

RESULTS 3Q22

October 26th, 2022

Telefônica Brasil S.A.
Investor Relations



VIVT
B3 LISTED

VIV
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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

Double-digit growth of Customer Base and Revenues, leading to strong EBITDA expansion



Operating

57.5 mn

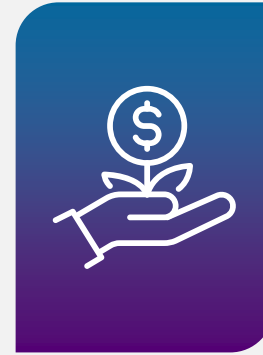
**Mobile Postpaid
Accesses**

112 million Total Accesses¹
+14.6% YoY

5.3 mn

**Fiber
Homes Connected**

+21.1% YoY,
+0.9 million accesses YoY



Revenues

+10.6%

**Total Revenue
Growth**

+13.8% YoY Core
Revenues Growth

+13.8%

**Mobile Service
Revenue Growth**

+14.7% including Handsets



Profitability

R\$
5.0 bn

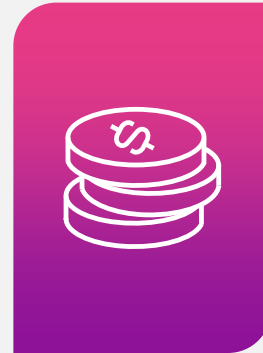
**EBITDA
3Q22**

+12.3% YoY²,
40.6% EBITDA Margin

R\$
1.4 bn

**Net Income
3Q22**

+9.3% YoY,
leading to R\$2.9bn in 9M22



Shareholder Remuneration

R\$
6.5 bn

**Free Cash Flow
9M22**

10.6% FCF Yield³

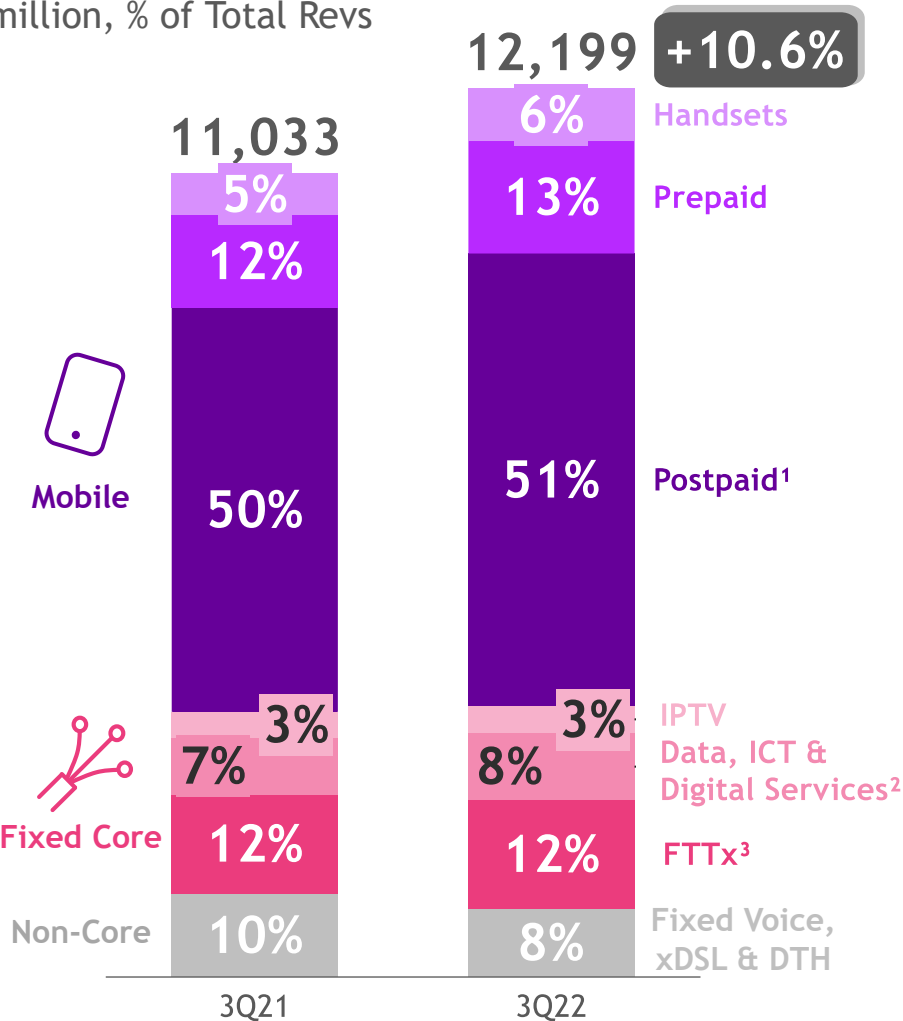
R\$
3.4 bn

**Dividends + IoC
declared in 9M22**

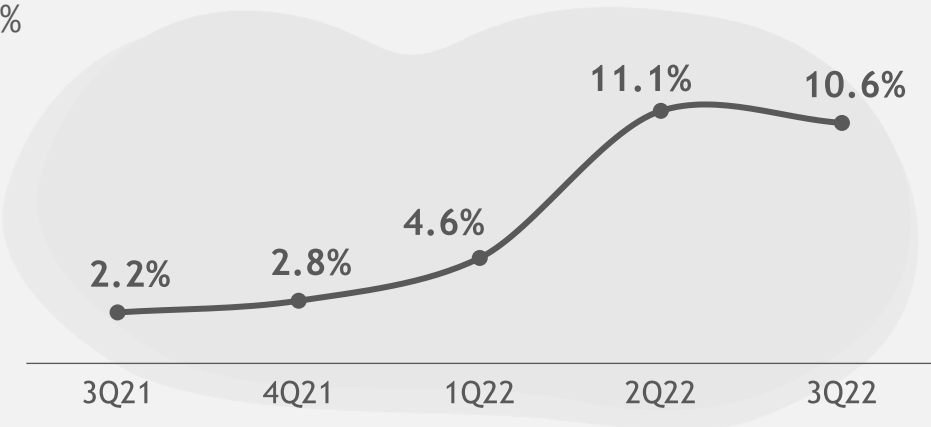
R\$0.5 billion in
Share Buybacks in 9M22

Revenues growing above inflation, with Core Revenues already representing 92% of total top-line

Total Revenues
R\$ million, % of Total Revs

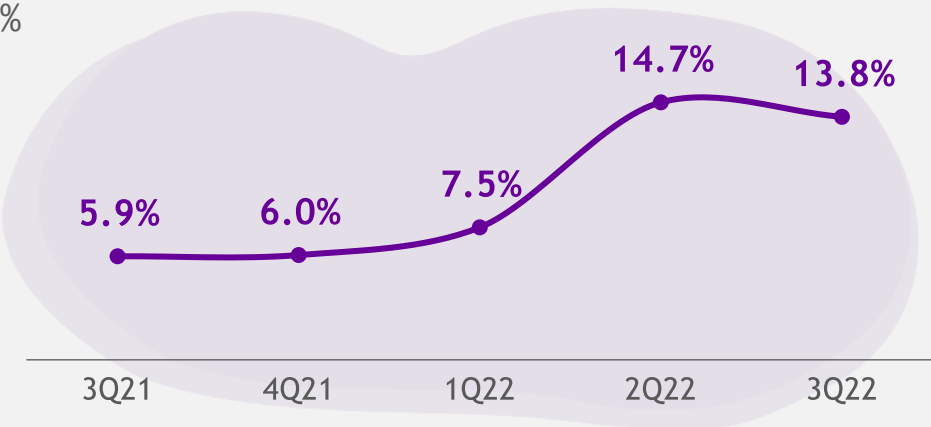


Total Revenues YoY growth
%



Total Revenues growing double-digit for the second quarter in a row, given solid operating trends

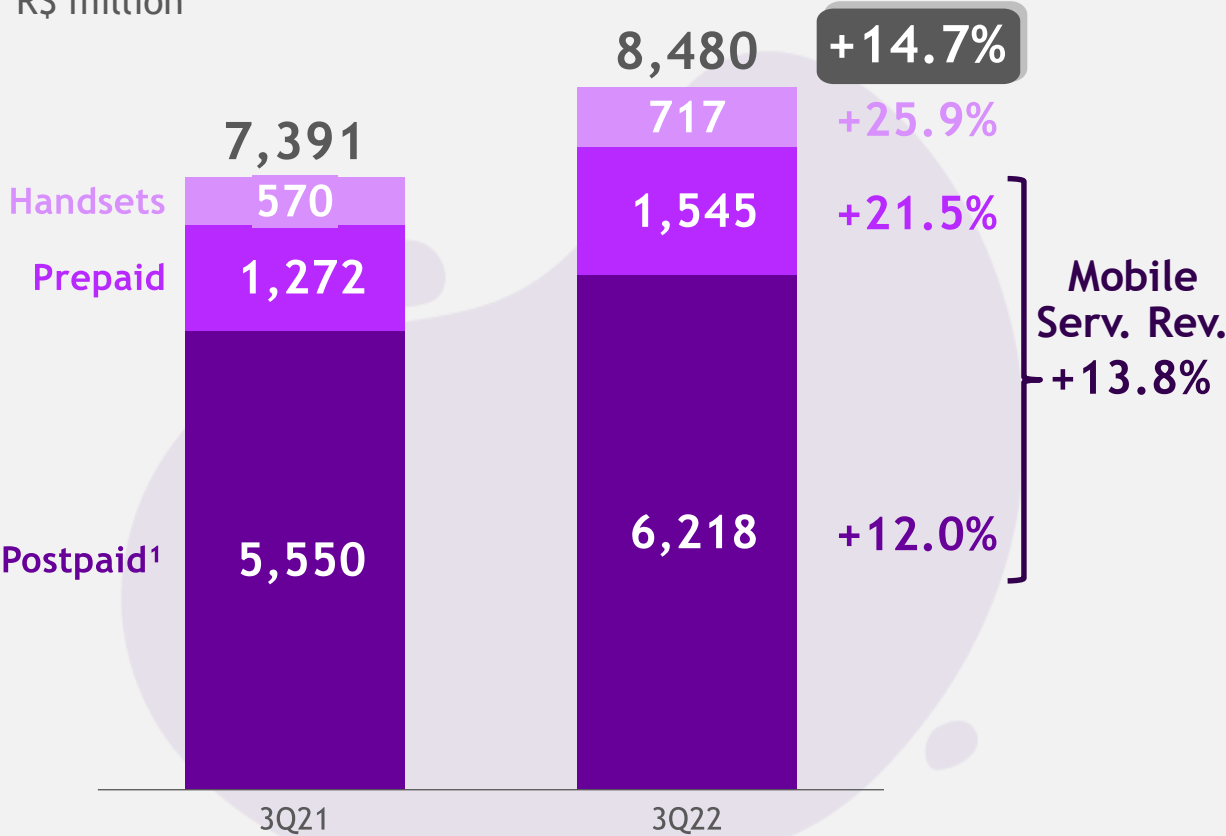
Core Revenues YoY growth
%



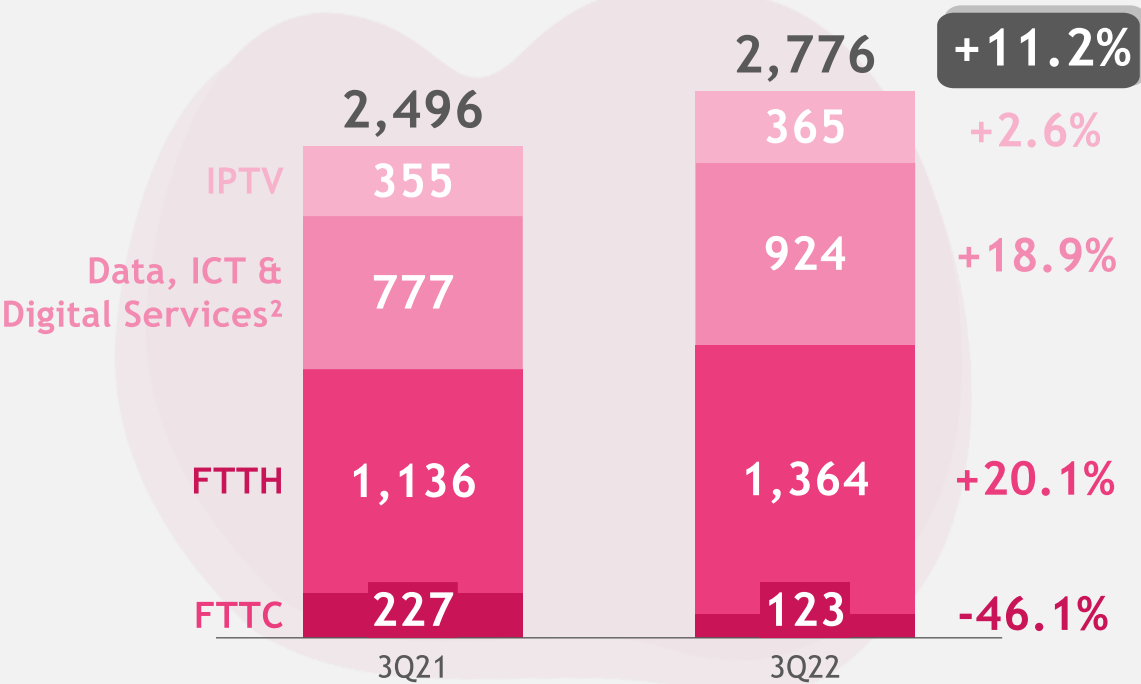
Core Revs maintain positive momentum, with solid executions on Mobile, Fiber and B2B solutions

Strong operating performance leading to sustained double-digit growth of Core Revenues

Mobile Revenues
R\$ million



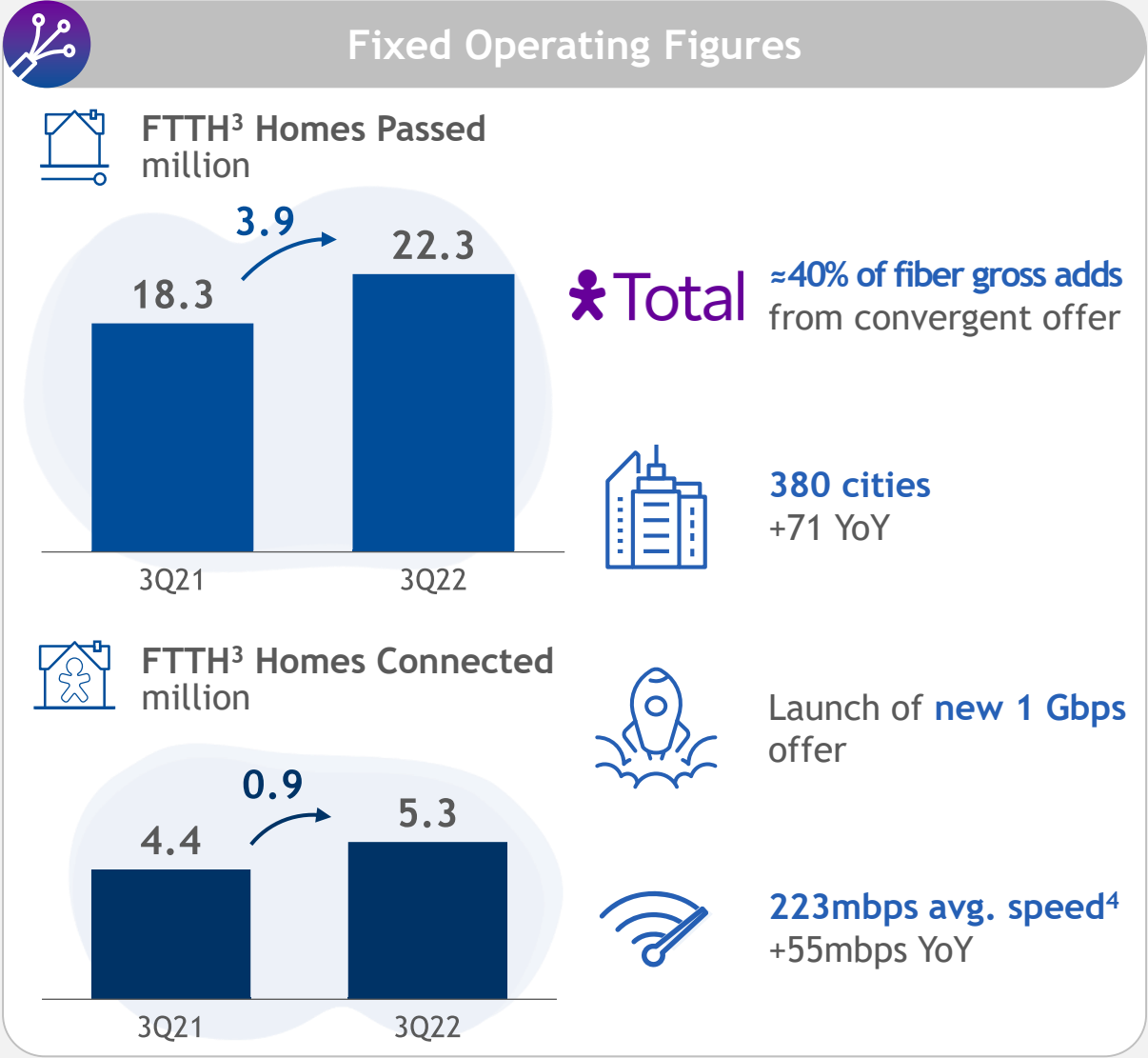
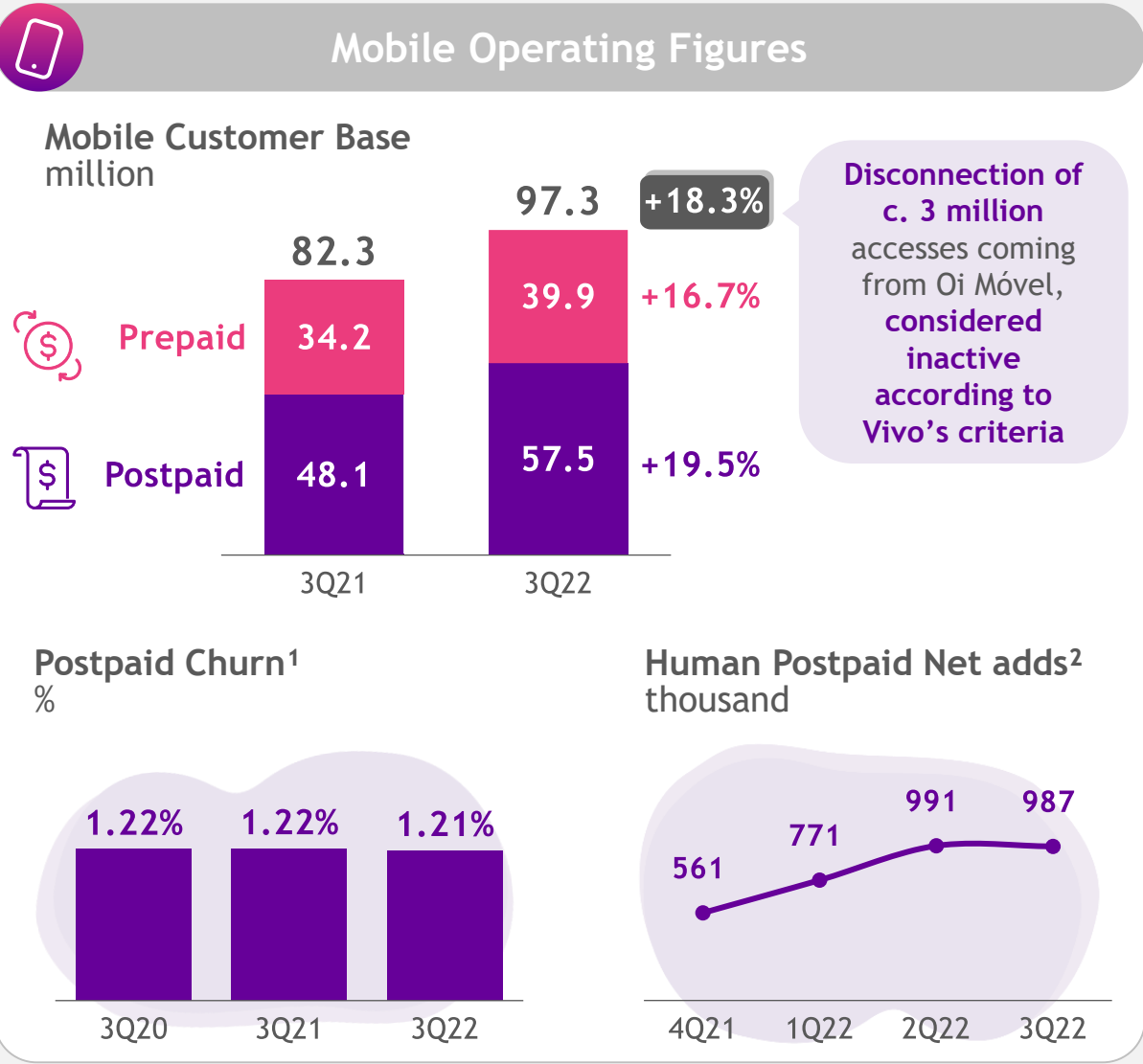
Fixed Core Revenues
R\$ million



Strong operating momentum accelerating postpaid net adds, reaching 1.3 million new accesses in 3Q22²

Positive evolution of core fixed services leading to **5th consecutive quarter of Total Fixed Revenues growth**, expanding +2.1% YoY

Outstanding operating momentum both in mobile and fiber, led by unique convergent position in the market

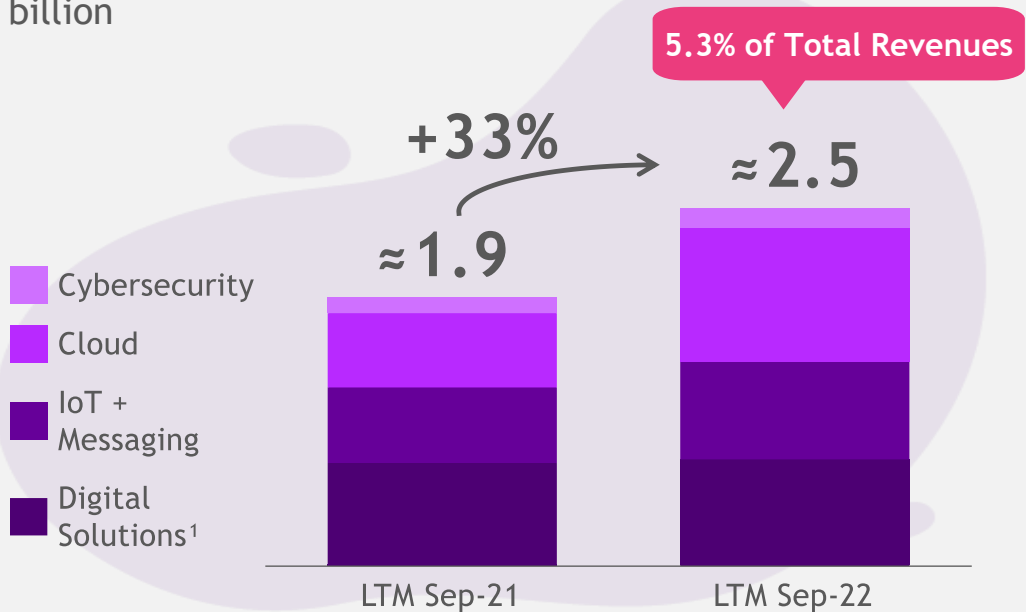


1 – Excluding clean-up of Oi's inactive customers. 2 – ex-M2M. Excluding accesses incorporated from Oi in 2Q22 and clean-up of Oi's inactive customers in 3Q22. 3 – Fiber-to-the-Home. 4 – Average Customer Base speed.

Vivo's digital ecosystem continues to flourish, with B2B maintaining its high growth-rates and B2C consolidating its scope

Digital B2B Revenues

R\$ billion

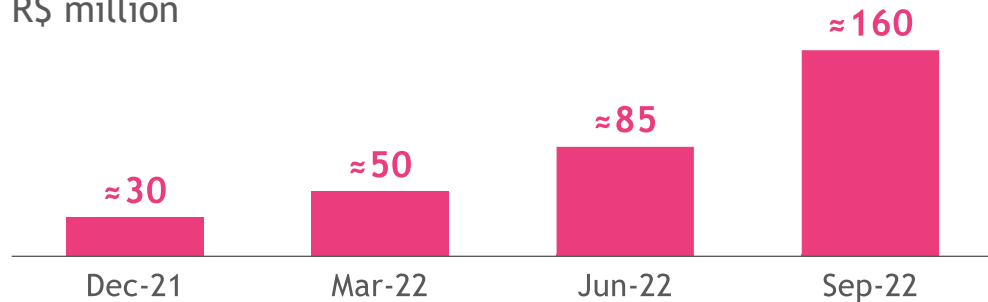


B2C initiatives

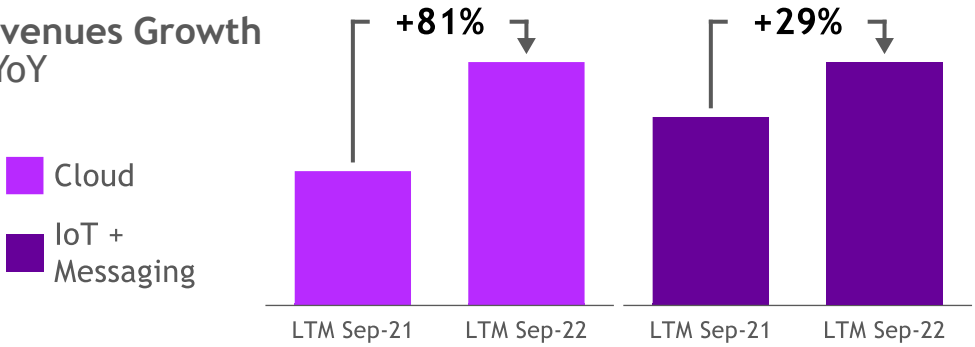
Money

Personal, 100% digital loan service **almost doubled its credit conceded QoQ**

Credit conceded since its launch
R\$ million



Revenues Growth % YoY



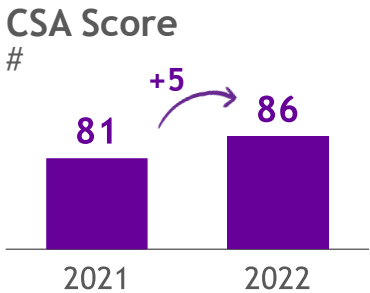
VENTURES klavi

- Vivo Ventures to invest **US\$3 million** in Klavi, its first investee
- The company is a fintech that offers **Open Finance solutions**, using data that enables customers improve the development of their financial products and services

Vivo is recognized as one of the top 10 most sustainable Telcos in the world, and strives continuously in all ESG fronts

Acknowledgments

Vivo among the world’s top 10 most sustainable Telco companies according to S&P Global’s Global Sustainability Corporate Assessment (CSA)



Governance

VIVT3

VIVT3¹ shares now part of Vivo executives' variable compensation, aligning share value-creation with long-term incentives

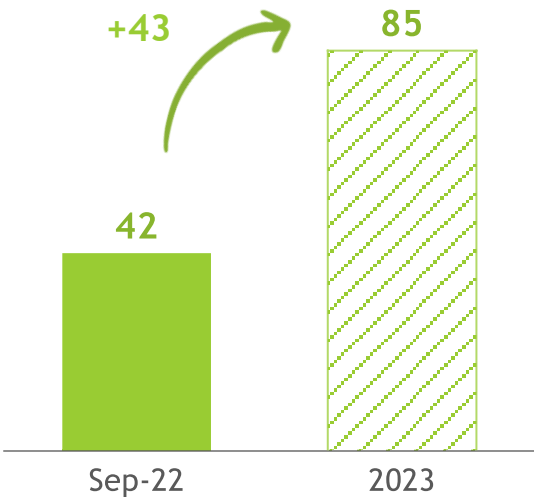
Diversity

Destination of 50% of Trainee Vivo Program for black people as another step towards expanding our black leadership roles



Energy

Green Power Plants #



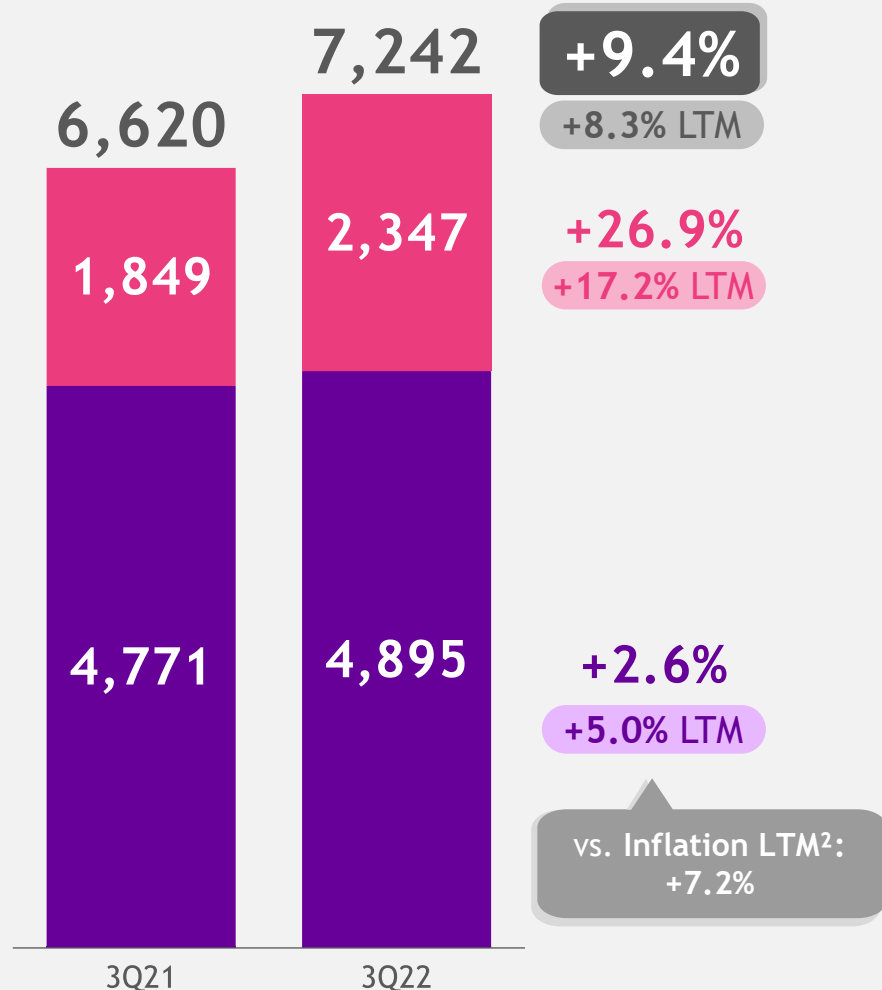
42 Green Power Plants in operation as of Sep-22, with 85 expected for 2023



ISO 50.001 recertification, reaffirming Vivo’s best practices on Power Management

The transformation of Vivo's revenue mix beyond connectivity is changing the cost profile as IT and digital services sales expand

Costs¹
R\$ million



Cost of Services and Goods Sold

32%
of costs
(+3 p.p. YoY)

- **Cost of Services up +19.6% YoY** as we accelerate the sale of digital solutions both in B2C and B2B, enhancing our revenue profile
- **Cost of Goods Sold expanded +39.7% YoY** with strong growth of revenues coming from the sale of handsets, accessories and IT equipment

Cost of Operations

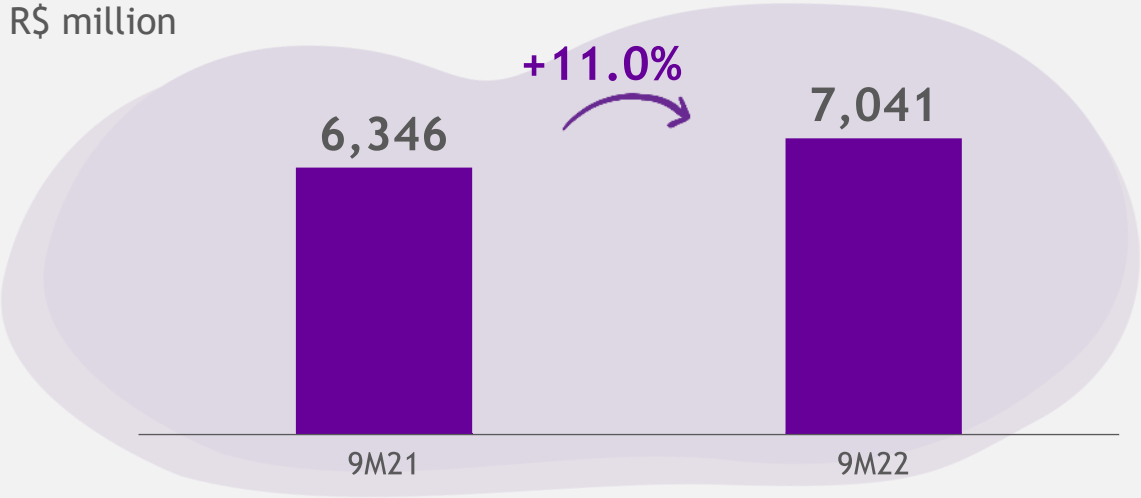
68%
of costs
(-3 p.p. YoY)

- **Commercial and Infrastructure Expenses rising +4.0% YoY**, led by growth of network usage and accelerated commercial activity, partially offset by continued digitalization of customer service
- **Provision for Bad Debt dropping -18.6% YoY** following successful Vivo's superior credit scoring and financial management

Vivo continues its ambitious expansion of fiber and 5G coverage, with Operating Cash Flow margins consistently above 20%

Capex¹

R\$ million



Launch of 5G coverage in all 27 Brazilian capital cities, covering 28% of national urban population



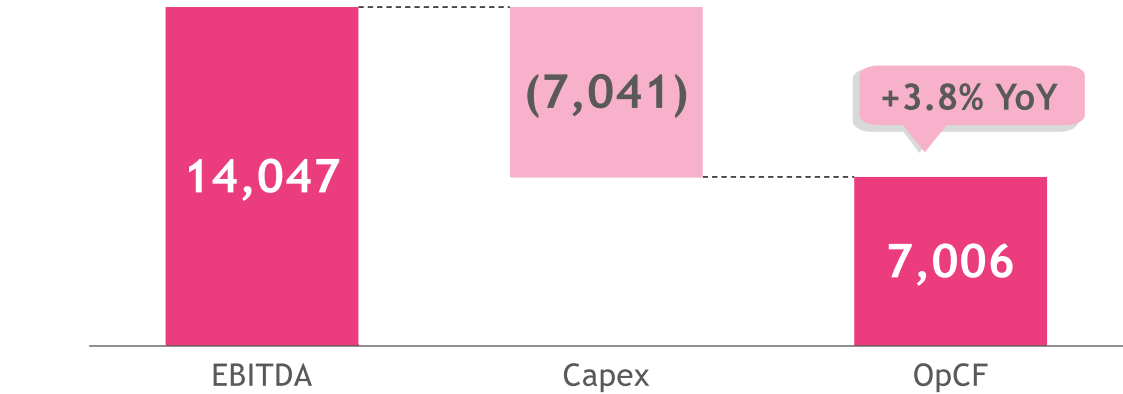
R\$0.4 billion in 9M22 invested in the integration of Oi Móvel's assets



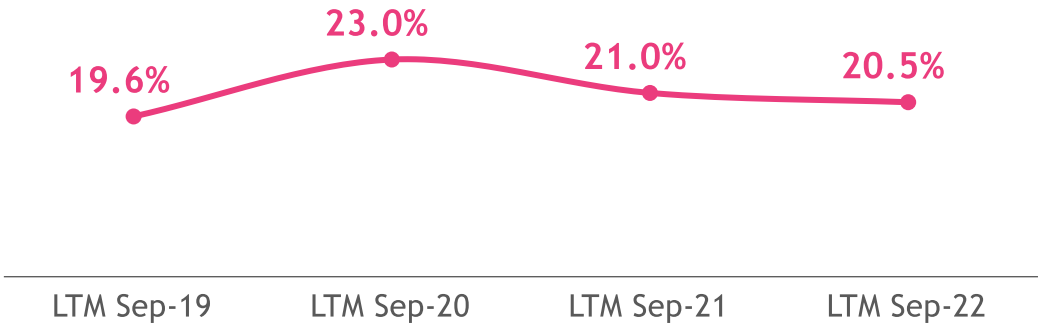
Acceleration of FTTH HPs footprint in 3Q22 leading to higher fiber investment in the period

Operating Cash Flow¹

R\$ million, 9M22

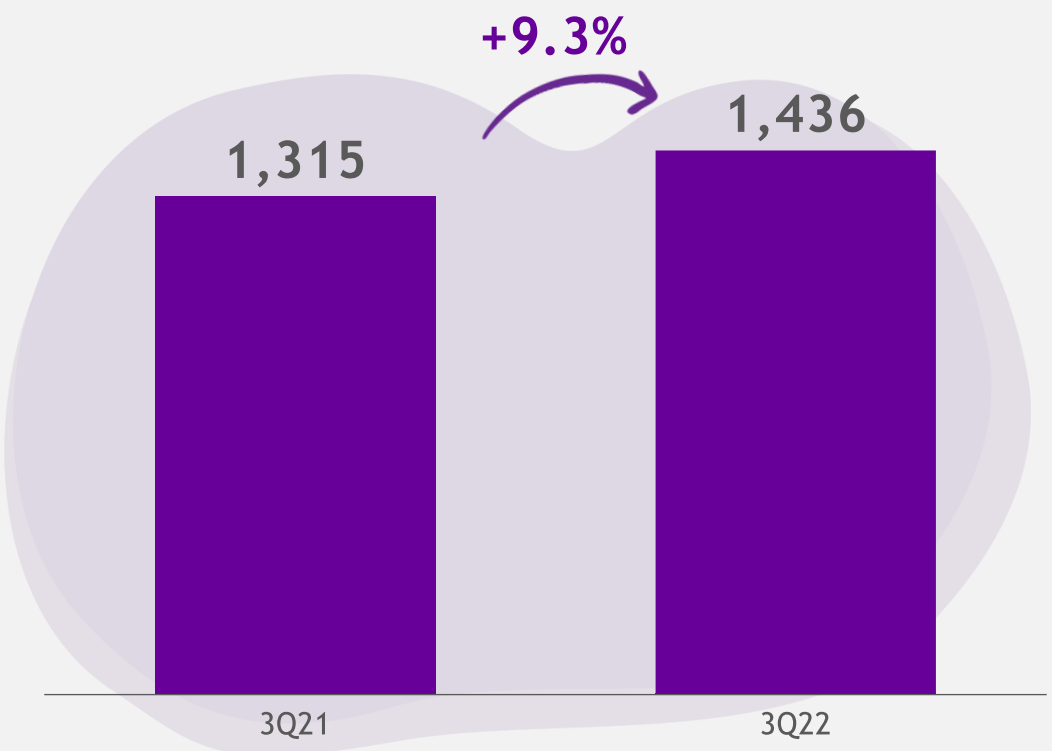


OpCF¹ Margin %



Solid operating and financial performance driving Net Income growth, with shareholder remuneration reaching R\$3.9 billion in 9M22

Net Income 3Q22
R\$ million



Positive Net Income evolution as a result of improved operating trends and efficient financial management

Shareholder Remuneration 9M22

	Dividends + IOC ¹ Declared ²	R\$3.4 bn
		+
	Share Buybacks	R\$0.5 bn
Total		R\$3.9 bn



1st Tranche:
R\$2.7 bn
Jul. 19th, 2022



2nd Tranche:
R\$3.5 bn
Oct. 18th, 2022

1 — Interest on Capital. 2 — Considers the shareholding position dates. From this amount, R\$2.0 billion were already paid out on October 18, 2022.

Strong Free Cash Flow generation, totaling R\$6.5 billion in 9M22, allowing for controlled levels of indebtedness

Free Cash Flow¹
9M22

R\$6.5 billion

Free Cash Flow Yield² (LTM)

10.6%

Free Cash Flow/Sales (LTM)

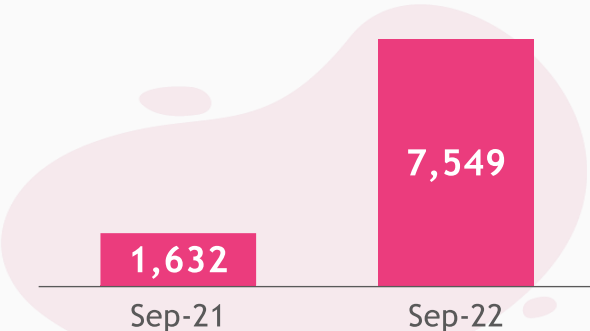
15.4%

Indebtedness

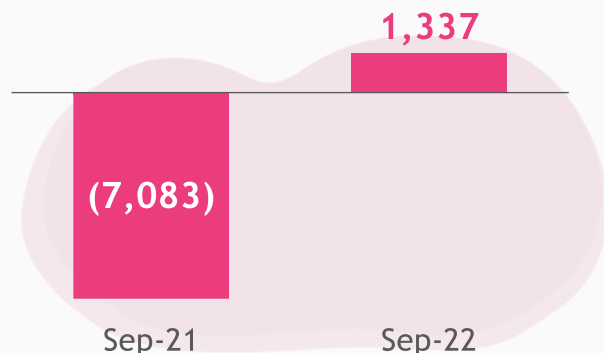


Gross debt increasing with **issuance of R\$3.5 bn in ESG debentures**, in addition to the acquisition of 5G licenses in 4Q21...

Gross Debt³, million



Net (Cash) Debt³, million



... while **solid FCF generation** allowed us to maintain **sound levels of leverage**, even with cash outflows related to dividends and 5G licenses

For further information:

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