

# RESULTS 1Q25

Telefônica Brasil S.A.  
Investor Relations  
May 12th, 2025

**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

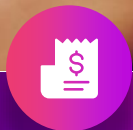
# Changes in topline mix are shaping Vivo's future for increased profitability



Mobile Postpaid  
Accesses

**67.4mn** +7.7% YoY

102.4mn Total Mobile  
Accesses (+2.7% YoY)



Total Revenue  
1Q25

**+6.2%**

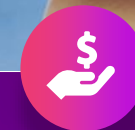
Mobile Service Revenue +6.5%  
Fixed Revenue +6.2%



Operating Cash Flow<sup>1</sup>  
1Q25

**R\$3.8bn**

+12.7% YoY  
26.7% of Total Revenues



Net Income<sup>2</sup>  
1Q25

**R\$1.1bn**

+18.1% YoY



Fiber Homes  
Connected

**7.2mn** +12.9% YoY

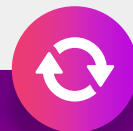
29.6mn Homes Passed  
(+10.5% YoY)



EBITDA  
1Q25

**+8.1%**

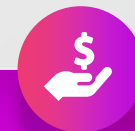
YoY



Free Cash Flow  
1Q25

**R\$2.1bn**

14.8% of Total Revenues



Shareholder  
Remuneration

**R\$2.6bn**

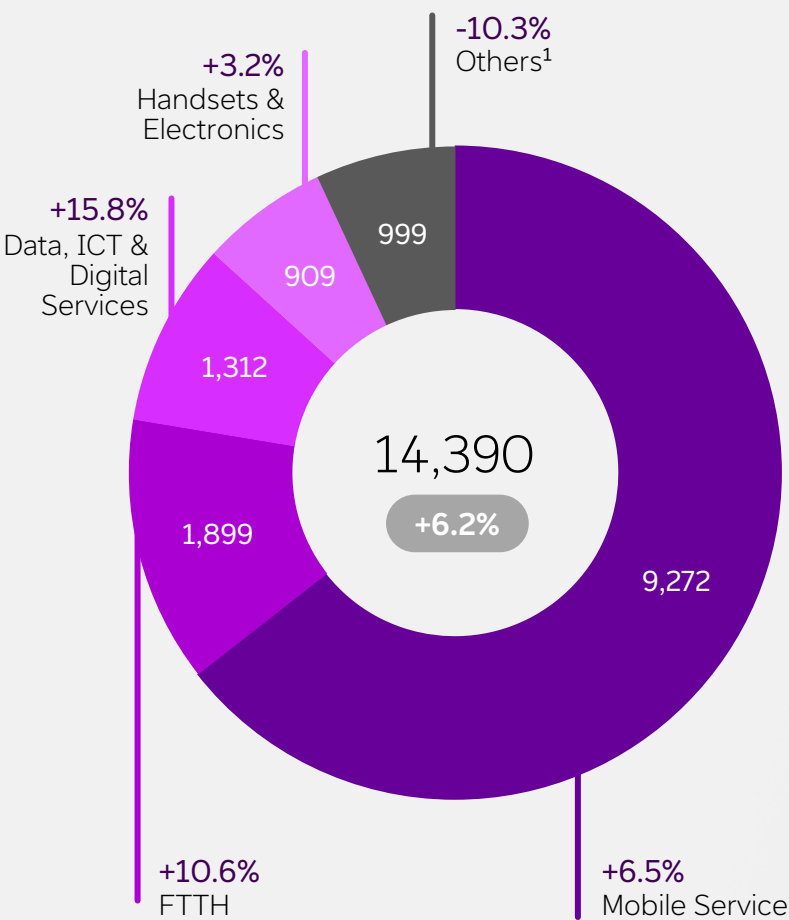
Already paid out to shareholders,  
as of April 2025

1 – Capex ex-licenses. OpCF after leases amounted to R\$2.5 billion in 1Q25, up 15.4% YoY with a margin of 17.4% (+1.4p.p. YoY). 2 – Net income attributed to Telefônica Brasil.

# Revenue growing above inflation, driven by the double-digit evolution of our flagship services

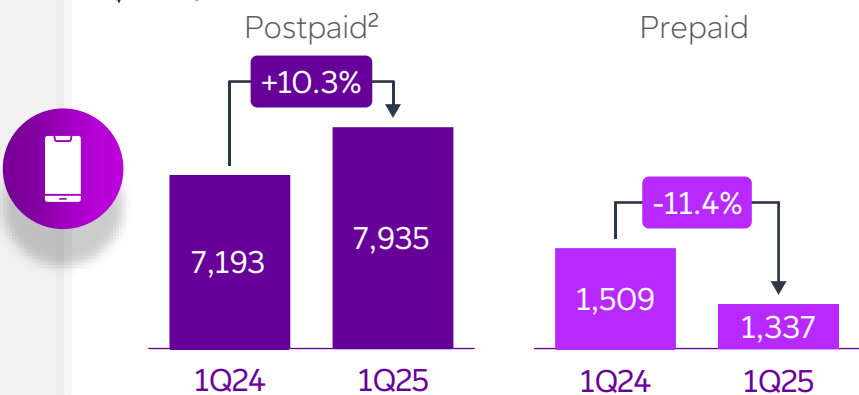


**Total Revenues | R\$ Million, YoY**



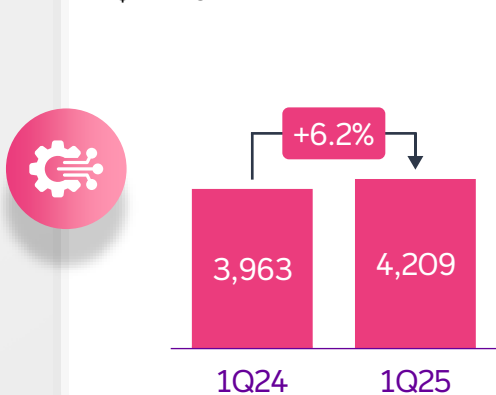
## Mobile Service Revenues

R\$ Million



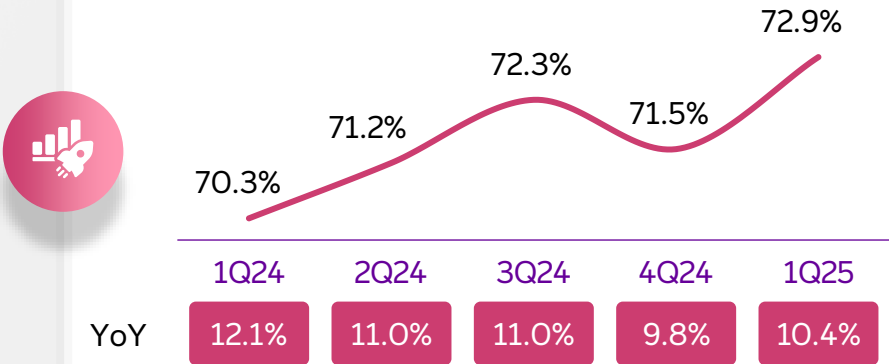
## Fixed Revenues

R\$ Million



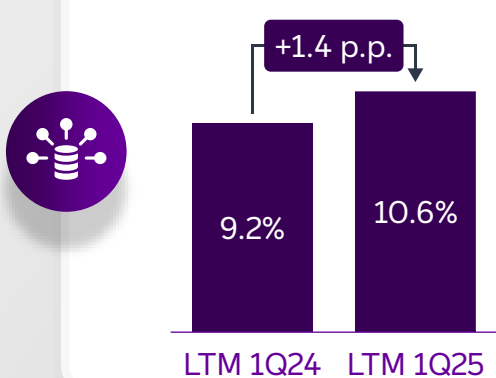
## Postpaid + Fiber Revenues

% of Service Revenues



## New Businesses Revenues

% of Total Revenues

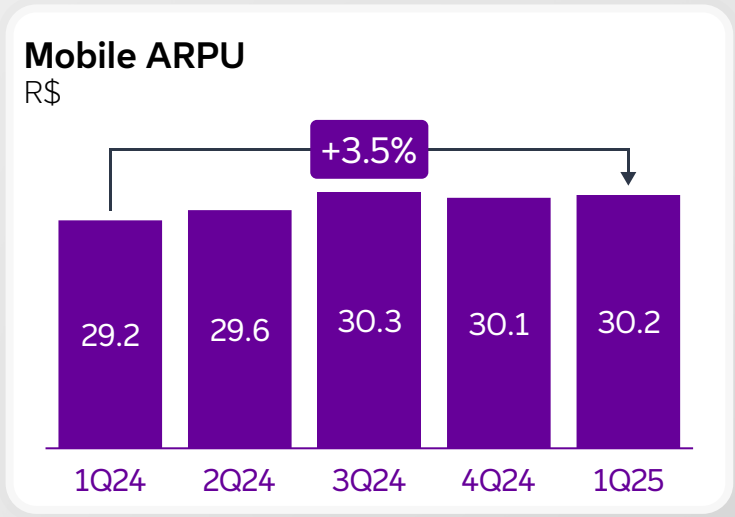
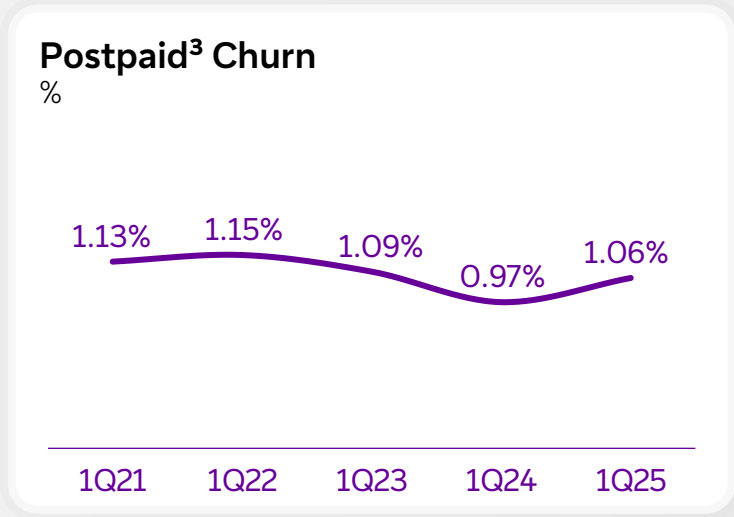
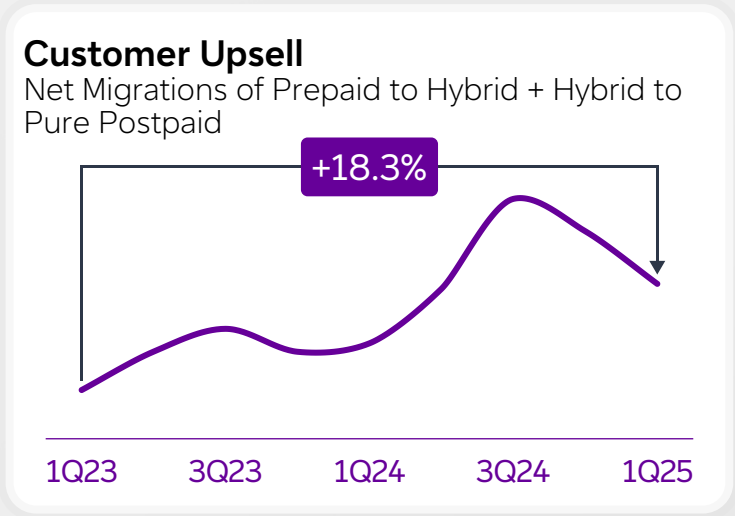
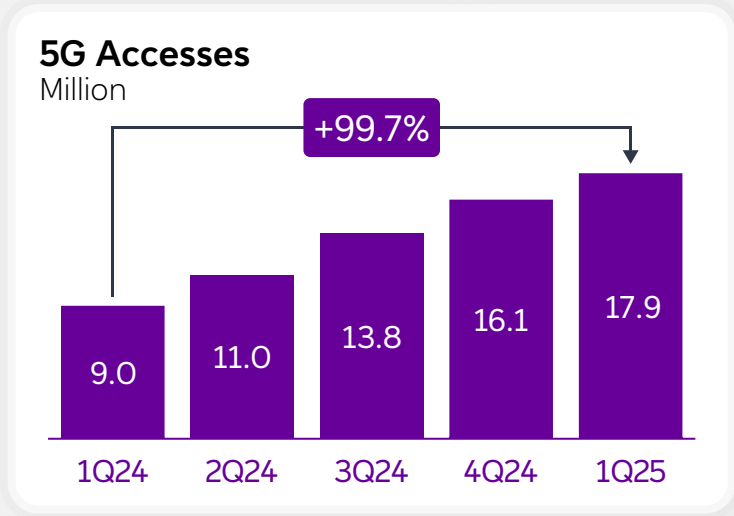
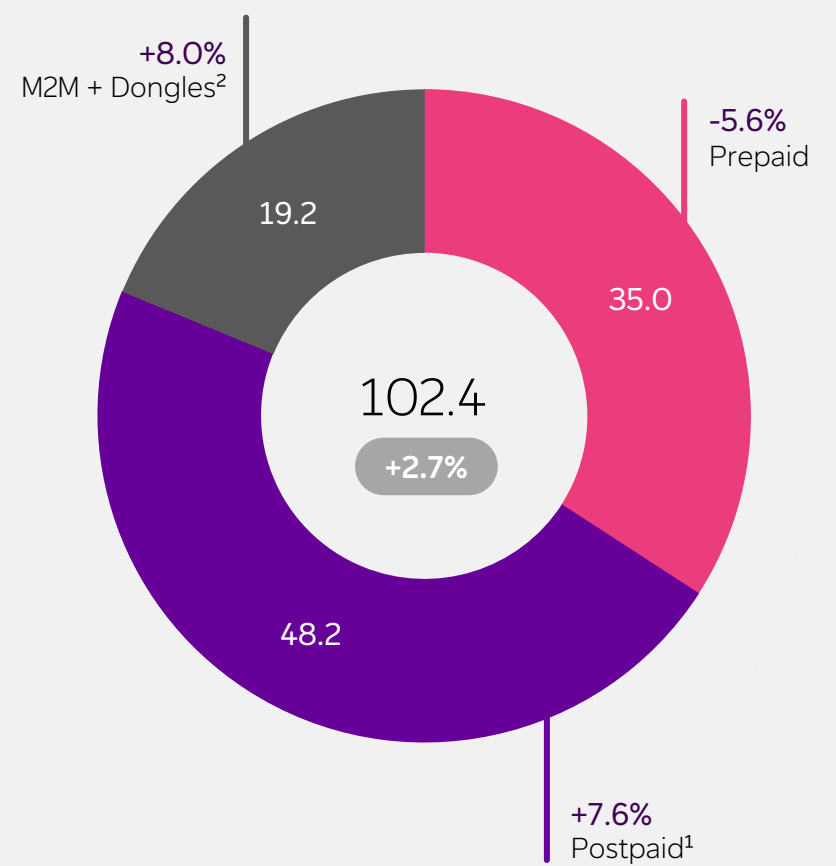


1 – “Others” includes FTTC (Fiber-to-the-Cabinet), xDSL, IPTV and Voice. 2 – Postpaid Revenues include M2M, Dongles, Wholesale, Roaming, etc.

# Prepaid to postpaid migration leads to ARPU growth and improves customer satisfaction



Mobile Accesses | Million, YoY



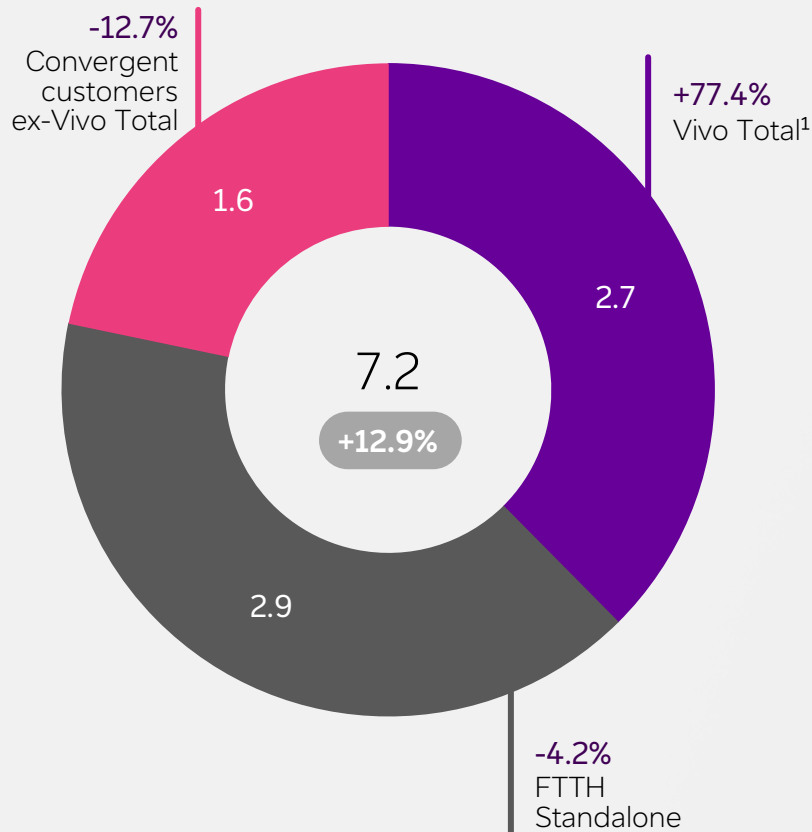
1 – Considers hybrid and pure postpaid accesses, thus excluding M2M and Dongles. 2 – M2M and Dongles are postpaid services. Therefore, Vivo's total postpaid base reached 67.4 million accesses in 1Q25 (+7.7% YoY), representing 65.8% of Vivo's total mobile accesses. 3 – Ex-M2M.



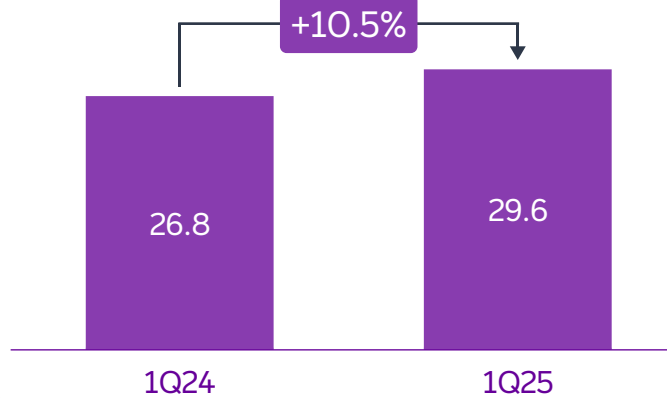
# Low churn and increasing demand for quality services are behind Vivo Total's successful performance



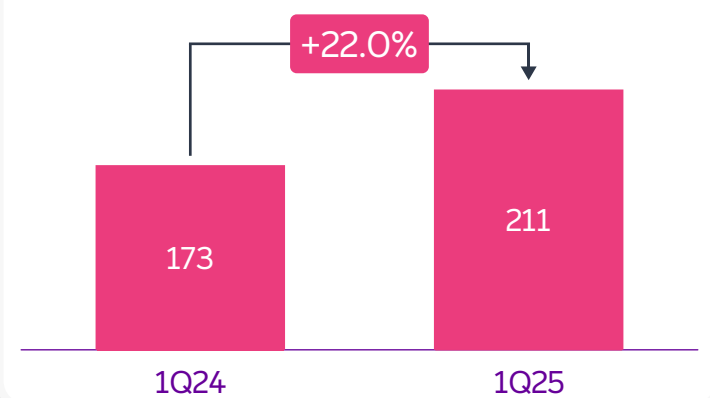
## FTTH Accesses | Million, YoY



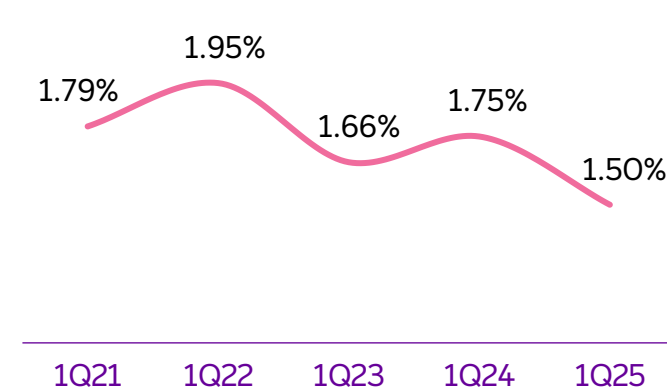
## FTTH Homes Passed Million



## FTTH Net Additions Thousand



## FTTH Churn %



 **Total**

NETFLIX

globoplay

Disney+

- New Vivo Total plans with OTTs, enhancing lifetime value of our customers
- Additionally, the plans include 1 year of Amazon Prime subscription for free

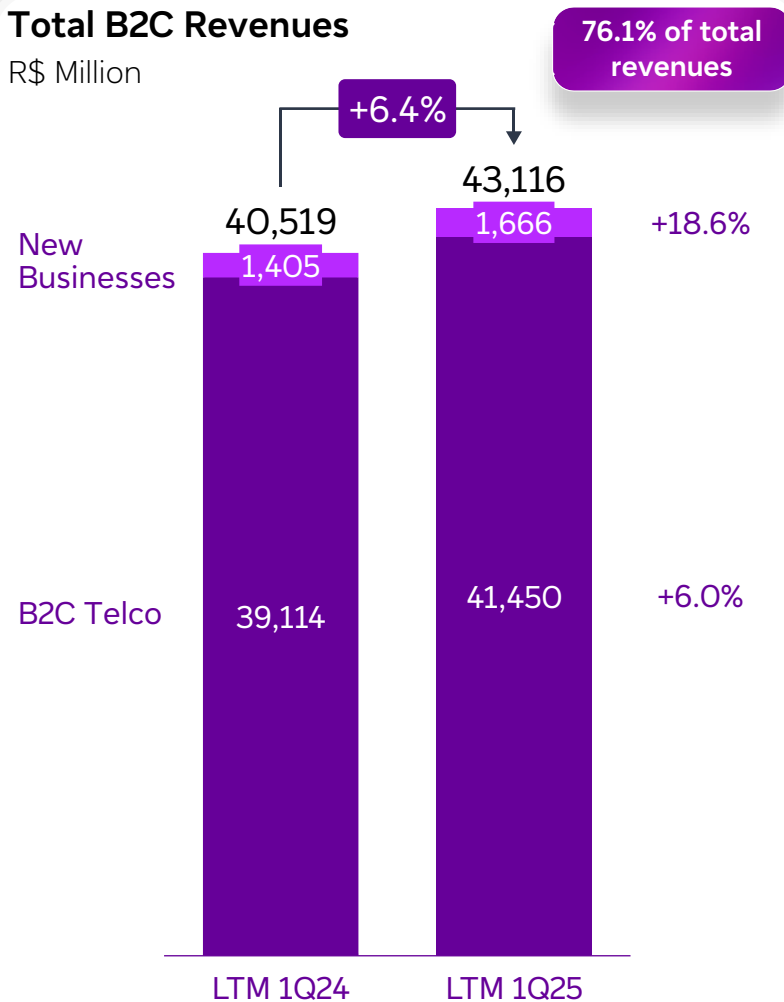
1 – Vivo Total is a convergent offer that combines fiber and mobile in a single bill.

# B2C new businesses continue to gain traction, with a positive impact on average spend and lifetime value



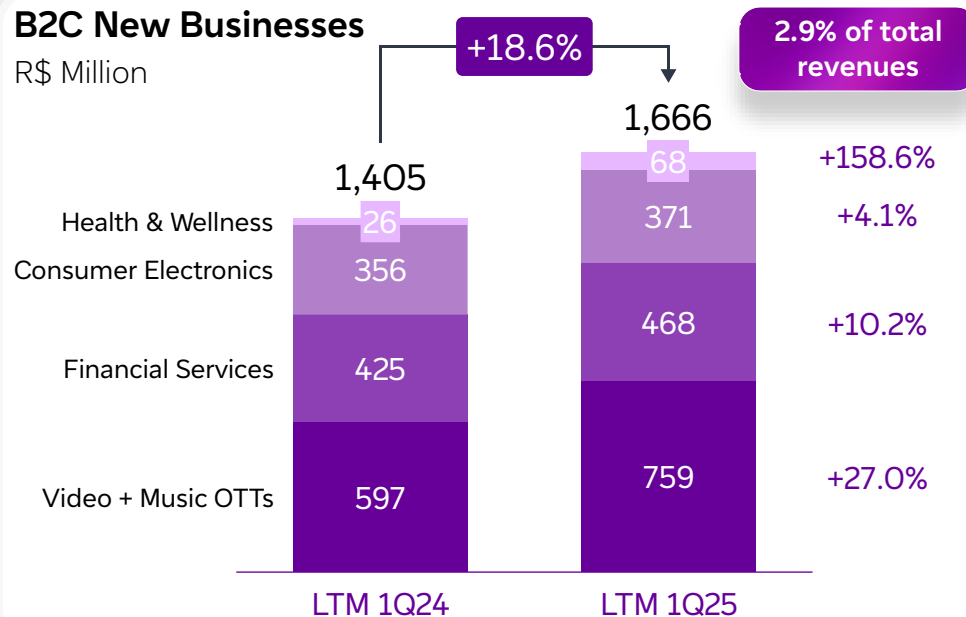
## Total B2C Revenues

R\$ Million



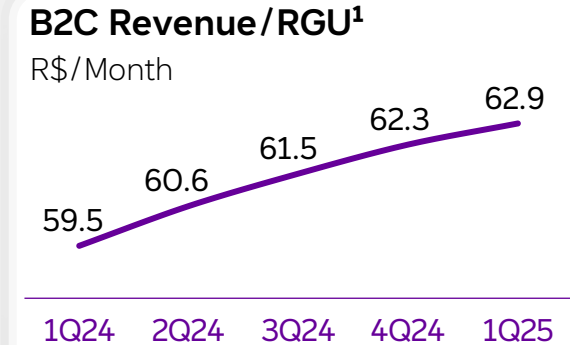
## B2C New Businesses

R\$ Million



## B2C Revenue/RGU<sup>1</sup>

R\$/Month



## Number of RGUs<sup>1</sup>

Million

57.2



On March 21, 2025, Vivo acquired i2GO for an amount of up to R\$80 million

i2GO joins OVVI to reinforce Vivo's presence in the market of accessories for smartphones and other devices

1 – Considers B2C's LTM revenue for calculating the indicator. B2C Revenue Generating Units (Taxpayer ID/CPFs).

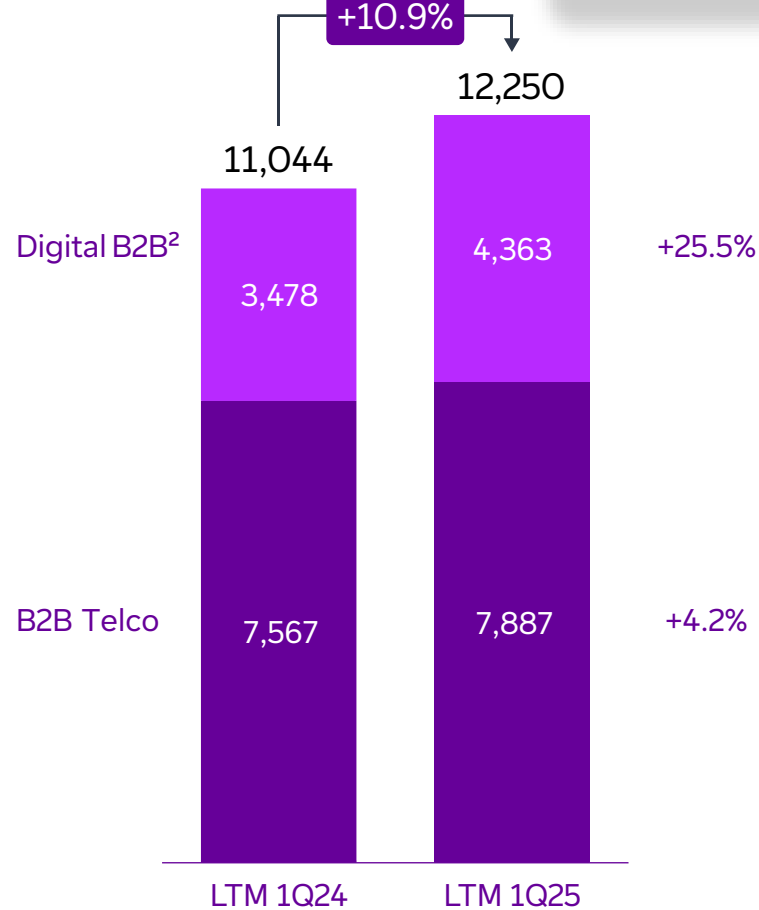
# Vivo is a one-stop-shop for businesses of all sizes, focused on the digitalization of its customer base



## Total B2B Revenues<sup>1</sup>

R\$ Million

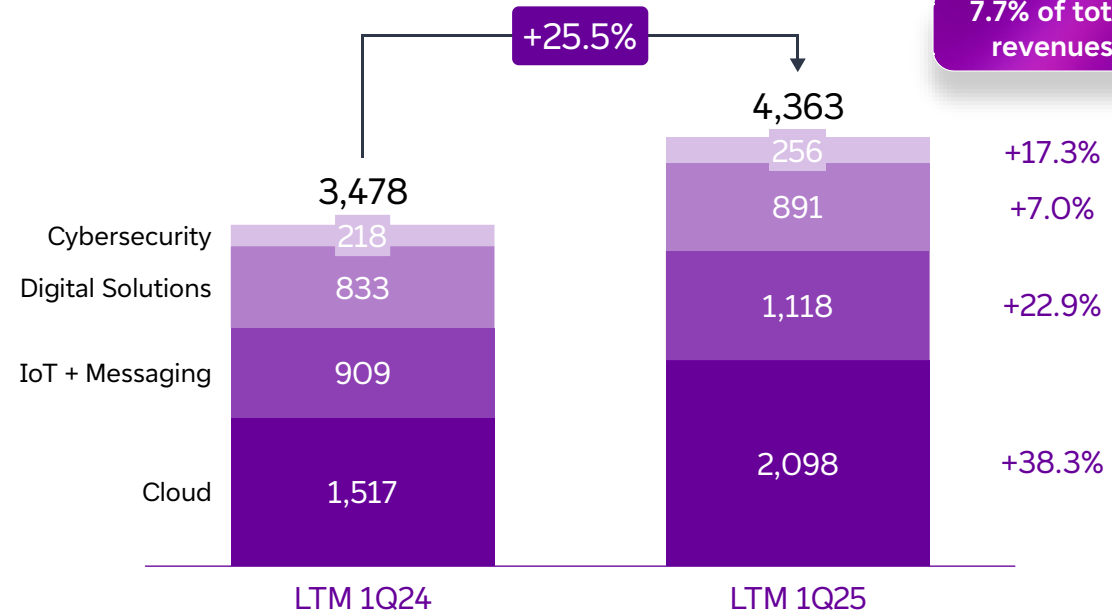
21.6% of total revenues



## Digital B2B<sup>2</sup>

R\$ Million

7.7% of total revenues



 **Empresas**

Vivo positioned as the **key technological partner** of Brazilian companies, with **1.8mn B2B clients**

**Irreplicable portfolio**, ranging from mobile and fixed connectivity to the sale of state-of-the-art digital solutions and equipment

1 – Excludes Wholesale revenues that amounted to R\$1,324 million in LTM 1Q25. 2 – We improved the revenue allocation between products within Digital B2B, adjusting historic and current figures with no changes to the total Digital B2B Revenues.



# Vivo continues to standout among Brazilian companies for its ESG practices



## Awards



Vivo is highlighted in Brazil in S&P's global assessment

Leading in points, securing a spot in the Dow Jones Best-in-Class World Index, and ranking 6th best-performing telecom globally<sup>1</sup>



Only Brazilian telco present for 4 years on the CDP Climate A List, among the leaders in the climate agenda

ISE B3

Featured once again in the Corporate Sustainability Index



## Environment



Platform Futuro Vivo details Vivo's positioning in sustainability and promotes reflections on **environmental preservation, with a focus on the Amazon rainforest**

At Lollapalooza 2025, the **Raízes Vivas** campaign featured immersive experiences about Northern culture and the preservation of the Amazon rainforest

Recertification of the largest system for **Environmental Management (ISO 14001)** in the sector in Brazil



## Diversity



Trainee Program reaches record in diversity: **56% of those selected are black employees** and **11% have a disability**



Vivo is the winner in the **ANATEL's accessibility ranking** that recognizes good practices in customer service for people with disabilities

Check out the main **ESG Highlights** of 2024



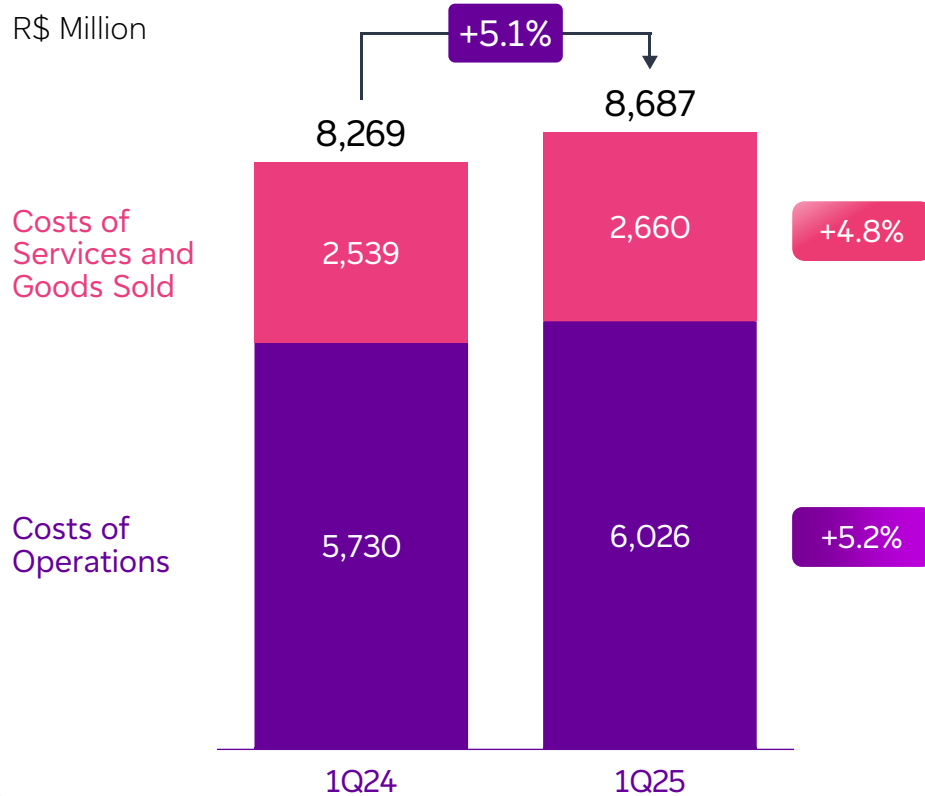
1 – Highest score in Brazil and 6<sup>th</sup> best score among 131 companies evaluated in the Telecommunication Services (TLS) sector, in the S&P Global Corporate Sustainability Assessment (CSA) as of May 9, 2025.

# Operating costs grew below inflation in 1Q25, leading to solid EBITDA expansion



## Costs

R\$ Million



EBITDA  
Margin

39.0%

39.6%

## Costs of Services & Goods Sold

**Cost of Services | +7.7% YoY | 11.1% of Revs (+0.2p.p. YoY)**

- Greater commercial activity in Digital B2B, increasing licensing costs

**Cost of Goods Sold | +0.7% YoY | 7.4% of Revs (-0.4p.p. YoY)**

- Improved margin profile, mainly related to Handset & Electronics sales

## Costs of Operations

**Personnel | +7.6% YoY | 10.8% of Revs (+0.1p.p. YoY)**

- Annual salary and benefits readjustments, as well as increased headcount

**Commercial & Infrastructure | +5.4% YoY | 25.3% of Revs (-0.2p.p. YoY)**

- Increased expenses with network maintenance/expansion and higher commercial activity

**Provision for Bad Debt | -3.6% YoY | 2.7% of Revs (-0.3p.p. YoY)**

- Controlled evolution, confirming the essentiality of our service

**General & Administrative | +9.5% YoY | 2.3% of Revs (+0.1p.p. YoY)**

- Higher costs with third-party administrative services

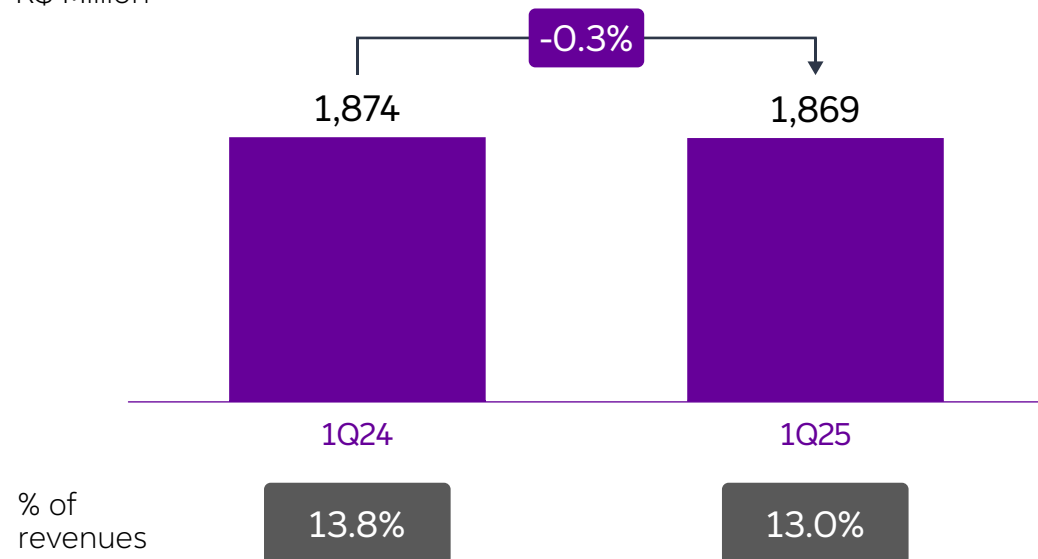
**Other Revenues (Expenses) | -10.6% YoY | 0.8% of Revs (-0.2p.p. YoY)**

- Increased tax recoveries, compensated by higher provision for contingencies and reduced copper sales, that should gradually resume throughout the year

# Capex efficiency and EBITDA evolution lead to an OpCF AL growth of 15.4% YoY



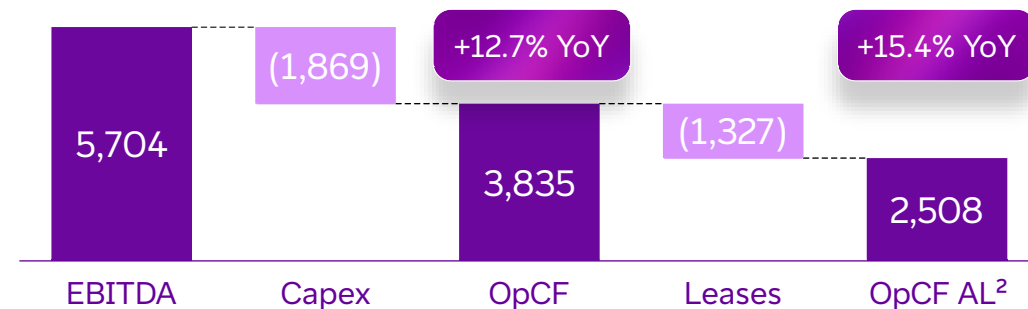
**Capex<sup>1</sup>**  
R\$ Million



- **Mobile Capex:** 86% dedicated to 5G (+18p.p. YoY), that already covers 62% of Brazil's population in 519 cities
- **Fiber Capex:** >90% invested in connecting homes, accelerating our network take-up
- 76% of our Capex dedicated to **growth** (+2p.p. YoY)

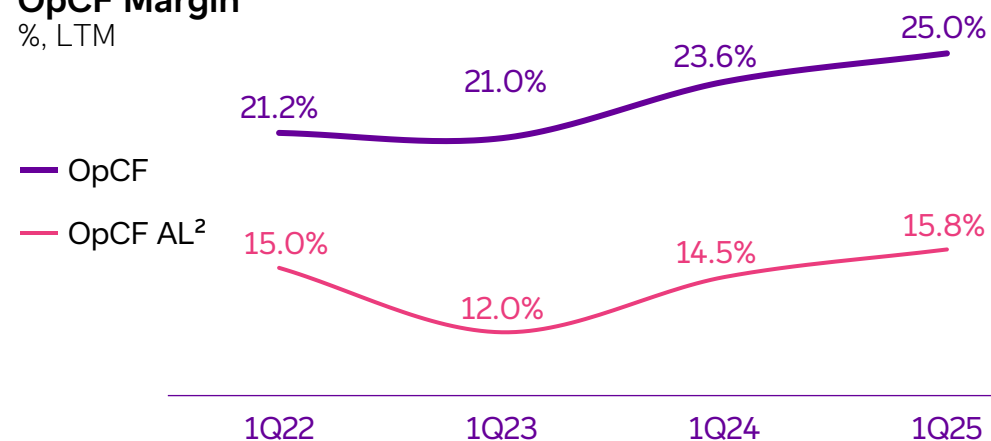
**OpCF<sup>1</sup>**

R\$ Million, 1Q25



**OpCF Margin<sup>1</sup>**

% , LTM

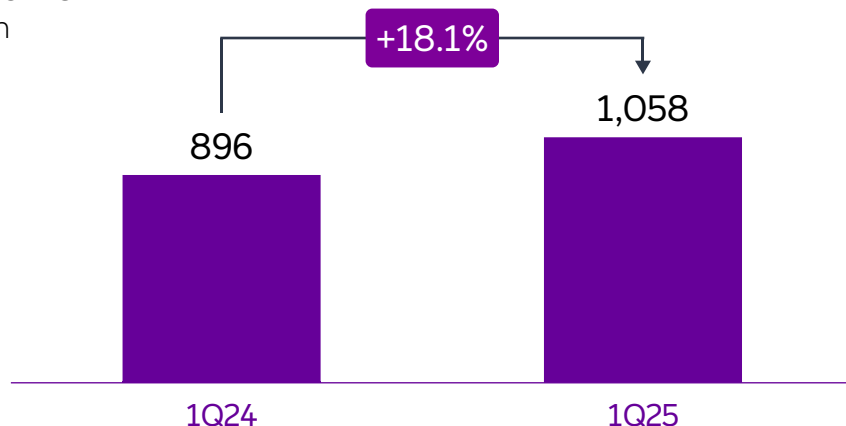


# Solid cash generation with net income growing 18.1% YoY is a powerful combination



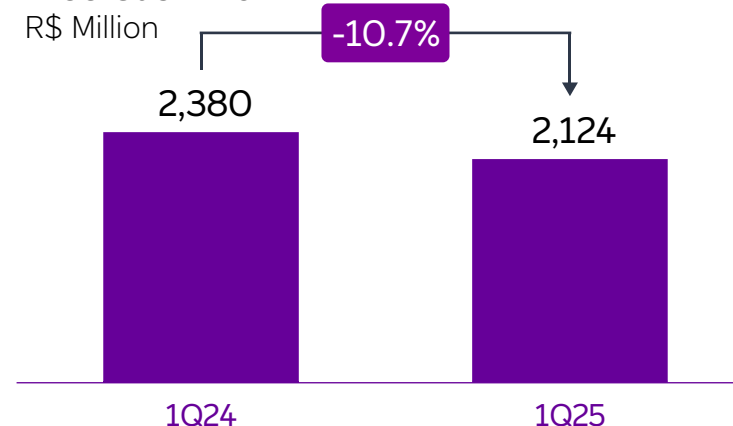
## Net Income<sup>1</sup>

R\$ Million



## Free Cash Flow<sup>2</sup>

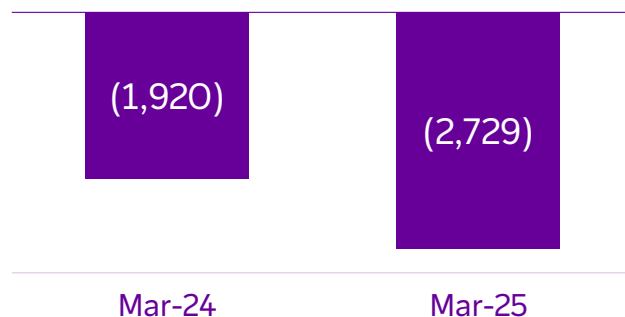
R\$ Million



Annual comparison was impacted by the consumption of working capital, as the payment of regulatory fees (EBC and Condecine), which last year happened in April, this year occurred in March

## Net Debt/(Cash)<sup>4</sup>

R\$ Million



Mar-25 Net Debt including IFRS-16

**R\$12.1bn**

0.5x LTM EBITDA

Free Cash Flow Yield (LTM)<sup>3</sup>

**9.8%**

FCF/Revenues

**14.8%**


1 – Considers the net income attributed to Telefônica Brasil. 2 – After leases. 3 – Market cap based on March 31, 2025. 4 – Excluding IFRS-16. Debt position does not include the outstanding amount related to the FISTEL TFF fee for the period 2020-2025, amounting to R\$5.7 billion.



# We reiterate our guidance, delivering substantial returns to shareholders



## Shareholder Remuneration<sup>1</sup>

| Type of Payment                   | Amount (R\$ million) | Date of Payment   |
|-----------------------------------|----------------------|---|
| Outstanding IoC declared in 2024  | 2,250                | April 8, 2025   |
| Share Buyback <sup>2</sup>        | 326                  | Ongoing   |
| <b>Events Paid so far in 2025</b> | <b>2,576</b>         |  |
| Capital Reduction                 | 2,000                | July 15, 2025   |
| IoC declared in 2025 <sup>2</sup> | 1,120                | Before April 30, 2026   |



VIVT3 is one of the Top 50 most liquid shares in the Brazilian Stock Exchange<sup>3</sup>



On April 15, 2025, the reverse stock split followed by a forward stock split operation took place, **changing our total number of shares to 3,261,287,392<sup>4</sup>**



New Share Buyback Program launched on February 25, 2025, **allowing the investment of up to R\$1.75bn, the largest in Vivo's history**



We reaffirm our commitment to **distributing at least 100% of our net income to shareholders** for the years 2025 and 2026

1 – Considers the date of payment. 2 – Considers the share buybacks and Interest on Capital declared up to the date of this presentation. 3 – According to B3's Negotiability Index of April 2025 Vivo was the 40<sup>th</sup> most liquid share, up 17 positions since April 2024. 4 – This amount includes shares in treasury. Excluding these shares, the total count as of the date of this presentation is 3,240,083,552.

# The migration to the authorization regime is already concluded, and benefits are being captured



## Fixed Voice Authorization

- On April 11, 2025, Vivo and ANATEL signed the Single Term of Authorization, **officializing the migration from a Concession regime to the Authorization model for the Fixed Telephony Service in the State of São Paulo**

## Potential Financial Benefits<sup>1</sup>



### Copper

approx. R\$3bn

Proceeds from the sale of copper recovered from cables, net of extraction costs<sup>2</sup>



### Real Estate

approx. R\$1.5bn<sup>3</sup>

Proceeds from the sale of assets, net of demobilization costs<sup>2</sup>

## Next Steps

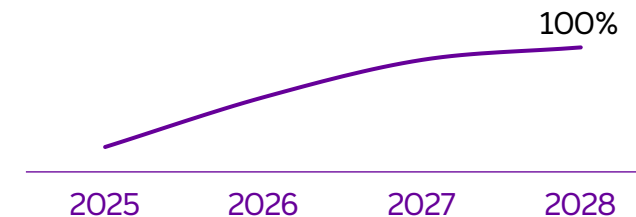
- The migration of copper-based fixed voice customers to other technologies is **already underway**, enabling improved service quality and the initial release of assets
- We will invest in projects, to be delivered in 5 to 10 years, focused on expanding our mobile coverage and fiber backhaul, while maintaining the fixed voice service where we are the carrier of last resort up to 2028



### Recurring Savings

Cost efficiencies related to the decommissioning of the copper network, that mostly impact the Commercial & Infrastructure Opex line, to be captured gradually until we achieve the run-rate in 2028

## Timeline for Capture of Benefits



We will start to capture benefits in 2025 and will accelerate in 2026 and 2027

1 – These are nominal figures and do not represent a NPV calculation. Estimations are based on current market and macroeconomic conditions and may vary due to changes in the business environment, exchange rates, commodity prices, among other factors. 2 – Free cash flow before income tax. 3 – Includes real estate assets not linked to the concession.

For further information  
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