annual and quarterly performance reflected the reduction in these operating services.

## ROUTINE COSTS AND EXPENSES

<i>R\$ mn</i>	<b>4Q23</b>	<b>4Q22</b>	$\Delta$ YoY	<b>3Q23</b>	$\Delta$ QoQ	<b>2023</b>	<b>2022</b>	$\Delta$ YoY
Brazil	(2,390)	(2,273)	5.2%	(2,728)	-12.4%	(9,736)	(10,317)	-5.6%
Personnel	(432)	(467)	-7.6%	(484)	-10.7%	(1,912)	(2,018)	-5.2%
Interconnection	(24)	(26)	-9.1%	(16)	51.0%	(77)	(201)	-61.5%
Third-Party Services	(918)	(920)	-0.3%	(857)	7.1%	(3,569)	(4,151)	-14.0%
Network Maintenance	(169)	(146)	15.6%	(154)	9.7%	(582)	(611)	-4.7%
Marketing	(73)	(39)	86.0%	(69)	5.5%	(273)	(273)	0.1%
Rental and Insurance	(928)	(1,062)	-12.6%	(1,100)	-15.6%	(3,866)	(3,268)	18.3%
Bad Debt	12	37	-66.8%	(35)	-135.1%	(136)	(10)	1,306.5%
Contingencies, Taxes and Other	141	351	-59.8%	(13)	1,177.7%	681	213	219.4%

Note: (1) Considers the result of UPI Ativos Móveis (until Mar/22) and UPI InfraCo (until May/22).

**Routine costs and expenses totaled R\$2.4 billion in 4Q23, increasing by 5.2% YoY and falling by 12.4% QoQ.** The dynamic in the year was affected by the non-recurring effects from the reversal of amounts related to revenue taxes in 4Q22. Excluding this effect, this line would have reduced by 10.7% YoY in 4Q23.

It is worth highlighting that as a reflection of efficiency initiatives and the current fiber operating model, which enables growth through the rental of infrastructure, replacing own investment, total capex and opex presented a combined reduction of 8.2% YoY and 12.0% QoQ in 4Q23.

**Personnel expenses totaled R\$432 million in the quarter, down by 7.6% YoY and 10.7% QoQ.** The reduction was due to the adjustment in headcount during the year, with the number of employees falling by 5 thousand in 2023.

**Interconnection costs totaled R\$24 million in 4Q23, declining by 9.1% YoY and increasing by 51.0% QoQ.** The drop in the annual comparison is explained by the reduction in the legacy copper base. In the quarterly comparison, the growth was due to seasonality effects on interconnection costs related to



international long-distance service. In 2023, following the same annual dynamics of the quarter, these costs reduced by 61.5% from 2022, also due to the conclusion of the sale of the mobile operation.

**Third-party services totaled R\$918 million in the quarter, reducing by 0.3% YoY and increasing by 7.1% QoQ.** During the year, the Company carried out several efficiency initiatives related to content acquisition (-26.8% YoY and -11.9% QoQ), specialized services (-26.3% YoY and -16.3% QoQ) and IT services (-5.8% YoY and -10.0% QoQ), which supported the reduction dynamics for this line. However, compared to the previous quarter, these reduction initiatives were absorbed by the increase in electricity expenses in the period.

**Network maintenance services totaled R\$169 million in the quarter, up by 15.6% YoY and 9.7% QoQ.** The increases in the annual and quarterly comparisons were due to contractual readjustments with companies for the maintenance of the infrastructure legacy.

**Advertising and marketing expenses ended 4Q23 at R\$73 million, higher by 86% YoY and 5.5% QoQ.** These costs were associated with the campaigns carried out to reinforce the brand's development and expand the reach of Oi Fibra and its attributes. It is worth mentioning that the exit of the mobile operation caused specific changes in the distribution of expenses during 2022, in which expenses related to campaigns for the new brand positioning were concentrated in the first half of 2022, thus distorting the year-to-year comparison of 4Q23.

**Rent and insurance costs totaled R\$928 million, down by 12.6% YoY and 15.6% QoQ.** The reduction in both periods was due to the specific efficiencies related to the rental cost of the fiber infrastructure in 4Q23.

**Provision for doubtful accounts was a credit of R\$12 million in 4Q23.** The positive result for this line was specifically impacted by the revision of accounts receivable from the legacy operation. In 2023, provision for doubtful accounts accounted for 1.1% of total gross revenue.

**In 4Q23, contingencies, taxes, and others totaled a credit of R\$141 million.** This positive result in the quarter was due to the significant volume of recovery expenses, mainly related to tax credits.

## FROM EBITDA TO NET INCOME

R\$ mn	4Q23	4Q22	Δ YoY	3Q23	Δ QoQ	2023	2022 <sup>1</sup>	Δ YoY
<b>Routine EBITDA</b>	<b>(107)</b>	<b>396</b>	<b>-126.9%</b>	<b>(330)</b>	<b>-67.7%</b>	<b>(71)</b>	<b>2,204</b>	<b>-103.2%</b>
Brazil	(114)	345	-133.0%	(331)	-65.6%	(123)	2,173	-105.7%
Margin	-5.0%	13.2%	(18 p.p.)	-13.8%	9 p.p.	-1.3%	17.4%	(19 p.p.)
International Operations	7	51	-85.6%	1	1,190.1%	53	31	72.5%
Margin	24.7%	166.6%	(142 p.p.)	2.3%	22 p.p.	50.1%	26.8%	23 p.p.
Non-routine items	35	(15,047)	-100.2%	712	-95.1%	638	(7,430)	-108.6%
<b>Reported EBITDA</b>	<b>(72)</b>	<b>(14,651)</b>	<b>-99.5%</b>	<b>382</b>	<b>-118.9%</b>	<b>568</b>	<b>(5,226)</b>	<b>-110.9%</b>
Brazil	(79)	(14,702)	-99.5%	381	-120.8%	515	(5,257)	-109.8%
Margin	-3.5%	-561.5%	558 p.p.	15.9%	(19 p.p.)	5.4%	-42.1%	47 p.p.
International Operations	7	51	-85.6%	1	1,190.1%	53	31	72.5%
Margin	24.7%	166.6%	(142 p.p.)	2.3%	22 p.p.	50.1%	26.8%	23 p.p.
Depreciation and Amortization	(561)	(1,066)	-47.4%	(364)	54.0%	(1,552)	(4,187)	-62.9%
<b>EBIT</b>	<b>(633)</b>	<b>(15,717)</b>	<b>-96.0%</b>	<b>18</b>	<b>-3,682.5%</b>	<b>(984)</b>	<b>(9,413)</b>	<b>-89.5%</b>
Net Financial Income (Expenses)	(1,007)	(631)	59.5%	(2,480)	-59.4%	(5,200)	(3,908)	33.1%
Income Tax and Social Contribution	1,154	(801)	-244.1%	(368)	-413.7%	756	(5,945)	-112.7%
Of which Discontinued Oper.	-	-	n/a	(279)	-100.0%	(279)	-	n/a
<b>Net Income (Loss)</b>	<b>(486)</b>	<b>(17,149)</b>	<b>-97.2%</b>	<b>(2,830)</b>	<b>-82.8%</b>	<b>(5,428)</b>	<b>(19,266)</b>	<b>-71.8%</b>

Note: (1) Considers the result of UPI Ativos Móveis (until Mar/22) and UPI InfraCo (until May/22). In 2Q22, the Company recorded a capital gain from the sale of these assets, affecting non-routine items, Reported EBITDA, and income taxes. The latter has no cash effect and is offset by tax loss credits.

**In 4Q23, routine EBITDA from Brazilian operations consumed R\$107 million, showing a worsening in the annual comparison and improvement in the quarterly comparison.** This performance was mainly impacted by the accelerated decline in revenues from non-core services, particularly services based on copper technology, given the current regulatory limitations for managing their profitability, by the slowdown in fiber growth impacted due to the macro and competitive scenario, in addition to the annual evolution in fiber infrastructure costs.

Non-routine items totaled R\$35 million in 4Q23, mainly due to the net effect from (i) the positive impact of the reduction of onerous liabilities, within the scope of the LTLA contract for the use of capacity in submarine cables, due to the execution of the onerous scrap assignment instrument, to offset up to 72% of the Company's payment obligations; and (ii) partially offset by the recognition of impairments of assets, mainly related to non-core operations.

### Depreciation and Amortization (D&A)

**Depreciation and amortization expenses totaled R\$561 million in 4Q23, down by 47.4% YoY and up by 54.0% QoQ.** The annual variation was due to the write-off of the asset base associated with legacy services (impairment) in 4Q22. The increase in D&A volume in the quarterly comparison was due to the tower leases for STFC, as of 3Q23, after the sale of these assets were concluded in July 2023.

## Financial Result

R\$ mn	4Q23	4Q22	Δ YoY	3Q23	Δ QoQ	2023	2022 <sup>1</sup>	Δ YoY
Net Financial Income (Expenses)	(1,007)	(631)	59.5%	(2,480)	-59.4%	(5,200)	(3,908)	33.1%
Net Interest <sup>2</sup>	(488)	(482)	1.1%	(591)	-17.4%	(2,077)	(2,556)	-18.7%
Amortization of Fair Value Adjust. <sup>2</sup>	(144)	(189)	-23.7%	(382)	-62.4%	(757)	(816)	-7.3%
FX Result <sup>2</sup>	388	398	-2.7%	(445)	-187.1%	794	1,395	-43.1%
Other Financial Income/Expenses	(763)	(359)	112.7%	(1,062)	-28.2%	(3,160)	(1,930)	63.7%

Note: (1) Considers the result of UPI Ativos Móveis (until Mar/22) and UPI InfraCo (until May/22), (2) On financial investments and loans and financing.

The net financial result came in as expenses of R\$1.0 billion in 4Q23, increasing YoY and reducing QoQ. In the annual comparison, the growth was explained by non-recurring positive effects in 4Q22 due to the completion of the sale of UPI InfraCo.

Compared to the previous quarter, expenses fell due to exchange rate variation given the appreciation of the Brazilian real against the U.S. dollar (appreciation of 3.32% QoQ in 4Q23 vs. a devaluation of 3.91% QoQ in 3Q23), as well as lower interest expenses recorded due to a lower CDI in the period.

## CASH FLOW, INVESTMENTS AND INDEBTEDNESS

### Operating Cash Flow

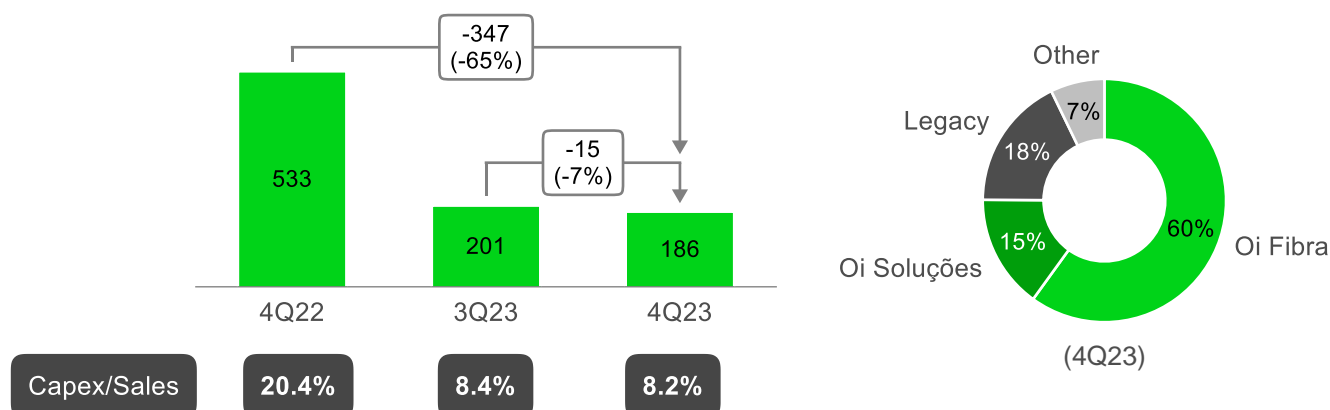
R\$ mn	4Q23	4Q22	Δ YoY	3Q23	Δ QoQ	2023	2022 <sup>1</sup>	Δ YoY
Routine EBITDA	(114)	345	-133.0%	(331)	-65.6%	(123)	2,173	-105.7%
Capex	186	533	-65.1%	201	-7.5%	869	3,856	-77.5%
<b>EBITDA - Capex (Brazil)</b>	<b>(300)</b>	<b>(188)</b>	<b>59.5%</b>	<b>(532)</b>	<b>-43.6%</b>	<b>(992)</b>	<b>(1,683)</b>	<b>-41.0%</b>

Note: (1) Considers the result of UPI Ativos Móveis (until Mar/22) and UPI InfraCo (until May/22).

In 4Q23, operating cash flow had a consumption of R\$300 million, reducing by 59.5% YoY. The positive result from the Capex efficiency initiatives partially offset the routine EBITDA performance, which was particularly affected by consumption to maintain the legacy operation, in addition to expenses associated with the growth of the fiber operation.

In 2023, operating cash flow consumption reached R\$992 million (-41.0% YoY). In addition to the dynamics mentioned above, this performance was also affected by the partial result of the UPIs sold in 2022, and by the change in the fiber operating model as of June 2022.

## Capex



**Capex totaled R\$186 million in 4Q23**, with core operations accounting for 75% of this total amount. In the annual comparison, the 65% reduction was driven by the capturing of efficiencies after the sale of the fiber infrastructure operation. The reduction in the quarterly comparison was due to the evolution of the investment allocation model and implementation of efficiency initiatives (such as reverse logistics and reconditioning of ONTs).

## Debt and Liquidity

R\$ mn	4Q23	4Q22	Δ YoY	3Q23	Δ QoQ
Short-term	4,617	1,624	184.3%	4,178	10.5%
Long-term	20,870	20,679	0.9%	21,024	-0.7%
<b>Gross Debt (fair value)<sup>1</sup></b>	<b>25,486</b>	<b>22,302</b>	<b>14.3%</b>	<b>25,202</b>	<b>1.1%</b>
Local Currency Exposure	8,505	7,112	19.6%	8,173	4.1%
Foreign Currency Exposure	16,982	15,190	11.8%	17,029	-0.3%
Swap	0	0	69,275.8%	(1)	-140.0%
<b>Cash Position</b>	<b>2,194</b>	<b>3,223</b>	<b>-31.9%</b>	<b>2,493</b>	<b>-12.0%</b>
<b>Net Debt (fair value)<sup>1</sup></b>	<b>23,292</b>	<b>19,079</b>	<b>22.1%</b>	<b>22,709</b>	<b>2.6%</b>

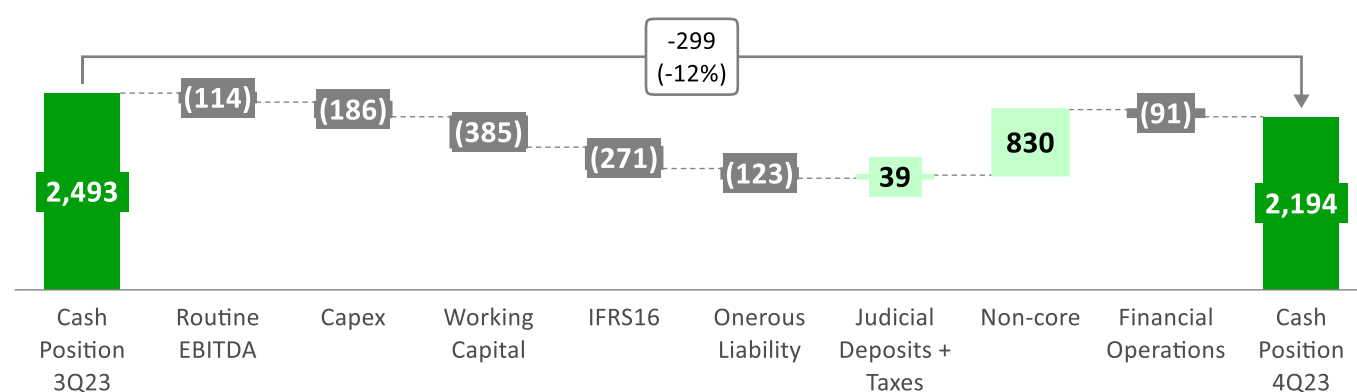
Note: (1) The face value of debt is recorded at amortized cost (discount rates between 12% and 15%); the Present Value Adjustment recorded at the time of debt restructuring (in February 2018) is amortized in equal installments over the debt's useful life; (2) Cash and debt amounts are consolidated. For reporting purposes, total assets and liabilities of discontinued operations are recorded in the balance sheet, in the operations for sale line.

**The Company's gross debt balance was R\$25.5 billion in 4Q23, increasing by 14.3% YoY and 1.1% QoQ.** The increase in the annual comparison was mainly due to the 1st tranche of DIP financing, in 2Q23, and the recognition of interest on debt in the period. In relation to the previous quarter, the debt remained stable, as the interest on debt was partially offset by the appreciation of the Brazilian real in the period. Debt in foreign currency reached 66.6% of the total amount in 4Q23 (-1.5 p.p. YoY).

## Debt by Instrument

<i>R\$ mn (4Q23)</i>	Face Value	Fair Value Adjustment	Fair Value
Local Banks	11,729	(3,286)	8,442
ECAs	8,672	(3,658)	5,013
Qualified Bonds	9,327	(257)	9,070
Facility "Non Qualified"	548	(94)	453
General Offering	5,249	(3,804)	1,445
DIP Loan	1,053	-	1,053
2026 Bond	43	-	43
Other	(35)	-	(35)
<b>Gross Debt</b>	<b>36,586</b>	<b>(11,099)</b>	<b>25,486</b>

## Cash Balance (R\$ million)



The **consolidated cash balance totaled R\$2.2 billion in 4Q23**, reducing by 12.0% QoQ. Working capital was negative by R\$385 million, impacted by a higher volume of payments to suppliers and non-recurring disbursements (such as the 13th bonus salary), combined with non-cash effects on EBITDA (such as deferred revenue from towers).

Leases (IFRS16) totaled R\$271 million in 4Q23, a 10.3% growth QoQ, explained by the rental contract for the fixed towers related to the sale of UPI Towers 2, which initiated after the sale of these assets in July 2023.

Onerous liabilities, related to satellite contracts for DTH TV services, remained stable as an expense of R\$123 million.

The fees and judicial deposits balance was positive by R\$39 million due to a higher volume in redemption of judicial deposits in the period.

Non-core operations was positive at R\$830 million, mainly due to the cash inflow from the post-closing price adjustment on the sale of UPI Mobile Assets.

Financial operations consumed R\$91 million, increasing consumption by 112% QoQ, explained by a reduction in financial income from cash given the lower average cash flow in the period.



## Complementary Information (Oi S.A. Consolidated)

## INCOME STATEMENT [COMPARATIVE]

R\$ mn	4Q23	4Q22	Δ YoY	3Q23	Δ QoQ	2023	2022 <sup>1</sup>	Δ YoY
<b>Net Revenue</b>	<b>2,306</b>	<b>2,649</b>	-12.9%	<b>2,422</b>	-4.8%	<b>9,718</b>	<b>12,604</b>	-22.9%
Brazil	2,276	2,618	-13.1%	2,397	-5.0%	9,612	12,490	-23.0%
New Oi	2,276	2,618	-13.1%	2,397	-5.0%	9,612	10,371	-7.3%
Core	1,638	1,672	-2.0%	1,689	-3.1%	6,702	6,340	5.7%
Oi Fibra	1,098	1,077	1.9%	1,116	-1.7%	4,421	4,001	10.5%
Oi Soluções	540	595	-9.3%	573	-5.8%	2,281	2,339	-2.5%
Não-core	639	946	-32.5%	707	-9.7%	2,910	4,031	-27.8%
Legacy & Wholesale	290	532	-45.6%	336	-13.8%	1,424	2,385	-40.3%
DTH TV	238	297	-19.8%	256	-7.0%	1,040	1,244	-16.4%
Subsidiaries	111	117	-5.5%	115	-3.8%	446	403	10.8%
Discontinued Oper. or Held for Sale <sup>1</sup>	-	-	n/a	-	n/a	-	2,119	-100.0%
International Operations	30	30	-2.8%	25	18.2%	105	114	-7.6%
<b>Routine Oper. Costs and Exp.</b>	<b>(2,413)</b>	<b>(2,253)</b>	7.1%	<b>(2,752)</b>	-12.3%	<b>(9,788)</b>	<b>(10,400)</b>	-5.9%
Brazil	(2,390)	(2,273)	5.2%	(2,728)	-12.4%	(9,736)	(10,317)	-5.6%
Personnel	(432)	(467)	-7.6%	(484)	-10.7%	(1,912)	(2,018)	-5.2%
Interconnection	(24)	(26)	-9.1%	(16)	51.0%	(77)	(201)	-61.5%
Third-Party Services	(918)	(920)	-0.3%	(857)	7.1%	(3,569)	(4,151)	-14.0%
Network Maintenance	(169)	(146)	15.6%	(154)	9.7%	(582)	(611)	-4.7%
Marketing	(73)	(39)	86.0%	(69)	5.5%	(273)	(273)	0.1%
Rental and Insurance	(928)	(1,062)	-12.6%	(1,100)	-15.6%	(3,866)	(3,268)	18.3%
Bad Debt	12	37	-66.8%	(35)	-135.1%	(136)	(10)	1,306.5%
Contingencies, Taxes and Other	141	351	-59.8%	(13)	1,177.7%	681	213	219.4%
International Operations	(22)	20	-210.0%	(24)	-8.9%	(53)	(83)	-36.9%
<b>Routine EBITDA</b>	<b>(107)</b>	<b>396</b>	-126.9%	<b>(330)</b>	-67.7%	<b>(71)</b>	<b>2,204</b>	-103.2%
Brazil	(114)	345	-133.0%	(331)	-65.6%	(123)	2,173	-105.7%
Margin	-5.0%	13.2%	(18 p.p.)	-13.8%	9 p.p.	-1.3%	17.4%	(19 p.p.)
International Operations	7	51	-85.6%	1	1,190.1%	53	31	72.5%
Margin	24.7%	166.6%	(142 p.p.)	2.3%	22 p.p.	50.1%	26.8%	23 p.p.
Non-routine items	35	(15,047)	-100.2%	712	-95.1%	638	(7,430)	-108.6%
<b>Reported EBITDA</b>	<b>(72)</b>	<b>(14,651)</b>	-99.5%	<b>382</b>	-118.9%	<b>568</b>	<b>(5,226)</b>	-110.9%
Depreciation and Amortization	(561)	(1,066)	-47.4%	(364)	54.0%	(1,552)	(4,187)	-62.9%
<b>EBIT</b>	<b>(633)</b>	<b>(15,717)</b>	-96.0%	<b>18</b>	-3,682.5%	<b>(984)</b>	<b>(9,413)</b>	-89.5%
Net Financial Income (Expenses)	(1,007)	(631)	59.5%	(2,480)	-59.4%	(5,200)	(3,908)	33.1%
<b>Earnings Before Taxes</b>	<b>(1,639)</b>	<b>(16,348)</b>	-90.0%	<b>(2,463)</b>	-33.4%	<b>(6,184)</b>	<b>(13,321)</b>	-53.6%
Income Tax and Social Contribution	1,154	(801)	-244.1%	(368)	-413.7%	756	(5,945)	-112.7%
<b>Net Income (Loss)</b>	<b>(486)</b>	<b>(17,149)</b>	-97.2%	<b>(2,830)</b>	-82.8%	<b>(5,428)</b>	<b>(19,266)</b>	-71.8%

Note: (1) Considers the results of UPI Ativos Móveis (until Mar-22) and UPI InfraCo (until May-22); (2) With the completion of the sale of InfraCo, Serede's result, relating to the provision of services to V.tal, loses the intercompany effect and is no longer eliminated, starting to be recognized in both Oi's consolidated revenue and expenses.

## Complementary Information (Oi S.A. Consolidated)

**INCOME STATEMENT (EVOLUTION)**

R\$ mn	1Q22 <sup>1</sup>	2Q22 <sup>1</sup>	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
<b>Net Revenue</b>	<b>4,415</b>	<b>2,770</b>	<b>2,770</b>	<b>2,649</b>	<b>2,536</b>	<b>2,454</b>	<b>2,422</b>	<b>2,306</b>
Brazil	4,383	2,740	2,748	2,618	2,505	2,434	2,397	2,276
New Oi	2,455	2,550	2,748	2,618	2,505	2,434	2,397	2,276
Core	1,484	1,538	1,646	1,672	1,688	1,687	1,689	1,638
Oi Fibra	913	958	1,053	1,077	1,103	1,104	1,116	1,098
Oi Soluções	571	580	593	595	585	583	573	540
Não-core	971	1,012	1,102	946	817	748	707	639
Legacy & Wholesale	639	608	605	532	427	372	336	290
DTH TV	331	312	304	297	278	267	256	238
Subsidiaries	1	92	193	117	112	109	115	111
Discontinued Oper. or Held for Sale <sup>1</sup>	1,928	191	-	-	-	-	-	-
International Operations	32	30	22	30	31	20	25	30
<b>Routine Oper. Costs and Exp.</b>	<b>(3,163)</b>	<b>(2,382)</b>	<b>(2,603)</b>	<b>(2,253)</b>	<b>(2,302)</b>	<b>(2,321)</b>	<b>(2,752)</b>	<b>(2,413)</b>
Brazil	(3,163)	(2,356)	(2,525)	(2,273)	(2,312)	(2,306)	(2,728)	(2,390)
Personnel	(517)	(507)	(527)	(467)	(500)	(496)	(484)	(432)
Interconnection	(85)	(53)	(37)	(26)	(19)	(19)	(16)	(24)
Third-Party Services	(1,295)	(1,001)	(934)	(920)	(974)	(821)	(857)	(918)
Network Maintenance	(199)	(139)	(127)	(146)	(140)	(120)	(154)	(169)
Marketing	(70)	(93)	(70)	(39)	(62)	(68)	(69)	(73)
Rental and Insurance	(658)	(643)	(905)	(1,062)	(861)	(976)	(1,100)	(928)
Bad Debt	(83)	(54)	91	37	(39)	(75)	(35)	12
Contingencies, Taxes and Other	(255)	133	(16)	351	284	269	(13)	141
International Operations	0	(26)	(78)	20	10	(15)	(24)	(22)
<b>Routine EBITDA</b>	<b>1,252</b>	<b>388</b>	<b>167</b>	<b>396</b>	<b>234</b>	<b>133</b>	<b>(330)</b>	<b>(107)</b>
Brazil	1,220	384	224	345	193	129	(331)	(114)
Margin	27.8%	14.0%	8.1%	13.2%	7.7%	5.3%	-13.8%	-5.0%
International Operations	32	4	(56)	51	41	4	1	7
Margin	100.3%	13.7%	-259.2%	166.6%	131.0%	22.1%	2.3%	24.7%
Non-routine items	(157)	8,012	(238)	(15,047)	(17)	(91)	712	35
<b>Reported EBITDA</b>	<b>1,095</b>	<b>8,400</b>	<b>(71)</b>	<b>(14,651)</b>	<b>216</b>	<b>42</b>	<b>382</b>	<b>(72)</b>
Depreciation and Amortization	(983)	(1,036)	(1,102)	(1,066)	(319)	(308)	(364)	(561)
<b>EBIT</b>	<b>112</b>	<b>7,364</b>	<b>(1,173)</b>	<b>(15,717)</b>	<b>(103)</b>	<b>(266)</b>	<b>18</b>	<b>(633)</b>
Net Financial Income (Expenses)	1,874	(3,139)	(2,011)	(631)	(1,148)	(565)	(2,480)	(1,007)
<b>Earnings Before Taxes</b>	<b>1,986</b>	<b>4,225</b>	<b>(3,183)</b>	<b>(16,348)</b>	<b>(1,251)</b>	<b>(831)</b>	<b>(2,463)</b>	<b>(1,639)</b>
Income Tax and Social Contribution	(363)	(4,722)	(60)	(801)	(16)	(14)	(368)	1,154
<b>Net Income (Loss)</b>	<b>1,623</b>	<b>(497)</b>	<b>(3,243)</b>	<b>(17,149)</b>	<b>(1,267)</b>	<b>(845)</b>	<b>(2,830)</b>	<b>(486)</b>

Note: (1) Considers the results of UPI Ativos Móveis (until Mar-22) and UPI InfraCo (until May-22); (2) With the completion of the sale of InfraCo, Serede's result, relating to the provision of services to V.tal, loses the intercompany effect and is no longer eliminated, starting to be recognized in both Oi's consolidated revenue and expenses.

## Complementary Information (Oi S.A. Consolidated)

**BALANCE SHEET**

<i>R\$ mn</i>	4Q23	4Q22	3Q23
<b>Total Assets</b>	<b>26,124</b>	<b>29,616</b>	<b>29,726</b>
<b>Current Assets</b>	<b>7,776</b>	<b>9,551</b>	<b>10,089</b>
Cash and cash equivalents	1,790	3,006	2,264
Financial Investments	393	207	219
Derivative financial instruments	0	1	2
Accounts receivable	1,800	2,043	2,135
Inventories	230	294	236
Current taxes recoverable	209	253	200
Other taxes	755	378	594
Legal deposits and blocks	538	652	491
Dividends and interest on equity	0	0	0
Assets related to pension funds	1	1	1
Prepaid expenses	1,296	913	1,343
Assets held for sale	10	753	555
Other assets	754	1,052	2,049
<b>Non-current assets</b>	<b>18,347</b>	<b>20,066</b>	<b>19,637</b>
Securities designated at fair value	10	10	10
Deferred taxes recoverable	1,136	324	-
Other taxes	224	576	282
Legal deposits and blocks	4,094	4,289	4,418
Asset related to pension funds	-	6	6
Prepaid expenses	746	956	789
Other assets	776	388	490
Investments	7,387	8,006	7,340
Fixed assets	3,568	5,072	5,854
Intangible assets	407	438	447
<b>Liabilities and unsecured liabilities</b>	<b>26,124</b>	<b>29,616</b>	<b>29,726</b>
<b>Current Liabilities</b>	<b>14,285</b>	<b>10,185</b>	<b>14,037</b>
Suppliers	4,871	3,728	4,959
Labor obligations	555	590	506
Derivative financial instruments	1	1	1
Loans and financing	4,616	1,624	4,179
Credit assignment	-	-	-
Tax liabilities	11	13	11
Other taxes	496	494	505
Dividends and interest on net equity payable	5	6	5
Authorizations and concessions payable	-	42	-
Lease payable	951	643	965
Tax refinancing program	136	139	154
Provisions	698	956	794
Liabilities related to assets held for sale	-	-	-
Other obligations	1,945	1,951	1,958
<b>Non-current liabilities</b>	<b>39,122</b>	<b>41,277</b>	<b>42,479</b>
Suppliers	551	409	539
Loans and financing	20,870	20,679	21,024
Deferred tax liabilities	-	-	10
Other taxes	2,443	2,264	2,390
Lease payable	2,741	2,489	2,895
Tax refinancing program	184	287	199
Provisions	3,526	3,101	3,449
Provisions for pension funds	795	897	783
Provision for negative net equity	(0)	(0)	(0)
Other obligations	8,013	11,151	11,190
<b>Negative shareholders' equity</b>	<b>(27,283)</b>	<b>(21,846)</b>	<b>(26,790)</b>

## IMPORTANT EVENTS IN THE QUARTER AND SUBSEQUENT EVENTS

### New CEO as of February 1, 2024

On January 18, 2024, the Company informed that, in view of the end of the 2-year mandate for Mr. Rodrigo Modesto de Abreu as the Chief Executive Officer at the end of January, he and the Board of Directors agreed mutually not to renew the mandate for another term. With the end of his term as Chief Executive Officer, Mr. Rodrigo Abreu will continue to support the Company in his role as a member of the Board of Directors, which also requested him to continue to actively participate in negotiations with creditors and in the conclusion of discussions with Anatel, TCU, and AGU, seeking an agreement to settle the pending issues regarding the STFC Concession and its migration to Authorization. As a result, the Board of Directors appointed Mr. Mateus Affonso Bandeira as the Company's Chief Executive Officer, who had already been part of the Company's Management as an independent member of the Board of Directors, having coordinated the People, Nomination, and Governance Committee. Mr. Mateus Bandeira therefore joined the Company's Executive Board, aiming to give continuity and focus to the transformation process currently underway and will support the Company's selection process for a new CEO to execute and implement its transformation plan in the long-term. In addition to his knowledge of the Company during his term as a member of the Board of Directors, Mr. Mateus Bandeira has many qualifications to conduct this transition period, having served as executive and advisor in large companies, with vast experience in restructuring and transformation management and effectively participating in important institutions.

For more information [click here](#).

### Receipt of the 3rd Tranche of the DIP Loan

On January 26, 2024, the Company informed the market that, after complying with the conditions foreseen in the AHG Alternative Proposal formalized by means of the execution of the Amended and Restated Note Purchase Agreement, signed on January 11, 2024 ("Original AHG DIP"), the disbursement of the third tranche provided in the Amended and Restated Note Purchase Agreement took place, resulting in additional liquidity of US\$125 million to the Company in relation to the Original AHG DIP.

For more information [click here](#).

## IMPORTANT EVENTS IN THE QUARTER AND SUBSEQUENT EVENTS

### New Version of the Judicial Reorganization Plan and Blow Out

On February 6, 2024, the Company announced the new version of the Judicial Reorganization Plan proposed within the scope of the Judicial Reorganization proceeding and Blow Out discussions with its creditors.

The New Version of the Judicial Reorganization Plan was presented amidst extensive negotiations maintained between the Company and its main creditors and other stakeholders, and is aimed at restructuring the indebtedness of the Judicial Reorganization Debtors, overcoming the current economic-financial situation of Grupo Oi, assuring the Company's sustainability in the long term and its ongoing activities, which includes:

1. right-sizing its financial liabilities and restructuring prepetition credits, with or without the offering of collateral, as well as post-petition credits of adherents who wish to receive their credits under the terms of the Judicial Reorganization Plan, adapting them to the payment capacity of the Judicial Reorganization Debtors, by changing the term, fees and payment method;
2. provision for the issuance of post-petition debt in the form of a super-priority post-petition loan, in accordance with article 67 of Law No. 11,101/2005, in R\$ equivalent to up to US\$650 million, being certain that the Company is negotiating a firm commitment regarding this amount;
3. prospecting and adopting measures to be negotiated in the debt instruments to be executed within the context of the Judicial Reorganization of Grupo Oi, aimed at obtaining new resources, through (a) the implementation of possible capital increases via public or private subscription; and (b) contracting new lines of credit, financing or other forms of funding as a way of reducing the Company's total debt and refinancing it, in addition to financing provided for in item (ii) above;
4. potential sale and encumbrance of permanent (non-current) assets of the Judicial Reorganization Debtors, in the form of UPIs or not, subject to and/or obtaining necessary requirements, authorizations or regulatory limitations, or contractual provisions, including the competitive process for the sale of ClientCo and V.tal UPIs defined in the New Version of the Judicial Reorganization Plan;
5. restructuring of Take-or-Pay supplier credits, in line with ongoing negotiations, particularly with Tower and Satellite companies, in search of an agreement to support the Plan.



## IMPORTANT EVENTS IN THE QUARTER AND SUBSEQUENT EVENTS

In the context of negotiations on the New Version of the Judicial Reorganization Plan, the Company has signed confidentiality agreements with (i) certain holders of 10%/12% Senior PIK Toggle Notes due in 2025 ("Prepetition Notes") issued by Oi, on July 27, 2018, and guaranteed, jointly and severally, by Telemar Norte Leste S.A. – Em Recuperação Judicial, Oi Móvel S.A. – Em Recuperação Judicial, Oi Brasil Holdings Coöperatief U.A. – Em Recuperação Judicial and Portugal Telecom International Finance B.V. – Em Recuperação Judicial; (ii) certain holders of credits against the Company, deriving from Export Credit Agencies (such holders, the "ECAs" and such credits, the "ECAs Credits") and (iii) certain holders of 14.00% Senior Secured Superpriority Post-Petition Notes due 2024 (the "DIP Notes" and, together with the Prepetition Notes, the "Notes", and its holders, the "Noteholders"); as well as with their respective legal and financial advisors for the purpose of sharing certain non-public material information.

Upon the execution of the confidentiality agreements, the Company's representatives and their legal and financial advisors held meetings in person or by telephone with the Noteholders, ECAs and their advisors to discuss the restructuring of the Company's and its subsidiaries' debts and possible measures and structures to be adopted by the Company for its uplifting ("Financial Restructuring"). Pursuant to the terms and conditions of the confidentiality agreements, the Company has agreed with the Noteholders' and ECAs' requirements to make public, after a period set forth in the confidentiality agreements, certain confidential information provided by the Company to the Noteholders, ECAs and their advisors regarding the Financial Restructuring.

For more information [click here](#).

### Installation and Suspension of the General Meeting of Creditors

On March 5, 2024, the Company installed the General Meeting of Creditors ("Meeting") for the Judicial Reorganization Debtors, as determined by the Judicial Reorganization Court, for preliminary deliberation, the suspension of the Meeting until March 25, 2024, at 11:00 a.m., with the extension of the stay period until the conclusion of the Meeting that deliberates on the New Judicial Reorganization Plan of the Judicial Reorganization Debtors. When the matters were put to vote, they were approved by the majority of the creditors present at the Meeting.

For more information [click here](#).

## IMPORTANT EVENTS IN THE QUARTER AND SUBSEQUENT EVENTS

### Relevant Equity Stake

On February 21, 2024, the Company announced it had received a letter from Trustee Distribuidora de Títulos e Valores Mobiliários LTDA. informing that, as an investment fund manager, it has increased its shareholding position and now holds 33.1 million common shares, representing 5.14% of the Company's total common shares, as an investment intended to contribute with the Company, authorities, regulators, the judiciary of Rio de Janeiro, creditors and the Company's administrative structure, in a broad solution for the uplifting of this relevant institution that provides public service across the country.

On March 7, 2024, the Company announced that it received another letter from Trustee Distribuidora de Títulos e Valores Mobiliários LTDA. informing that its managed investment funds reduced their shareholding position, representing less than 5% (five percent) of the Company's share capital.

For more information about the acquisition [click here](#), or about the divestment [click here](#).

### New Suspension of the General Creditors Meeting

On March 27, 2024, the Company disclosed a Material Fact regarding the New Suspension of the General Creditors' Meeting, following the Material Facts of February 6 and March 5, 25, and 26, 2024, informing its shareholders and the market in general that on March 26, 2024, the GCM was resumed.

After intense negotiations, the Company reached a satisfactory agreement regarding the commercial terms and conditions ("Commercial Term Sheet") with creditors holding the majority of the Oi's concurrent credits, including a relevant group of international financial creditors holding notes issued by the Oi Group abroad ("Noteholders") and international development agencies (Export Credit Agencies - ECAs, together with the Noteholders, the "Ad Hoc Group"), and take-or-pay supplier creditors, particularly tower and satellite capacity suppliers. The representative of the Ad Hoc Group at the end of the Assembly confirmed that they have obtained authorization from their clients to support the Terms and conditions of the Commercial Term Sheet, with the exception of the third-party financing guarantee package, which is still pending authorization.

## IMPORTANT EVENTS IN THE QUARTER AND SUBSEQUENT EVENTS

And the representatives of the other mentioned creditors confirmed during the Assembly *"that the commercial points stated in the Terms and Conditions (Term Sheet) reflect the commercial terms negotiated between the parties, and that the conclusion of the negotiation will depend on the finalization and approval of the necessary documents to implement the agreement reached, and they will support the judicial recovery plan, provided that the presented premises are reflected in the new version of the plan and its annexes (...)"*.

To finalize the preparation of the documents necessary to reflect the terms and conditions of the Term Sheet, including the Judicial Recovery Plan and its annexes, a new suspension of the Assembly was approved by the majority of creditors present, with the extension of the stay period until the conclusion of the Assembly that will deliberate on the Judicial Recovery Plan of the Debtors. The Assembly will resume on April 10, 2024, at 11:00 a.m., at the Hotel Windsor Marapendi, located at Avenida Lúcio Costa, No. 5,400, Barra da Tijuca, Rio de Janeiro – RJ. The re-accreditation of creditors or representatives present at the Assembly held on this date will begin at 8:30 a.m. and end at 10:30 a.m.

For more information [click here](#)

### Proposal for Reverse Stock Split

On March 27, 2024, the Company informed, in compliance with article 157, paragraph 4, of Law No. 6,404/1976 and the provisions of CVM Resolution No. 44/21, and in continuity with the Material Fact of March 13, 2024, that the Board of Directors approved, on this date, the submission of a proposal for the reverse split of all common and preferred shares issued by the Company to the Company's Extraordinary General Meeting ("EGM"), to be convened in due course on April 29, 2024.

. For more information [click here](#)

## LEGAL NOTICE

### Consolidated Information and Results

This report includes consolidated financial and operational information of Oi S.A. – Under Judicial Reorganization ("Oi S.A." or "Oi" or "Company") and its subsidiaries as of December 31, 2023 which, following CVM instructions, are being presented in accordance with international accounting standards (IFRS).

This report may contain projections and/or estimates of future events. The available projections are carefully prepared, considering the current situation based on work in progress and their respective estimates. The use of the terms "projects," "estimates," "anticipates," "forecasts," "plans," "expects," among others, is intended to signal possible trends and forward-looking statements that evidently involve uncertainties and risks, and future results may differ from current expectations. These statements are based on a number of assumptions and factors, including economic, market and industry conditions, as well as operational factors. Any changes in these assumptions and factors could lead to practical results that differ from current expectations. These forward-looking statements should not be relied upon in full.

Forward-looking statements speak only as of the date on which they are prepared and the Company is not obligated to update them in light of new information or future developments. Oi is not responsible for operations that are carried out or investment decisions that are made based on these projections and estimates. The financial information contained herein has not been audited, and therefore may differ from the final results.

**Earnings Release**

March 27, 2024

(after trading hours)

[Clique aqui](#)

**Conference Call**

March 28, 2024

11:00h

10 a.m. NY | 2 p.m. UK

[Clique aqui](#)

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**Oi – Investor Relations**

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