

RESULTS 4Q22

February 16th, 2023

Telefônica Brasil S.A.

Investor Relations



VIVT
B3 LISTED



VIV
LISTED
NYSE

ISEB3

ICO2B3

DISCLAIMER

This presentation may contain forward-looking statements concerning prospects and objectives regarding the capture of synergies, growth of the subscriber base, a breakdown of the various services to be offered and their respective results

Our actual results may differ materially from those contained in such forward-looking statements, due to a variety of factors, including Brazilian political and economic factors, the development of competitive technologies, access to the capital required to achieve those results, and the emergence of strong competition in the markets in which we operate

The exclusive purpose of such statements is to indicate how we intend to expand our business and they should therefore not be regarded as guarantees of future performance

Vivo reinforces its leadership with a double-digit growth in Customer Base and Revenues, leading to strong Shareholder Remuneration in 2022



58.7mn

Mobile Postpaid Accesses

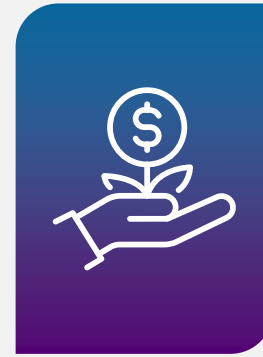
112 million Total Accesses
+13.7% YoY

5.5mn

Fiber Homes Connected

+19.0% YoY,
+0.9 million accesses YoY

Operating



+10.1%

Total Revenue Growth 4Q22

+13.0% YoY Core Revenues Growth

+13.6%

Mobile Serv. Revenue Growth 4Q22

+13.2% in Postpaid and
+15.0% in Prepaid

Revenues



R\$
5.2 bn

EBITDA¹ 4Q22

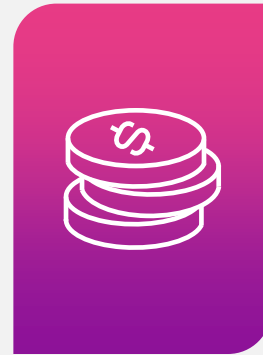
+6.1% YoY,
41.3% EBITDA Margin

R\$
9.8 bn

Operating Cash Flow¹ 2022

+4.4% YoY
20.3% OpCF Margin

Profitability



R\$
7.3 bn

Free Cash Flow 2022

11.3% FCF Yield

R\$
5.1 bn

Dividends + IoC declared in 2022

+R\$0.6 billion in
Share Buybacks in 2022

Shareholder Remuneration

Enhancing capital allocation and shareholder returns

Capital Reduction of up to R\$5bn requested to ANATEL

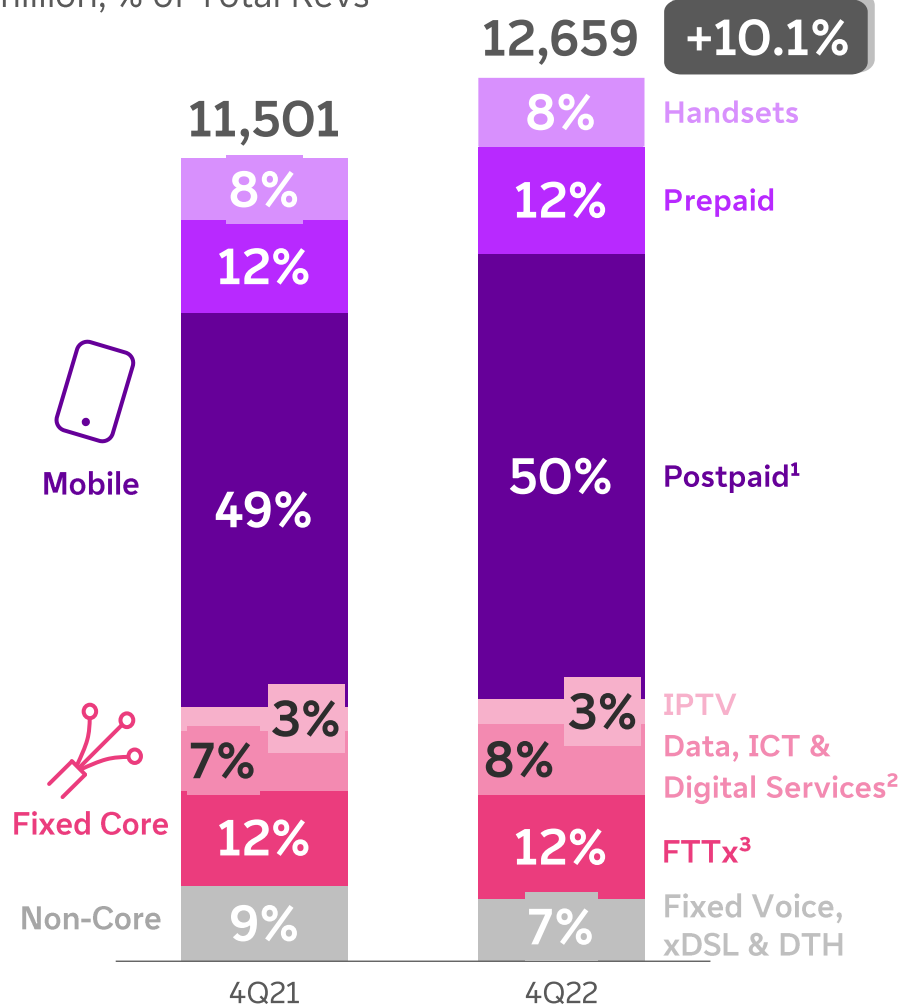
Cancellation of 13.4mn treasury shares² (0.80% of share capital)

New share buyback program to invest up to R\$500mn³ in 1yr

With Core Revenues showing a robust YoY growth, they now account for 93% of Total Revenues

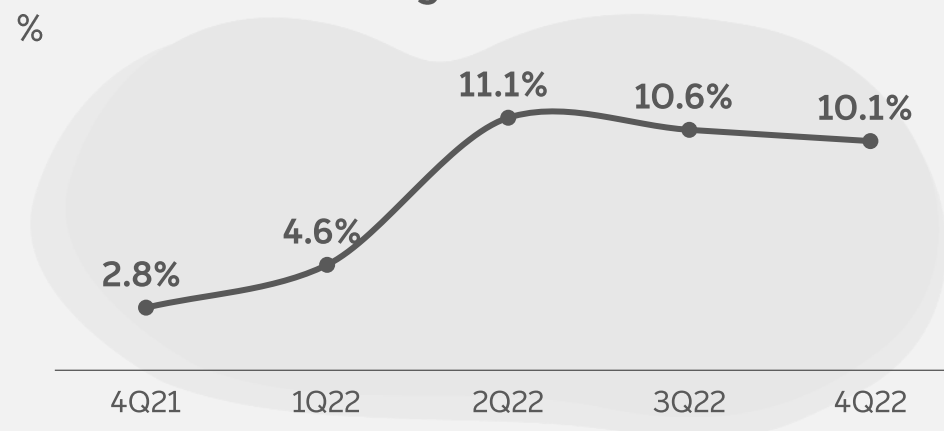
Total Revenues

R\$ million, % of Total Revs



Total Revenues YoY growth

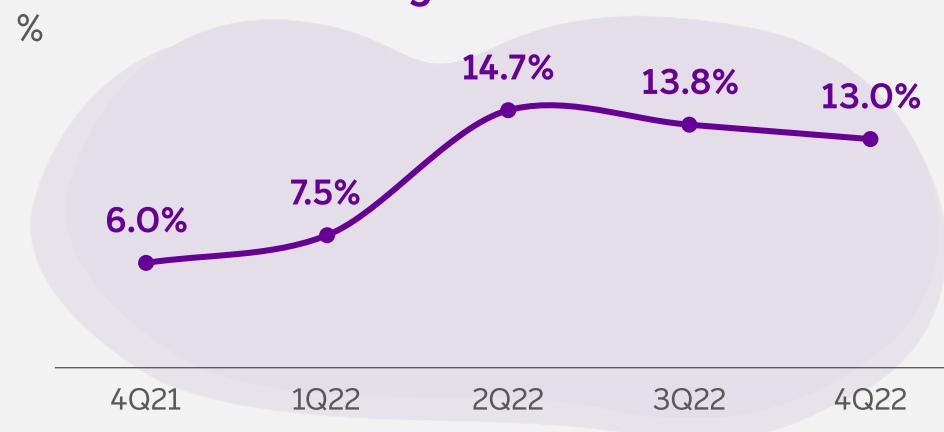
%



Total Revenues continue to grow above inflation, driven by strong operating performance

Core Revenues YoY growth

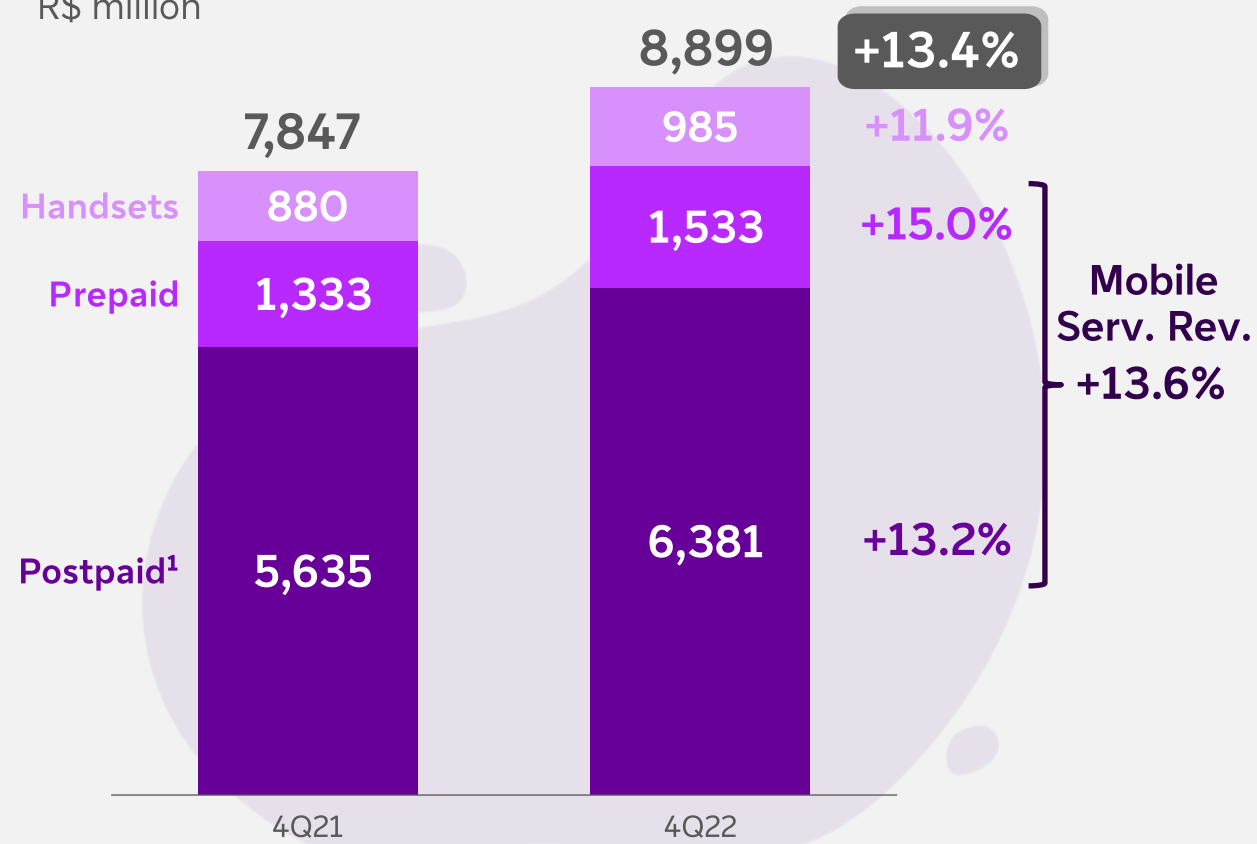
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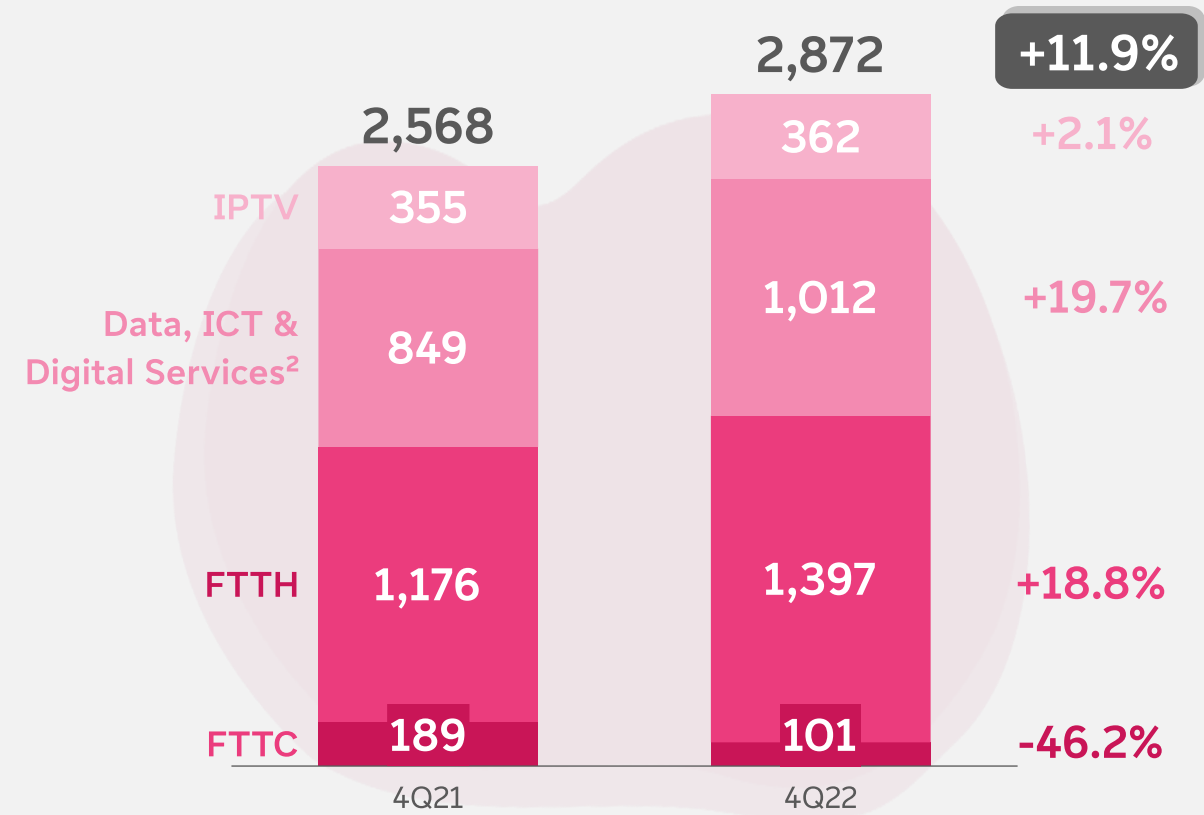
Led by Fiber, Postpaid and Digital B2B Solutions, **Core Revs consistently outpace Total Revenues**

Resilient Core Business performance leads to an escalated Mobile Revs. increase and Vivo's highest fixed revenue growth since 2015

Mobile Revenues
R\$ million



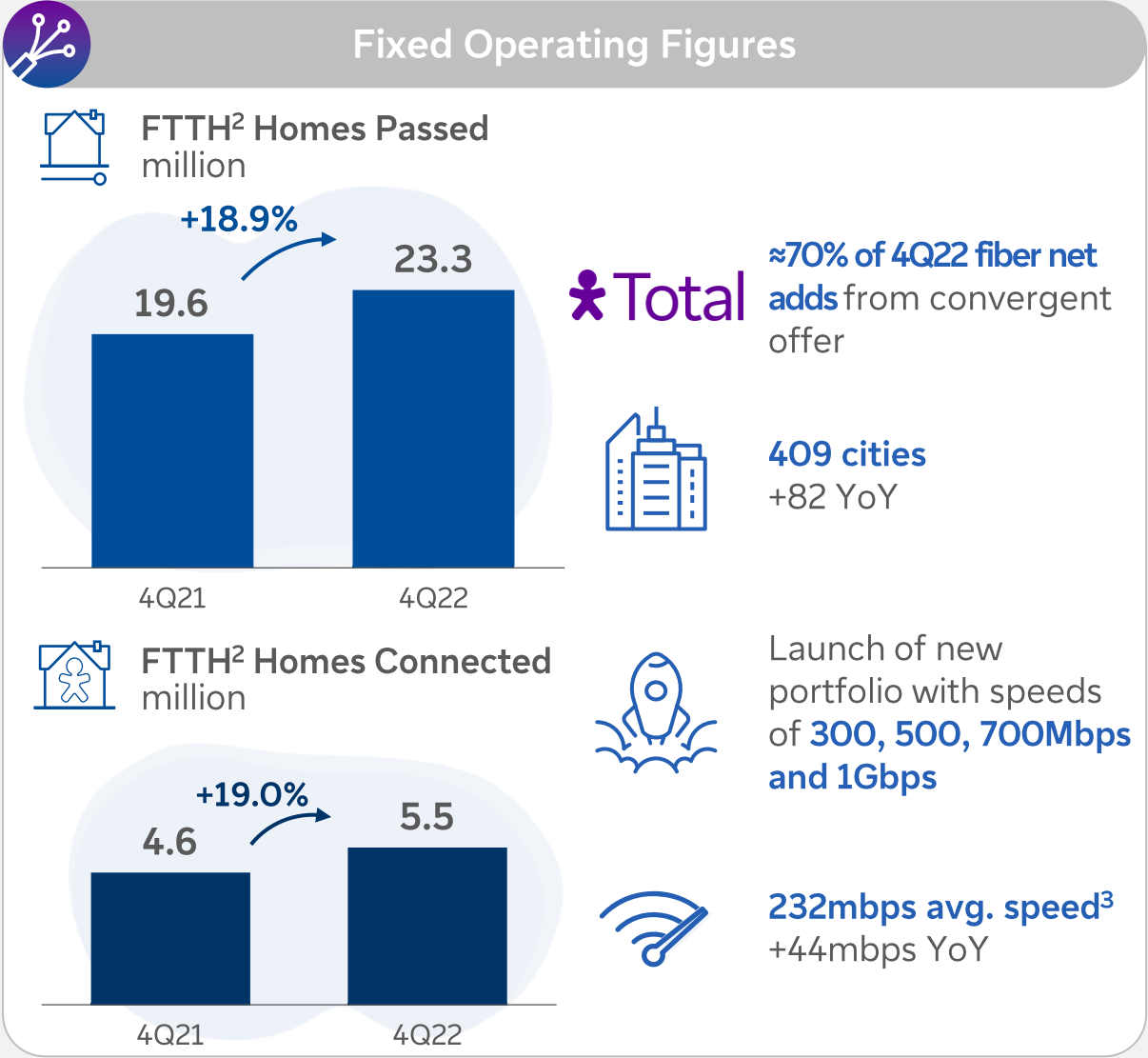
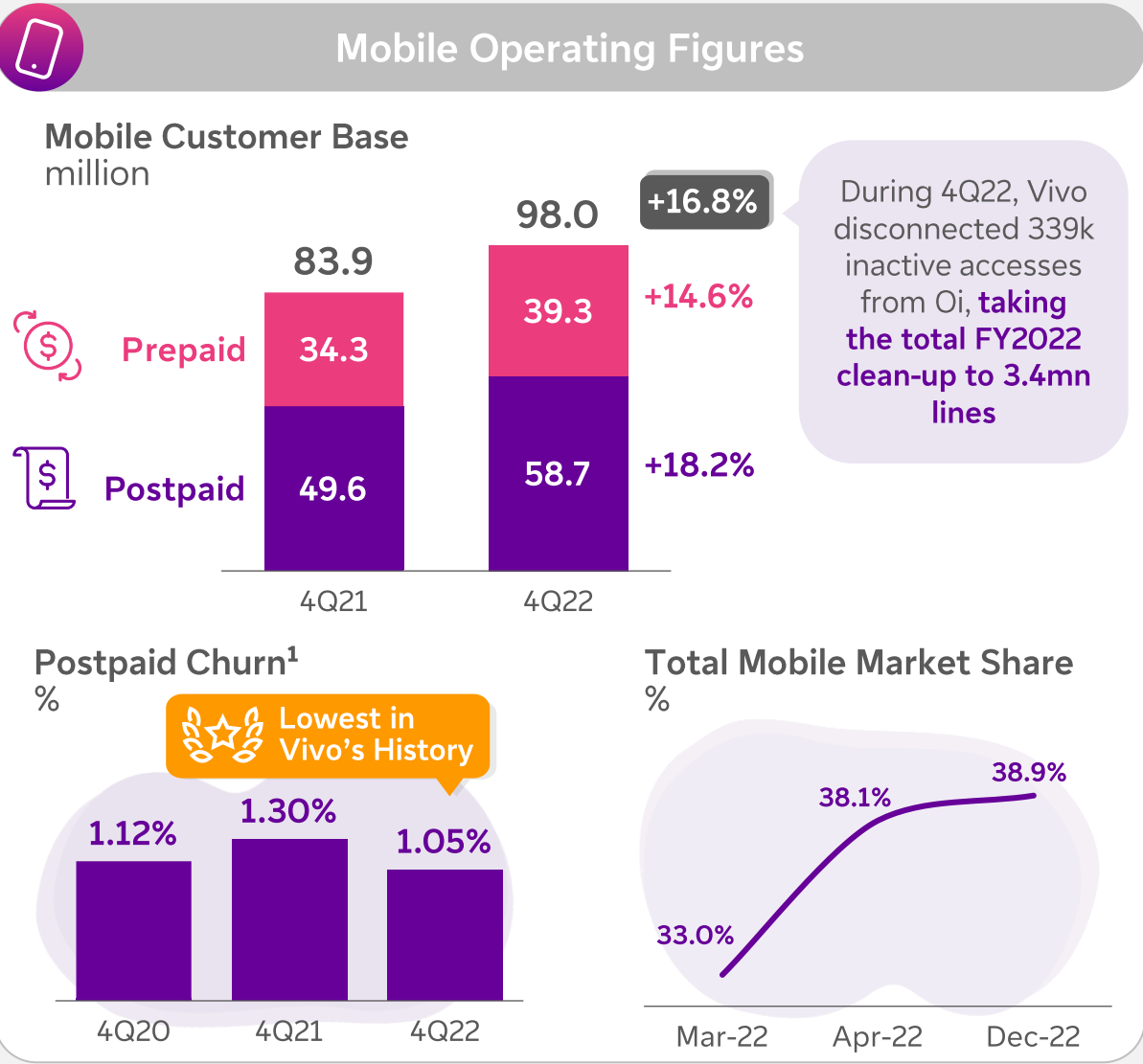
Fixed Core Revenues
R\$ million



Mobile service revenue growing significantly, as both **postpaid** and **prepaid** continue to expand at a double-digit pace

Fixed revenues up +2.9% YoY, the highest rate since 4Q15, as core revenues already represent 76.4% of our fixed business (+6.1 p.p. YoY)

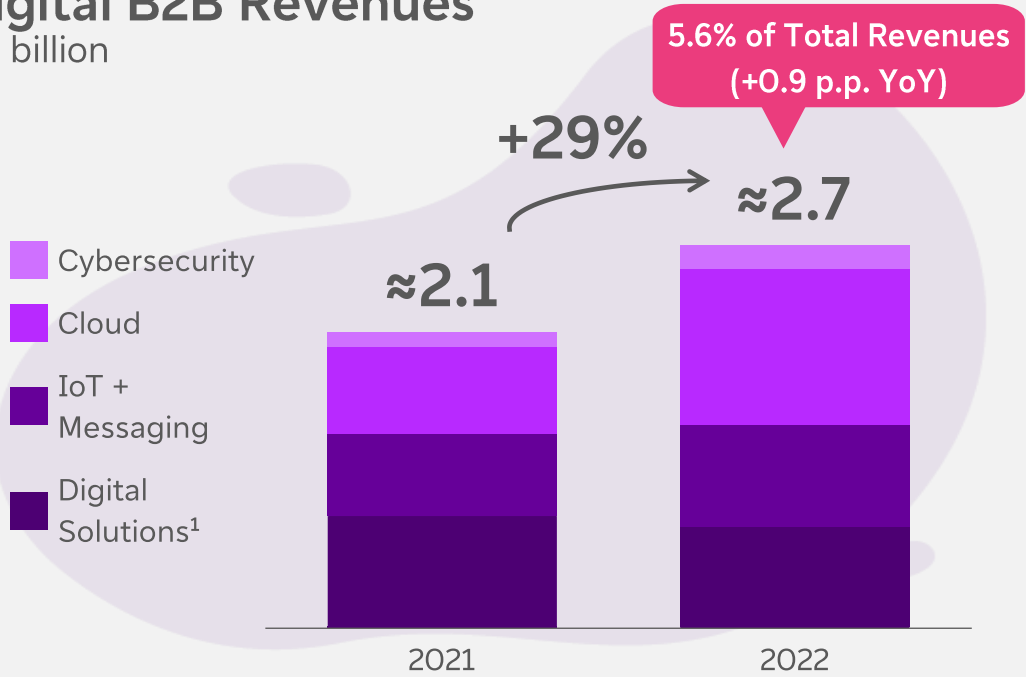
Convergent offer and faster deployment of fiber continue to show results as consumers are eager for superior quality services



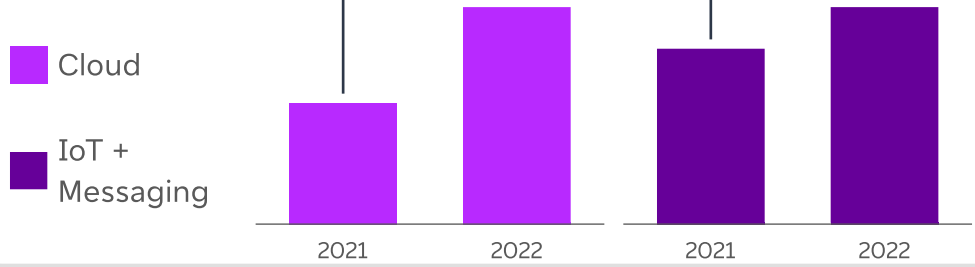
Consistent growth in B2B services translate into a higher share of total revenues, while B2C expands its portfolio of digital financial services

Digital B2B Revenues

R\$ billion



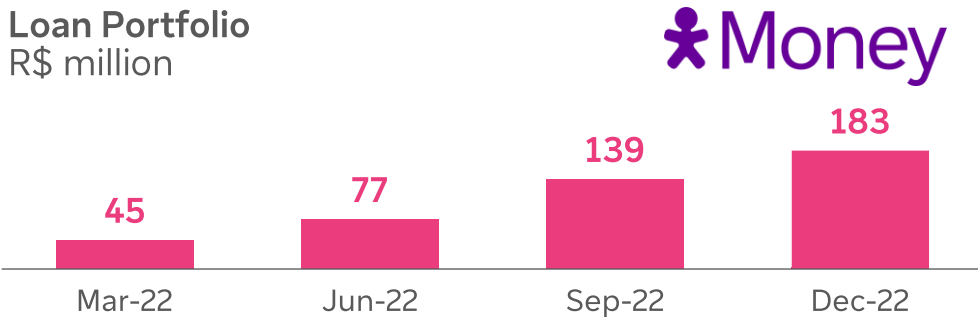
Revenues Growth % YoY



B2C initiatives

- Vivo continues to enhance its presence as a digital finance hub, expanding its portfolio to services such as credit card and insurance of handsets and homes
- Vivo Money, our personal, 100% digital credit service grew its loan portfolio by 6.8x YoY

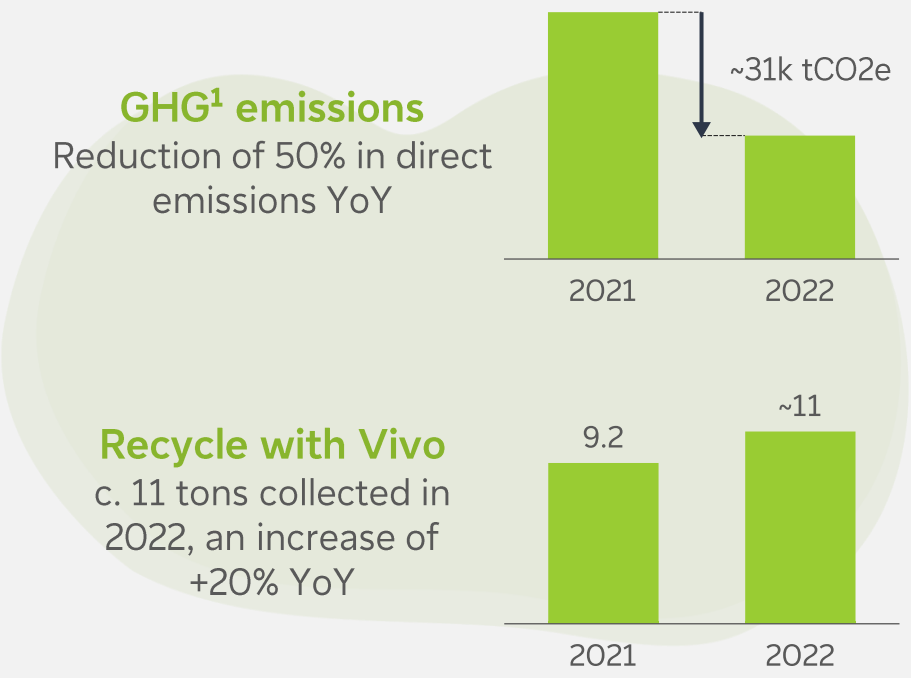
Loan Portfolio R\$ million



Ventures klubi

- Vivo Ventures commits to its second investment in a fintech since its launch, by investing R\$10 million in Klubi
- As a consortium administrator, Klubi will reinforce Vivo's presence in the financial solutions industry

Vivo continues to consolidate and advance in its ESG practices, being recognized as one of the leading telcos in the world in regard to sustainability





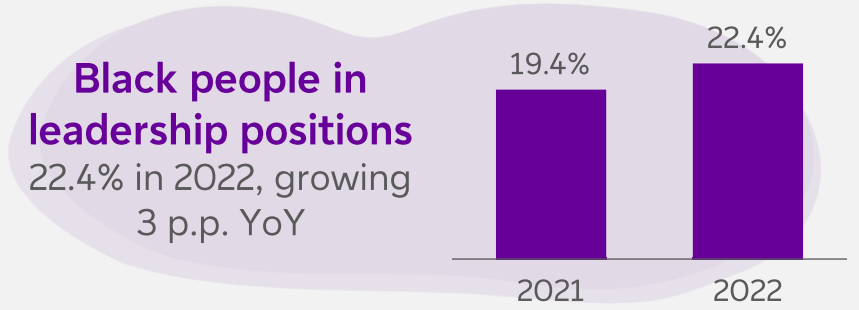
Around **2.2 million people benefitted** and **R\$58 million invested in 2022**



87 /100

Recognized in the **S&P Global's Sustainability Yearbook 2023, category Top 10% S&P Global ESG Score**

Represents companies within a range of 5% to 10% of the industry's top-performers





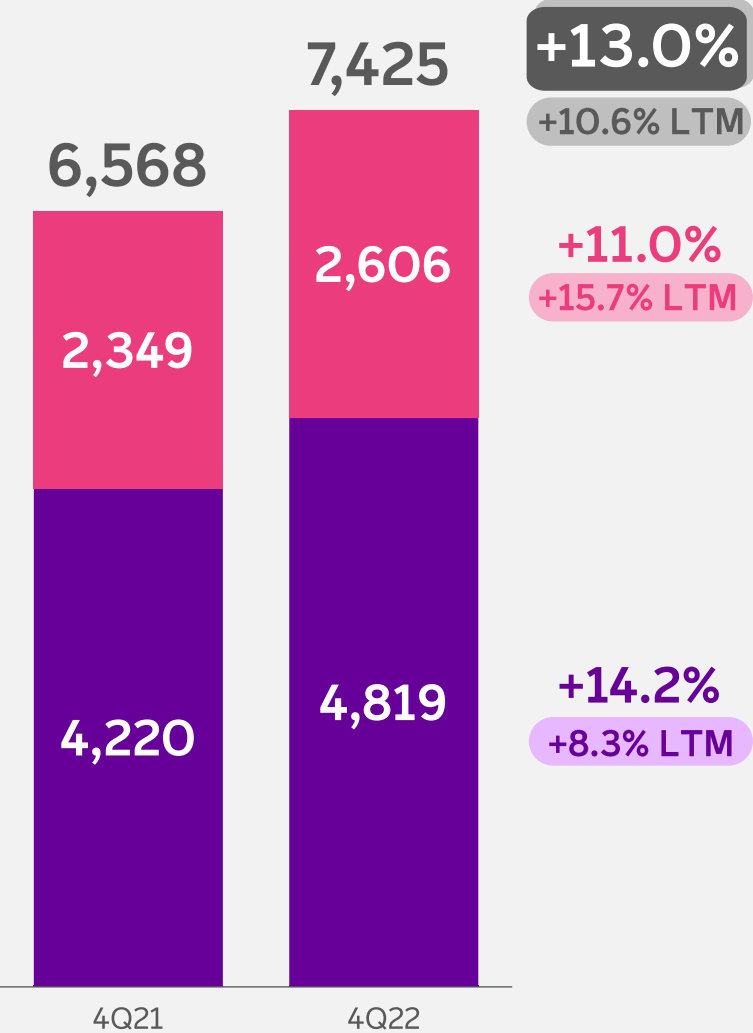
2nd position in B3's Corporate Sustainability Index ranking, standing out as one of the top companies in the country

Top 10 2022 Ranking²

1. EDP	6. CBA
2. Vivo	7. Ambipar
3. CPFL	8. Bradesco
4. Renner	9. Banco Pan
5. Klabin	10. Engie

Cost expansion mostly driven by the improved performance of digital services and increase in personnel

Costs¹
R\$ million



Costs of
Services and
Goods Sold

Cost of
Operations

Cost of Services and Goods Sold

35%
of costs
(-1 p.p. YoY)

- **Cost of Services up +10.2% YoY** supporting the expansion of digital services both in B2B and B2C
- **Cost of Goods Sold expanded +11.9% YoY** following the increase in revenues originated from handsets, accessories and IT equipment

Cost of Operations

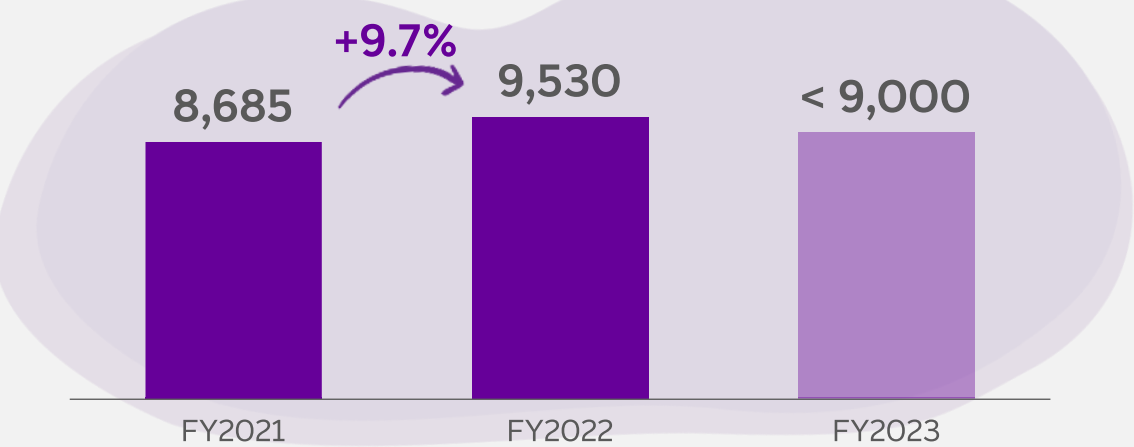
65%
of costs
(+1 p.p. YoY)

- **Provision for Bad Debt down -2.4% YoY**, highlighting our outstanding credit scoring and superior billing strategy
- **Higher Personnel costs** due to annual salary increases and B2B impact related to strong commercial activity and acquisition of Vita IT
- **Lower tax recoveries** and **sale of unused network equipment** vs 4Q21
- **Incorporation of Garliava** (Oi Móvel SPE) **to take place in 1Q23**, bringing additional cost savings

Operating Cash Flow margin reached 20.3% in the year even with higher investment on top-notch technologies, such as fiber and 5G

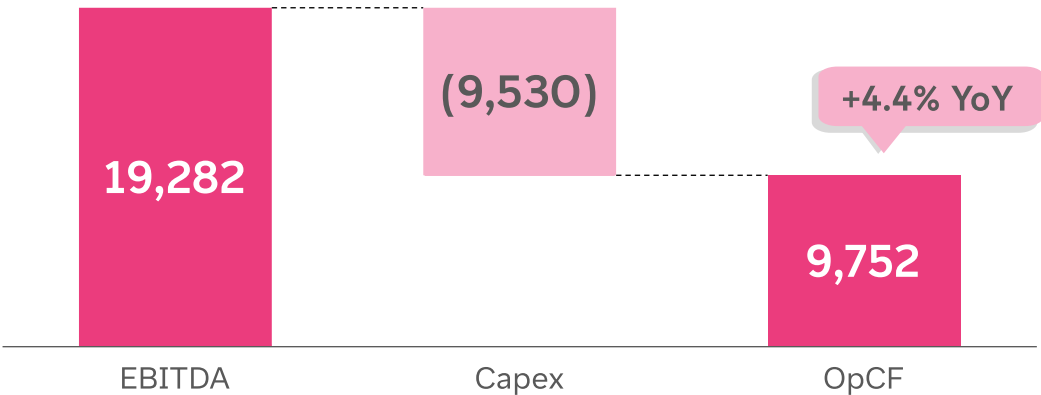
Capex¹

R\$ million

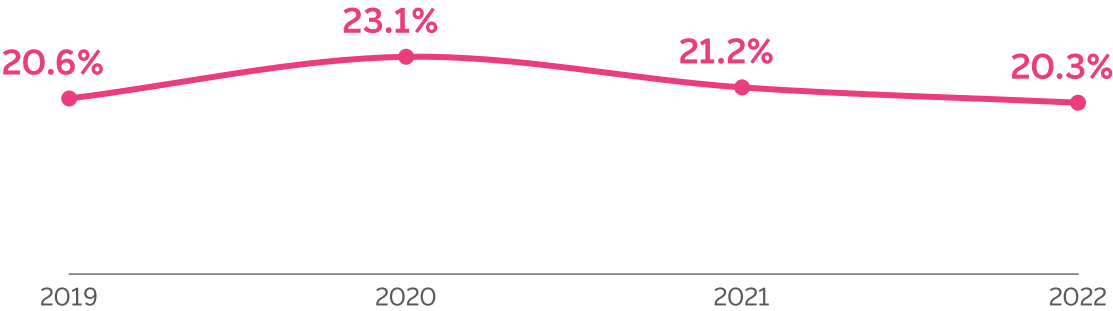


Operating Cash Flow¹

R\$ million, 2022



OpCF¹ Margin %



Capex in 2023 will be below R\$9bn, mainly dedicated to the expansion of 5G coverage, strengthening of mobile capacity and increased take-up of FTTH



2022 Capex pressured by R\$0.5 billion invested to incorporate **Oi Móvel's assets** and initial **5G deployment**, now covering 24% of the population with **Brazil's fastest 5G²**



Higher investment in FTTH in 2022 consolidates Vivo's leadership in the market

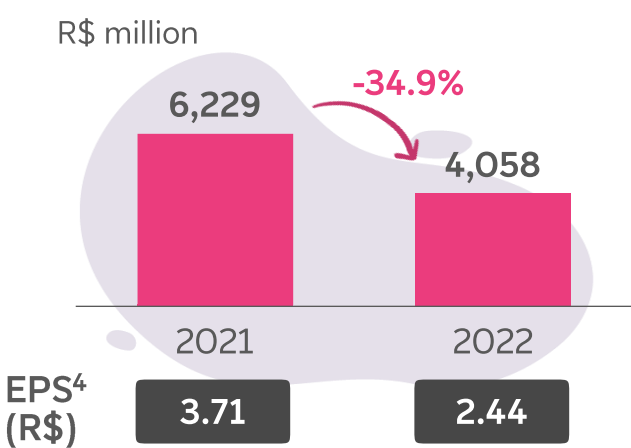
Strong Free Cash Flow generation, totaling R\$7.3 billion in 2022, allowing for controlled levels of indebtedness

Free Cash Flow¹
2022

R\$7.3 billion

Free Cash Flow Yield² (LTM)
11.3%
Free Cash Flow/Sales (LTM)
15.2%

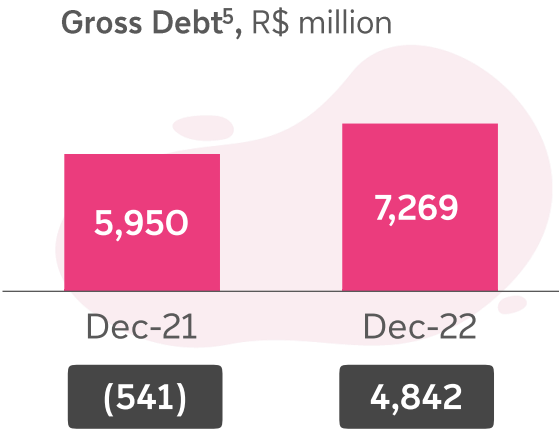
Net Income



Tough comps in 2022 as last year's **net income was positively impacted by non-recurring events³ in 2Q, 3Q and 4Q21**, in addition to the **higher average interest rate** seen in 2022 vs 2021

Indebtedness

Despite investing heavily in the acquisition of Oi Móvel's assets and 5G licenses, and R\$6.9bn directed to our shareholders' remuneration + share buybacks, **our debt levels remain well under control**



1 – After leases. 2 – Based on the Market Cap of December 31st, 2022. 3 – 2Q21: impact of R\$563 million, corresponding to extraordinary tax and regulatory matters. 3Q21: Positive effect of R\$417 million referring to the closing of FiBrasil Operation. 4Q21: impact of R\$1,408 million, related to a Supreme Court decision regarding income tax over monetary updates from tax refunds. 4 – Earnings Per Share. 5 – Excluding leases. Including leases, gross debt would reach R\$19bn and net debt R\$17bn.

Robust shareholder remuneration in 2022, with additional levers going forward that will give us the flexibility to maintain top-notch returns

2022 Shareholder Remuneration

	R\$ billion
Dividends declared in 2022 ¹ R\$2.0 billion paid out on October 18, 2022 R\$1.0 billion to be paid out on July 18, 2023	3.0
Interest on Capital declared in 2022 ¹ To be paid out on April 18, 2023	2.1
Total Dividends + IOC ²	5.1
Share Buybacks (Jan 2022 to Dec 2022)	+ 0.6
Total Shareholder Remuneration	5.7
Shareholder Yield ³	8.9%

Capital Structure Improvements and Potential Future Sources of Shareholder Remuneration

	R\$ billion	% Mkt Cap ⁴
Additional dividend based on 2022 results, proposed to General Shareholders' Meeting To be paid out on July 18, 2023	0.8	1.2%
Interest on Capital based on January 2023 results	0.1	0.2%
Cancellation of 13.4mn shares held in treasury on Dec 31, 2022 ⁵	0.5	0.8%
New share buyback program ⁶ (Feb 2023 to Feb 2024)	Up to 0.5	0.8%
Capital Reduction request to ANATEL ⁷ (To be carried out in one or more events during the next years)	Up to 5.0	7.5%

1 – Considers the events with record dates in 2022. 2 – Interest on Capital. 3 – Based on the Market Cap of December 31st, 2022. 4 – Based on the Market Cap of February 14th, 2023. 5 – On February 15th, 2023, the Company's Board of Directors approved the cancellation of shares held in treasury as of December 31, 2022. 6 – Approximate value, that may vary according to management's analysis. 7 – As described in the Material Fact published on February 15, 2023.

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