



TELEFÔNICA BRASIL S.A.

Publicly Held Company
CNPJ ME 02.558.157/0001-62
NIRE 35.3.0015881-4

MATERIAL FACT

**PRESENTATION REGARDING THE VALUE CREATION OF THE ACQUISITION
OF PART OF OI UPI MOBILE ASSETS**

Telefônica Brasil S.A. ("Telefônica Brasil" or "Company"), in compliance with article 157 of Law No. 6,404 and the provisions of CVM Resolution No. 44/2021, and in continuity with the Material Facts disclosed on March 10, 2020, July 18, 2020, July 27, 2020, August 7, 2020, September 7, 2020, December 14, 2020, January 29, 2021, January 31, 2022, February 9, 2022, April 13, 2022, and April 20, 2022, hereby informs its shareholders and the market in general that, tomorrow, April 28, 2022, at 10:00 a.m.(BRT), will hold a conference call based on the materials herein attached, to present the effects of the acquisition of portion of UPI Mobile Assets from Oi ("Transaction"), which is so important for the telecommunications sector in Brazil and for the entire Brazilian community. The connection information was made available on the Company's Investor Relations website (www.telefonica.com.br/ir).

The Company will maintain its shareholders and market in general informed in accordance with the regulation in force.

São Paulo, April 27, 2022.

David Melcon Sanchez-Fiera

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Acquisition of Oi's Mobile Assets

April 28th, 2022
Telefônica Brasil S.A.
Investor Relations



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

Value creation through acquisition of key assets, reinforcing leadership in mobile customer base, spectrum and overall experience

Acquired assets



Spectrum

43 MHz

in 1,800 MHz, 2,100 MHz and 900 MHz frequencies, with Nationwide coverage



Mobile Customer Base

12.5 mn accesses

37% in postpaid and 63% in prepaid



Sites

2.7k sites¹

Reinforcing the capacity and capillarity of our network

R\$ Billion

Acquisition Cost (ex net cash) + Earnout **5.4**

Acquisition Cost 5.3

Closing (90%)² 4.9

Retained (10%) to be paid in 120 days 0.5

Cash position² (0.1)

Earnout³ - 12 months 0.1

Additional Contracts **0.3**

Transition Service Agreement⁴ 0.1

Data Transmission Contract⁵ (NPV) 0.2

Mobile consolidation reaffirming Vivo as LatAm's largest customer base, enhancing our positioning throughout Brazil

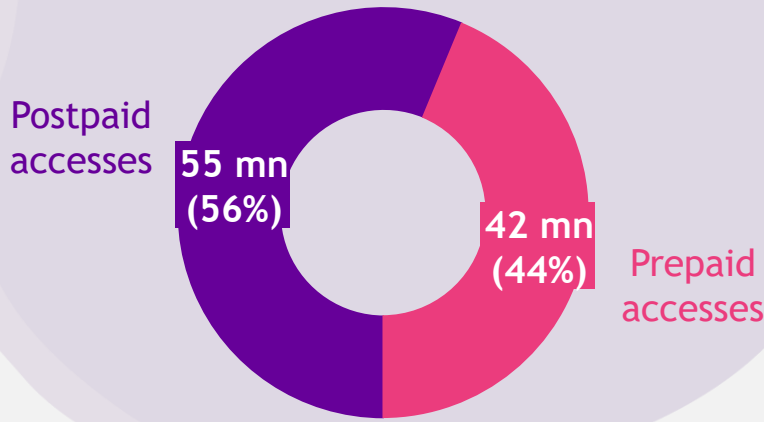


Largest Customer Base in LatAm

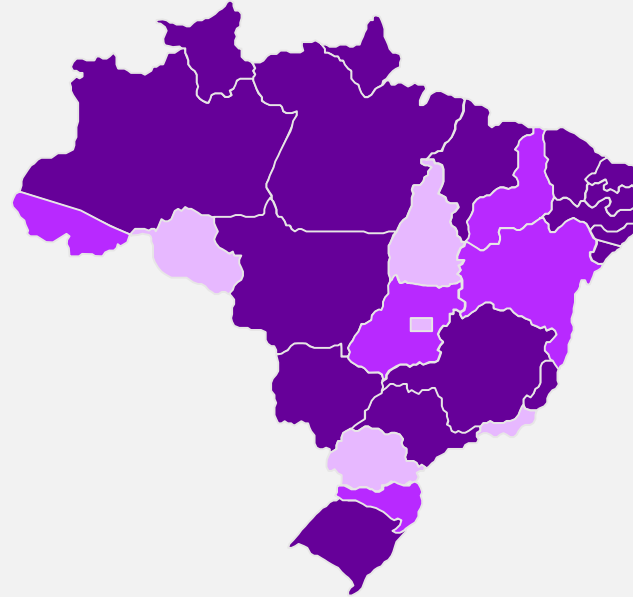
From 100 million to

112 million

total accesses of which 97 million¹ are mobile



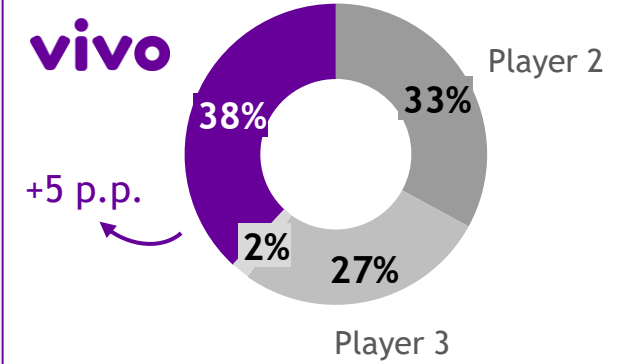
Vivo's Mobile Market Position by State



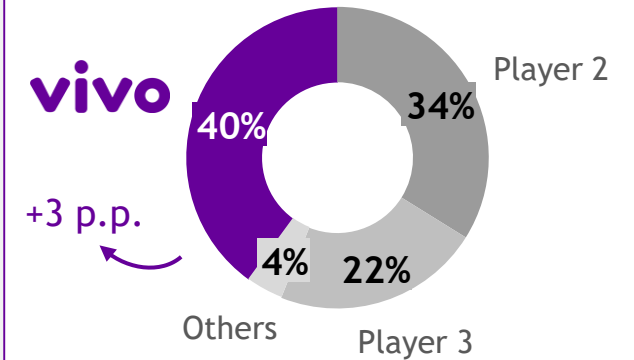
- Market leader +5 states
- 2nd place
- 3rd place

Leadership in 17 states, which represent 66% of Brazil's GDP and 67% of the population²

Mobile Market Share



Postpaid Market Share

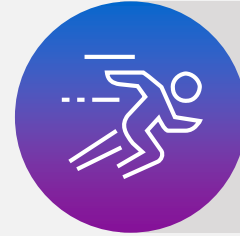


New customers to benefit from Vivo's second-to-none network, offers and customer support

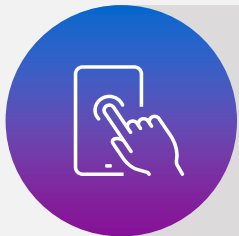
Customers coming from Oi Mobile will benefit from the following assets



350 stores¹
in the regions of the acquired customer base



4G, 4.5G and 5G Network
connectivity



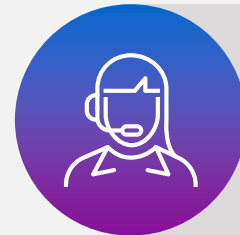
Unique CX with Vivo App
the main relationship channel
for all Vivo's services



FTTH Convergent offers
with Vivo Total

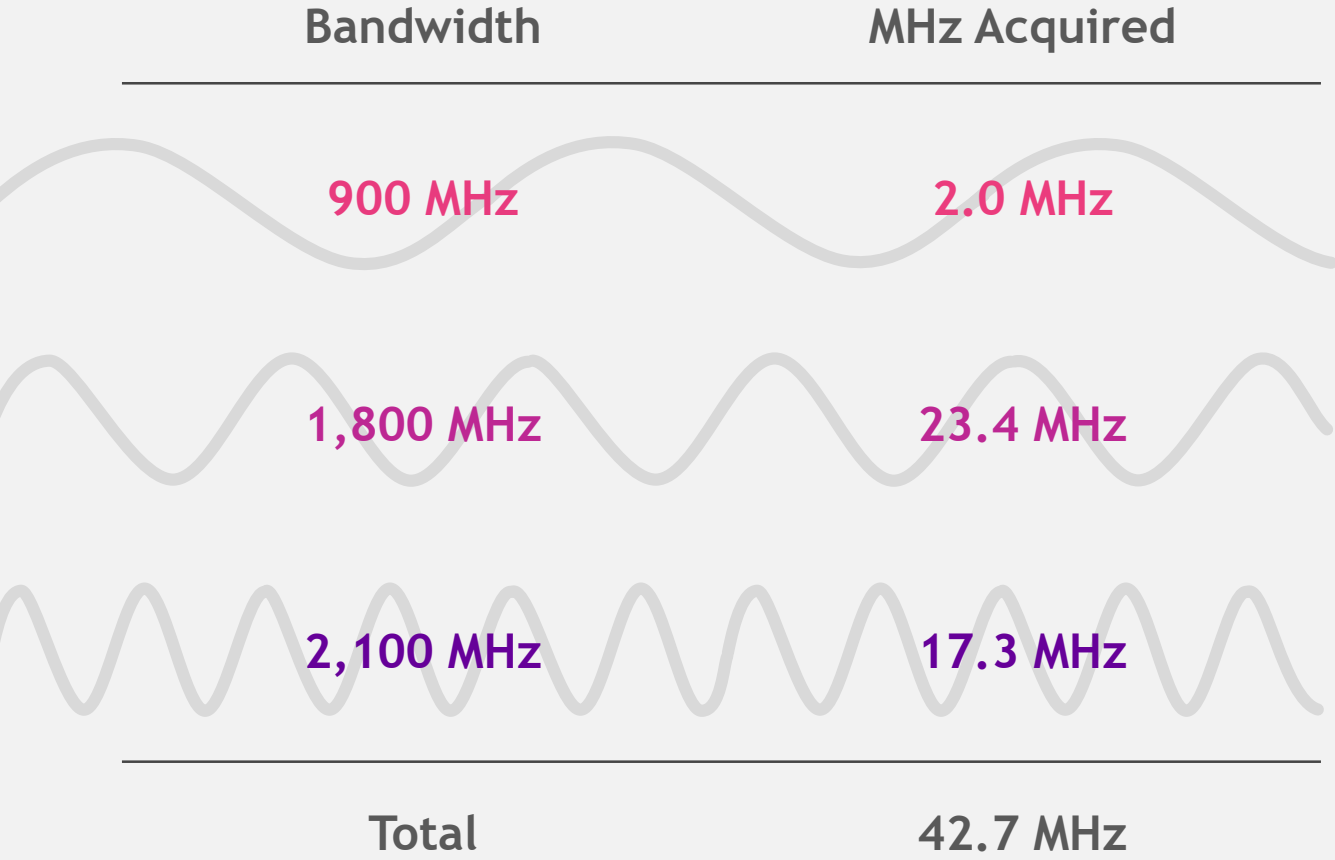


Vivo's Digital Ecosystem
with Financial, Health, Education
Services and more



Vivo's Customer Service
Postpaid General Satisfaction Score²
+0.8 points vs. Oi's in 2021

Acquisition of 43 MHz consolidating Vivo's leadership in quality of service and allowing us to reduce capex intensity



Complementing our recently acquired bands in the 2.3 and 3.5 GHz frequencies, to be used on 5G deployment

New Spectrum Position



Spectrum acquired reinforcing our mid-range portfolio, allowing for a **boost in data quality**







Frequencies are available on a **Nationwide basis**, contributing to free up future capacity constraints in most demanding areas



New holdings will allow for **more efficient capital deployment** going forward

Initial calculations show potential synergies of R\$5.4bn, related to cost and capex savings, net of investments and integration costs

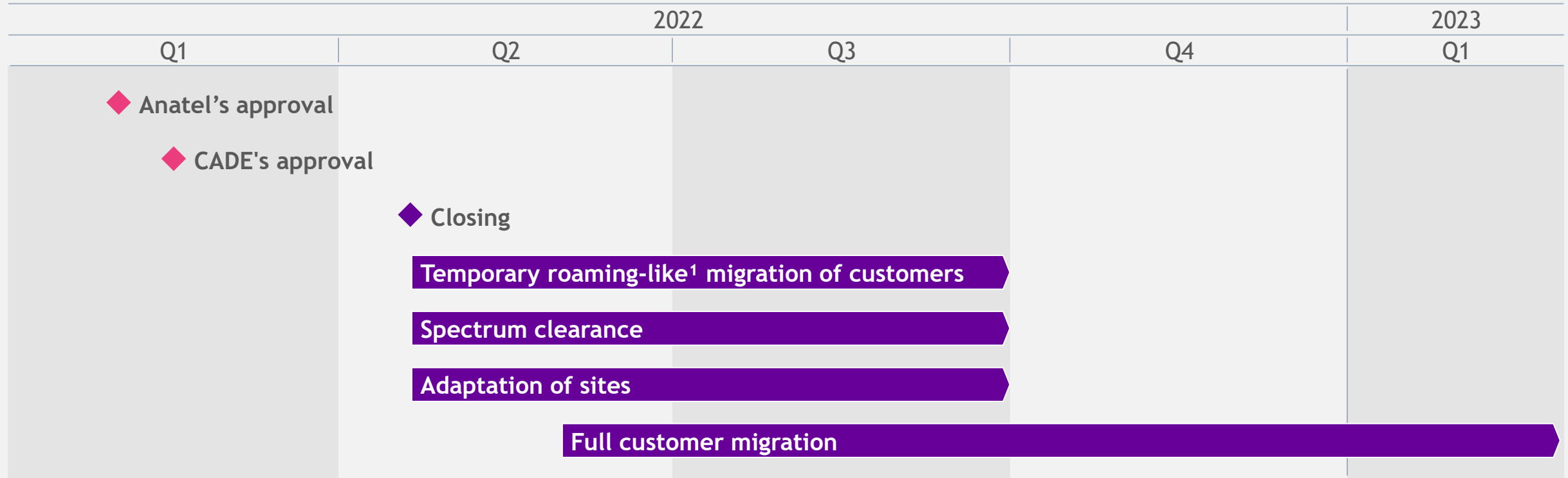
Synergies

	Description	NPV (R\$ billion)
 Network	<ul style="list-style-type: none"> Reduction of operation and maintenance costs Site avoidance and shutdown, lower expenses on 4G/5G deployment, core network and backhaul, and IT optimization 	≈ 1.8
 Spectrum	<ul style="list-style-type: none"> Lower expenses on capacity expansion (i.e. sites avoidance, and core and backhaul expenses) 	≈ 1.7
 Commercial	<ul style="list-style-type: none"> Integration of sales structures, customer support and advertising 	≈ 1.0
 Others	<ul style="list-style-type: none"> Goodwill and Purchase Price Allocation of spectrum and customer base, and others 	≈ 0.9
Total		≈ 5.4

In March 2022, **Vivo's portion of Oi's assets generated R\$135 million of monthly net revenues¹** and we expect **EBITDA and OpCF² margin above 70%**, considering synergies running-rate

Looking ahead, we will start working on the assets' integration, thus having more visibility of the potential value capture from this transaction

Next steps and expected timeframe to integrate Oi



Synergies and Reporting

Drill down of synergies during the next few months, with more **details and updates to be provided with quarterly results**

For further information:

Investor Relations

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