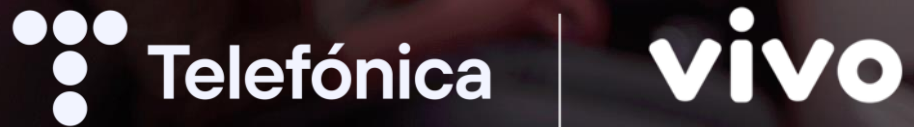


CORPORATE PRESENTATION

**Business transformation combined
with revenue growth**

August, 2021



DISCLAIMER



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



Due to factors like the Brazilian political and economic activities, the development of competitive technologies, accessibility to capital to achieve those results, and the rise of strong competition in markets in which we operate; **our results may differ from those found in the forward-looking statements**



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



VIVO, AS SECTOR LEADER IN BRAZIL, IS WELL POSITIONED TO CAPTURE GROWTH OPPORTUNITIES IN MOBILE, FIXED AND DIGITAL SERVICES



ESG

- **Distributed generation project** will produce 81AWm by 1H22, assuring the supply of renewable energy
- +1.5 million equipment refurbished in 2021 with '**Recycle with Vivo**'
- **ISO 27001 certification** for the digital security program, **Vivo Segura**

Commitment to the best ESG practices



Growth Opportunities

- **5G auction and modernization of regulatory framework**
- **Increasing demand for high quality connectivity**
- Approval expectation for the **acquisition of Oi's mobile assets**
- **New revenue streams** in digital services and IoT

Positive perspectives for Vivo's Core Businesses



Evolution of Core Businesses

- In 2Q21, **total revenue grew** 3.2% y/y and **core business revenue (~90% of total revenue)** increased by 8.2% y/y
- **Fiber expansion** remains strong and **FiBrasil** begins operations
- **Construction of a digital ecosystem** will improve customer engagement

Total Revenues back to growth with positive outlook in Mobile, Fixed, and Digital Services



Efficiency and Returns

- **Acceleration of revenues** changing cost-base mix
- **CapEx light models** and strong cash position for new investments
- **Robust Shareholder Remuneration** with **R\$ 1.3 billion of** IoC already declared by Jun-2021 and **Share Buyback Program** in execution

Strong FCF and Shareholder Remuneration



ESG INITIATIVES CONTINUE TO EXPAND, REINFORCING VIVO'S COMMITMENT TO GENERATE A POSITIVE IMPACT FOR ALL ITS STAKEHOLDERS



+ 1.5 million equipment refurbished by FY2021

with a **new stage of 'Recycle with Vivo'**, that aims to accelerate the circular economy of used equipments with the help from customers and **use of Aura, Vivo's artificial intelligence**



RECICLE
COM A VIVO



Distributed generation project will deliver a total capacity of 81 aMW by 1H22

Responsible for **more than 90% of Vivo's low voltage demand, powering 30,000 consumption units** around Brazil

ISO 27001 Certification

for the **Vulnerability Management Process of the digital security program**, Vivo Segura, which ensures alignment with the best international practices



Governance, Responsibility and Diversity

11th position in Merco's ranking of the most responsible companies during the pandemic, **16th in terms of Responsibility and Governance** and also recognized in the 5th edition of the **Best Companies for Women to Work GPTW 2021**

More information about our ESG initiatives is available in our 2020 Sustainability Report, available at our [Investor Relations website](#)





POSITIVE EVOLUTION OF THE REGULATORY FRAMEWORK AND ECONOMIC RECOVERY WILL ENABLE VIVO TO UNLOCK SIGNIFICANT VALUE

5G spectrum auction



Greater focus on **obligations** for the digitalization of Brazil



Expected to take place in the **4th quarter of 2021**



5G DSS **already launched** in 8 major Brazilian cities

Law 13.879 brings a positive outlook to the sector's regulation



Focused on the possibility of transitioning from **fixed voice concessionaires to an authorization framework**



Companies will be able to significantly reduce their legacy expenditures and **focus investments on modern, future-proof solutions**



Allows for the **automatic renewal of spectrum**



Brazilian economic outlook

- **Recovery of economic activity** sustained by the accelerated vaccination process, resumption of the service sector and strong global growth
- Increase of **interest rates** due to higher inflation, but still **below historic levels**
- **Economic reforms and privatizations** are underway to address fiscal risks and promote potential growth

	20A	21E ¹	22E ¹	23E ¹
GDP Growth %	-4.1%	+5.3%	+2.0%	+2.5%
CPI %, EoP	4.5%	7.1%	3.9%	3.3%
FX R\$/US\$ EoP	5.2	5.1	5.2	5.0



THE BRAZILIAN MARKET IS WITNESSING POSITIVE TRENDS ACROSS KEY SEGMENTS IN WHICH VIVO IS THE LEADING OPERATOR

Market trends



Increasing demand for high-speed connectivity

- The pandemic accelerated digital transformation and demand for reliable, quality broadband



Accelerated Fiber-to-the-home (FTTH) expansion

- Ultra broadband will maintain a double-digit growth in the upcoming years



New revenue streams and increasing demand for IoT

- Telcos will expand their reach in Digital Services
- IoT to gain traction mainly in Brazil's fleet management, agroindustry, smart buildings and smart cities

vivo 2Q21 Operating highlights

97mn

Total Accesses
+4.7mn YoY

47mn

Postpaid Accesses
58.2% of Total Mobile Accesses

33.0%
Mobile Market-share



36.8%
Postpaid Market-share



4.0mn

FTTH¹ Homes-Connected
+1.2mn YoY

17.3mn

FTTH¹ Homes-Passed
+4.3mn YoY

19.8%
FTTH Market-share



LATAM's
biggest footprint



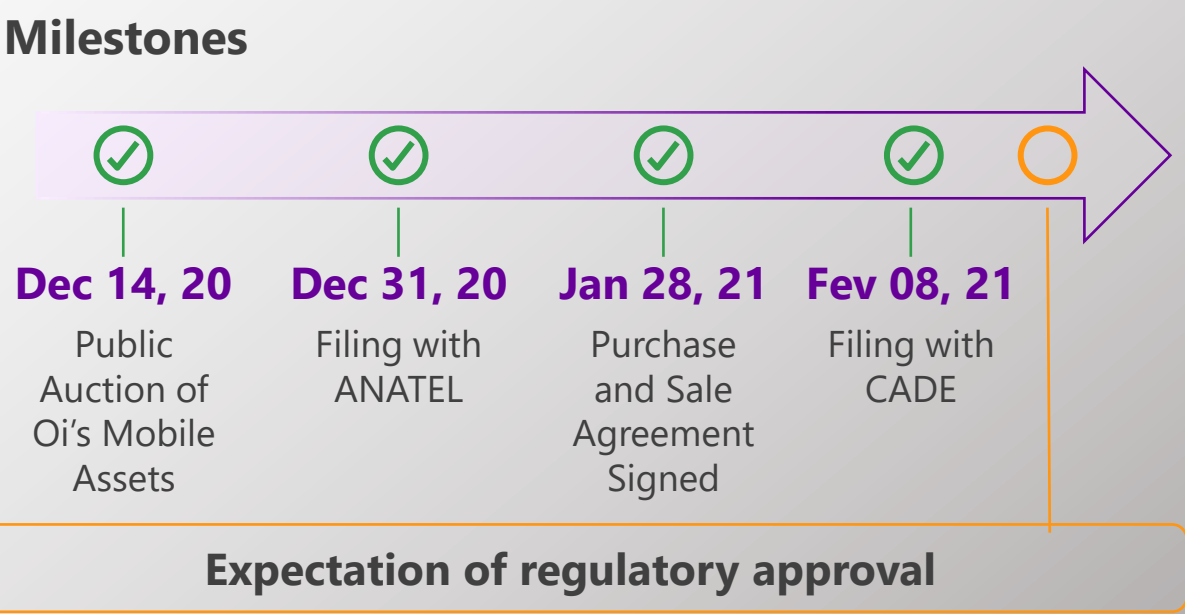


THE ACQUISITION OF OI'S MOBILE ASSETS WILL ALLOW FOR AN IMPROVEMENT OF MOBILE NETWORK QUALITY NATIONWIDE

Joint Bid



Amount to be paid	Spectrum	Client Base	Sites
R\$16.5bn	92MHz	36.2mn	14.7k
R\$5.5bn	43MHz	≈10.5mn	2.7k



Upsides for Vivo



Tactical expansion of market share in regions less explored by the Company, with efficiency gains through better network usage



OpEx and CapEx synergies boosted by solid track record of previous integrations

Upsides for the Telco Industry and society



Upgraded overall customer experience given the improvement of mobile network quality nationwide

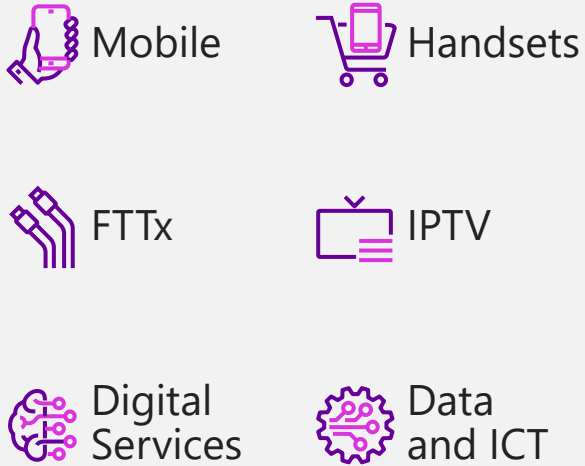


Accelerate the country's digitalization process through **sustainable investments in infrastructure and innovation**

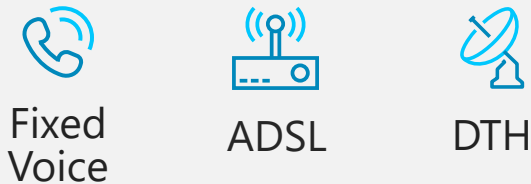
CORE REVENUES CONTINUE AT FULL SPEED, GROWING 8.2% YOY IN 2Q21, AND REPRESENT 89% OF VIVO'S TOTAL BUSINESS

Core evolution 

Core Businesses

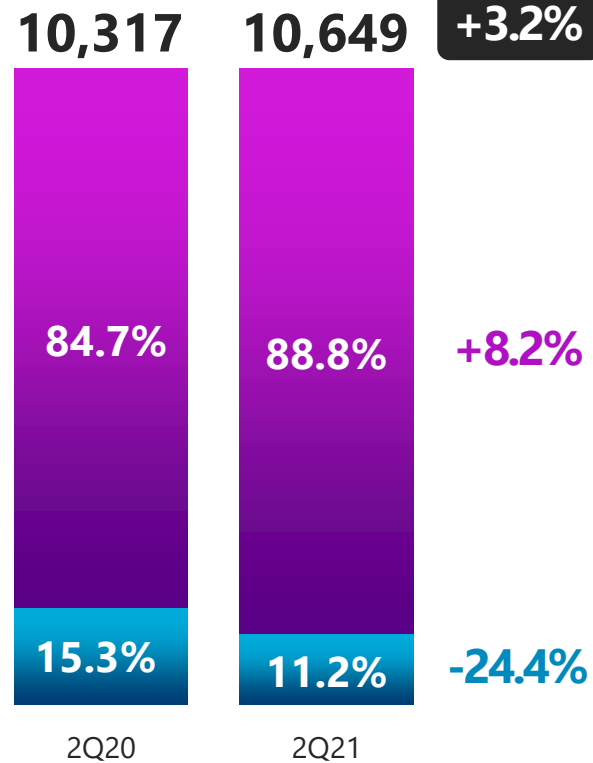


Non-Core Businesses



Total Revenues¹

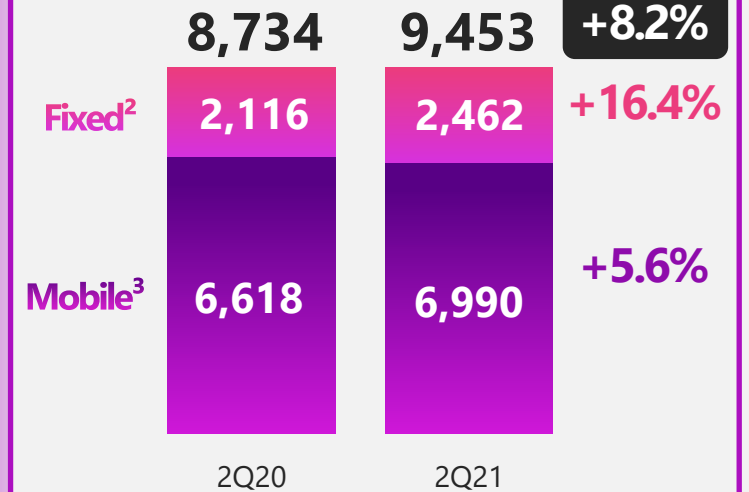
R\$ million, %



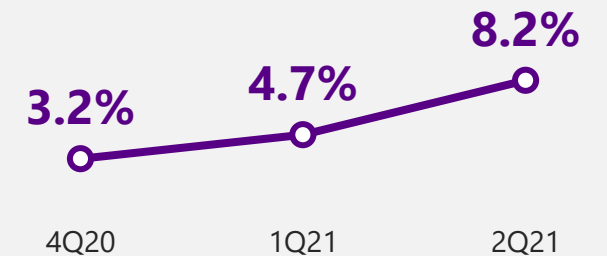
Core Businesses Non-Core Businesses

Revenues from Core Businesses

R\$ million



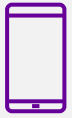
Core Business Revenue Growth YoY



1 – Mobile Revenues: +5.6% YoY, Fixed Revenues: -1.1%.

2 – Includes FTTH, FTTC, IPTV, Data & ICT, Wholesale Revenues and others.

3 – Mobile Revenues includes Handset Sales.

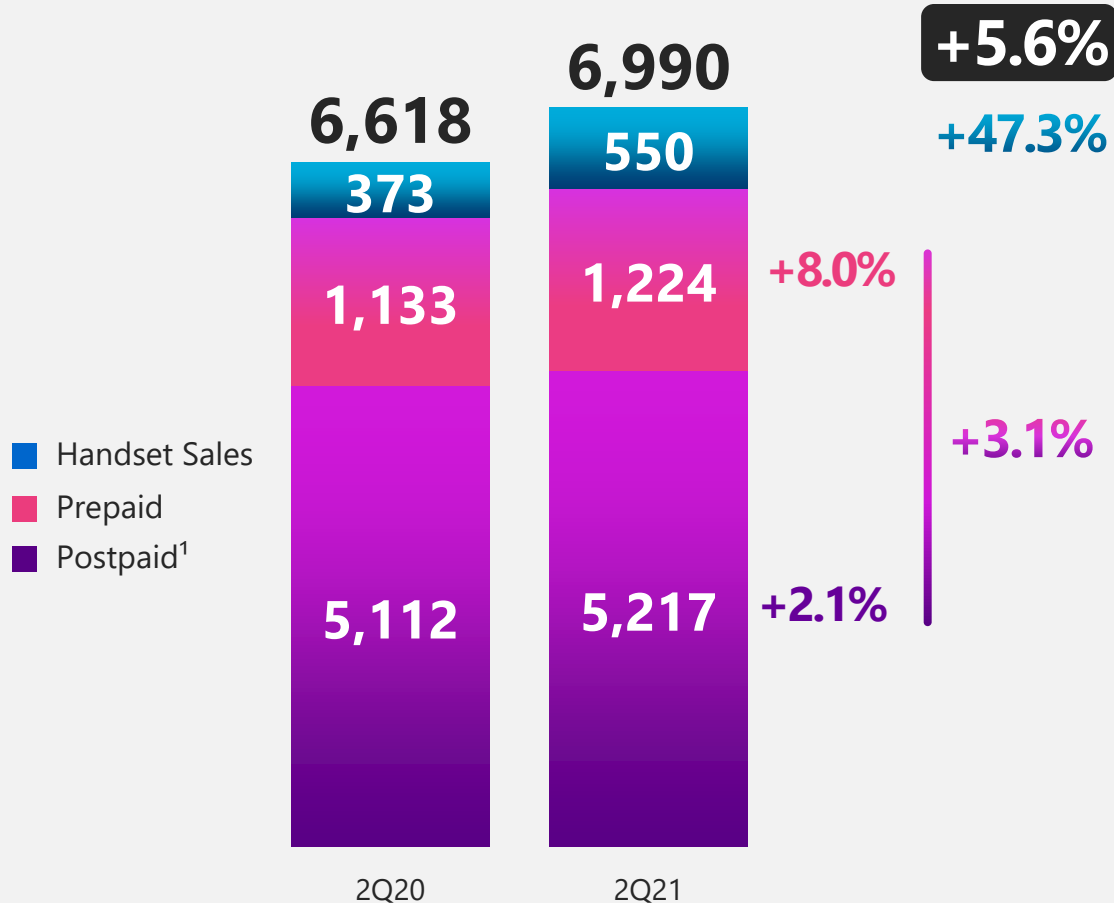


DEMAND FOR PREMIUM CONNECTIVITY AND INCREASED CUSTOMER ACTIVATION IMPROVING MOBILE SERVICE REVENUES, WITH POSITIVE TRENDS FOR THE NEXT QUARTERS

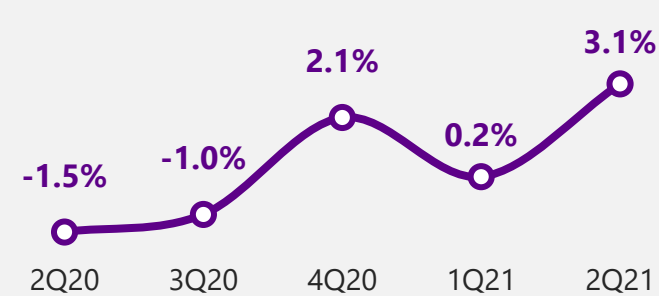
Core evolution

Mobile Revenues

R\$ million



Mobile service revenues growth YoY



Continued trend of mobile service revenues acceleration with positive expectations for economic growth and customer activity in 2H21

The acquisition of Oi's Mobile Assets



Relevant regulatory and anti-trust approvals are advancing according to plan



Expansion in regions with lower market-share, leading to efficiency gains through better network usage



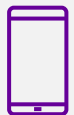
Improvement of mobile network quality nationwide and overall customer experience



OpEx and CapEx synergies



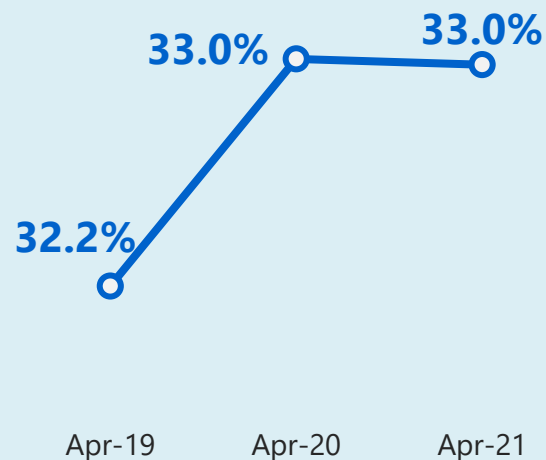
More sustainable environment for investments in infrastructure and innovation



SOLID MOBILE LEADERSHIP REAFFIRMED IN 2Q21, WITH OPERATING FIGURES CONFIRMING A FLIGHT-TO-QUALITY AND IMPROVED CUSTOMER LOYALTY

Core evolution

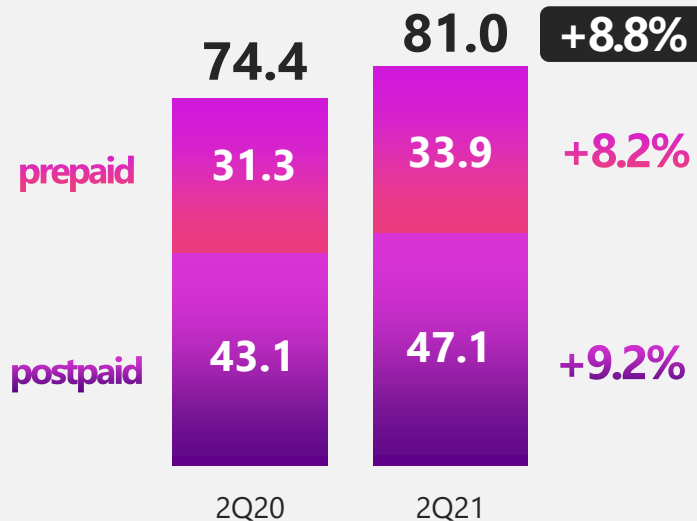
Mobile Market-share¹



Vivo continues to consolidate its leadership in mobile, based on an unmatched customer experience

Mobile Customer Base

million

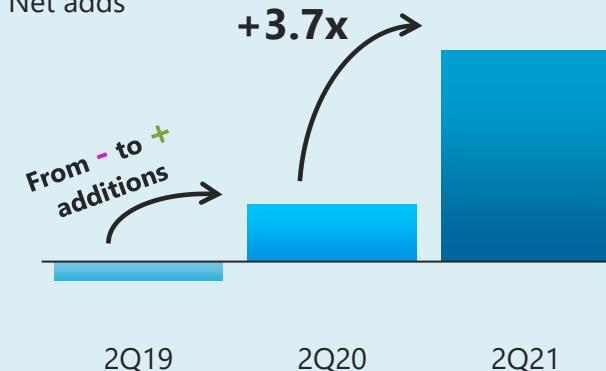


Consistent and strong net additions both in **pre and postpaid**

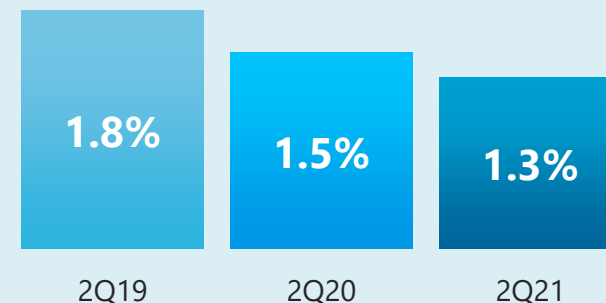
Postpaid KPIs

Customer acquisition enhanced as migrations and portability improve...

Net adds



...while churn² continues at historic low levels



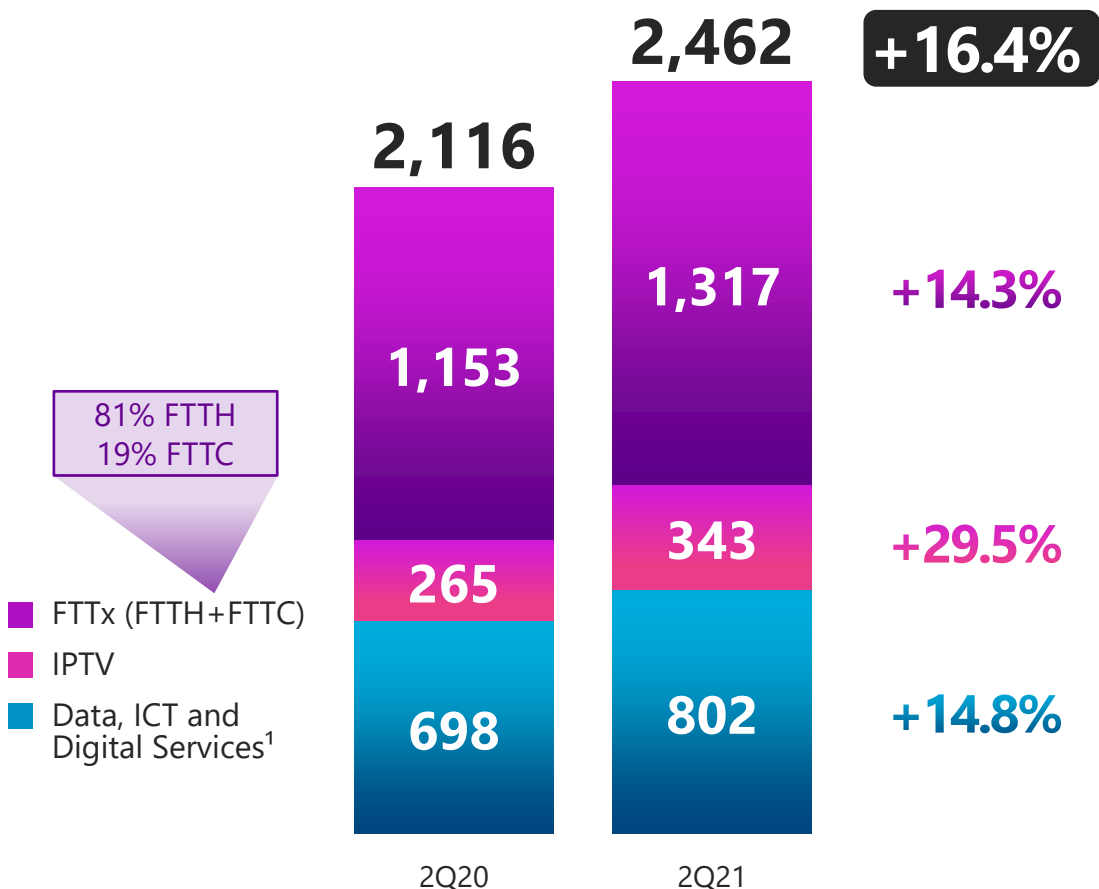


CORE FIXED REVENUE EXPANSION DRIVEN BY INCREASING DEMAND FOR HIGH-QUALITY CONNECTIVITY AND DIGITAL SERVICES

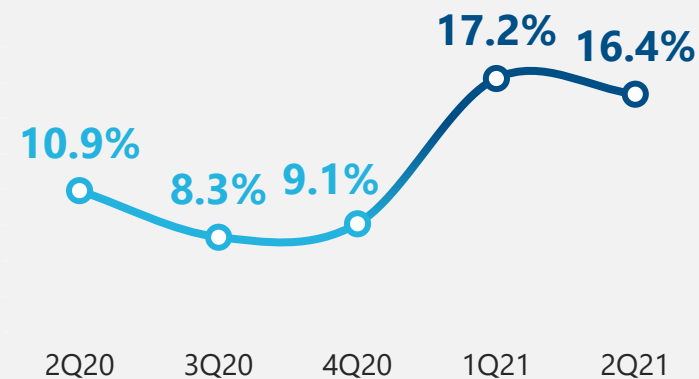
Core evolution

Core Fixed Revenues¹

R\$ million



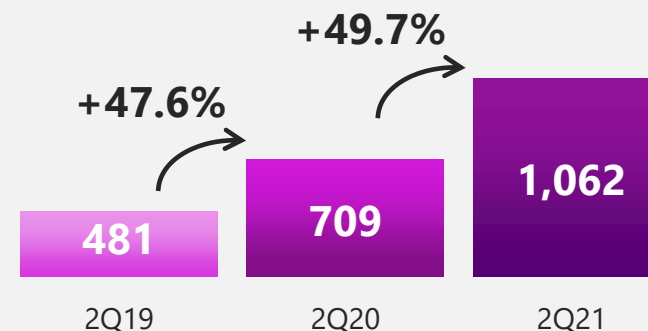
Growth of Core Fixed Revenues YoY



Core Fixed Revenues **ramping up in the last two quarters** as B2B revenues recover and fiber net adds continue to expand

FTTH² Revenues

Revenues, R\$ million



ARPU increase, OTT³ bundles and higher net additions driving FTTH revenue evolution



VIVO REACHES 4 MILLION FIBER CUSTOMERS BY ACCELERATING NET ADDITIONS AND FOOTPRINT EXPANSION, DELIVERING QUALITY HIGH-SPEED CONNECTIVITY

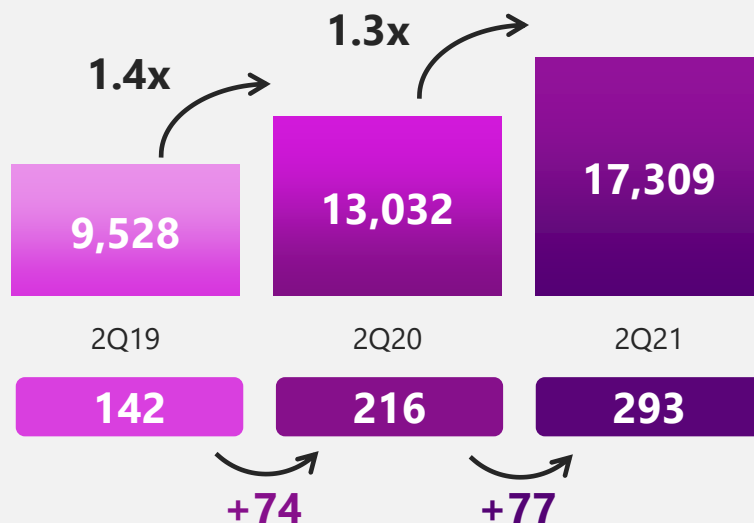
Core evolution



Fiber Homes Passed

thousand

Number of cities



Consistent expansion to fresh markets, with the addition of **17 new cities** in 2Q21

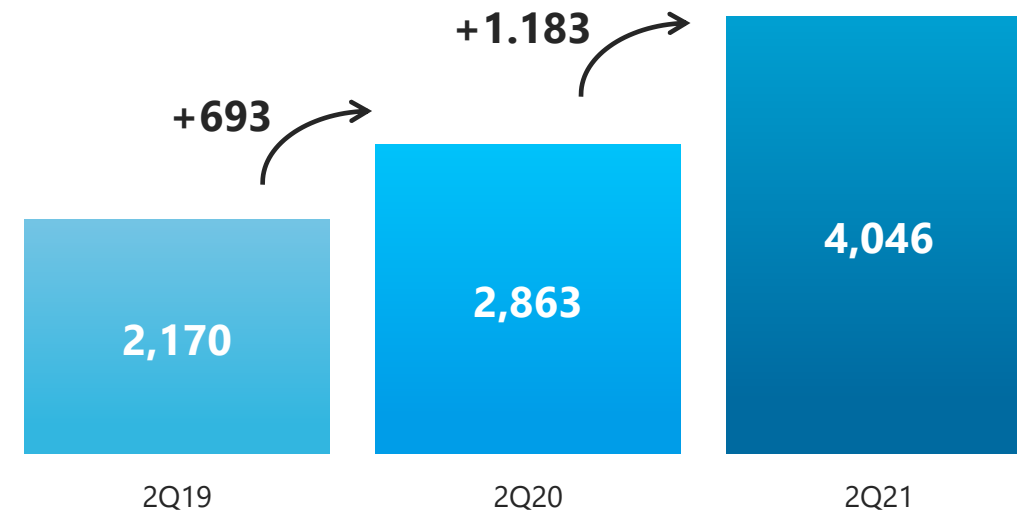


Overlay of xDSL and FTTC with FTTH in strategic regions, delivering positive results and protecting our customer base

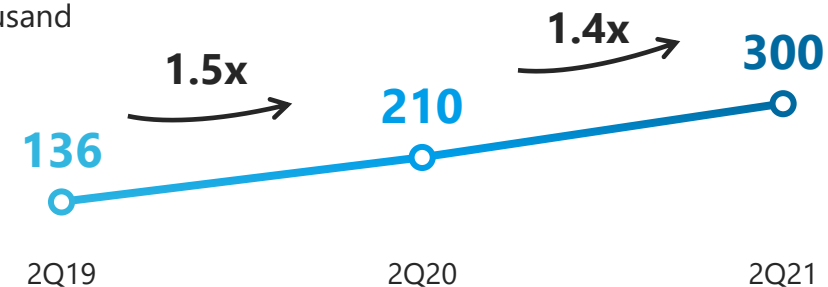


Fiber Homes Connected

thousand



Net additions
thousand





FIBRASIL, NEUTRAL FIBER NETWORK CREATED IN PARTNERSHIP WITH TELEFÔNICA INFRA AND CDPQ, IS UP AND RUNNING AND WILL DEPLOY 500K FTTH HPs IN 2H21


Core evolution



FIBRASIL

1H21


Regulatory approvals 

Dropdown of assets 

Definition of governance 

Corporate management systems 

Jul 2nd, 21

Closing of the transaction 

Planned coverage expansion



Initiating with **1.6 million HPs** in **34 cities** outside the state of São Paulo



Plan to reach **2.1 million HPs by FY2021** and **≈5.5 million by 2024**

Proceeds from the transaction



Positive impact on Vivo's cash flow¹ of R\$ 225 million, and **R\$1.5 billion in the following years** conditioned to pre-established targets



CDPQ to contribute an additional R\$750 million to FiBrasil, of which R\$205 million at the closing of the transaction

Initial cities





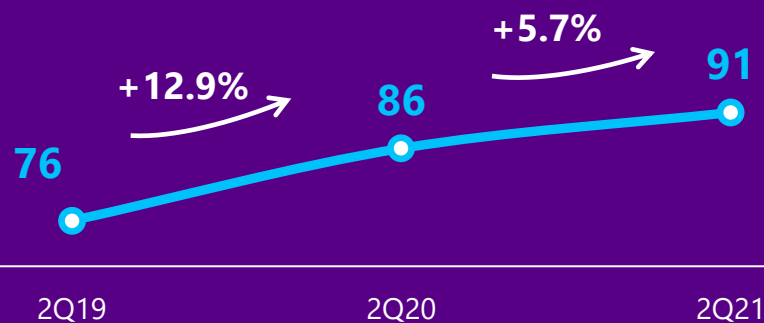
POSITIVE EVOLUTION OF FIBER ARPU, WITH CUSTOMERS DEMANDING HIGHER SPEEDS, COMBINED WITH A COMPLETE PORTFOLIO OF SERVICES THAT REDUCES CHURN

Core evolution

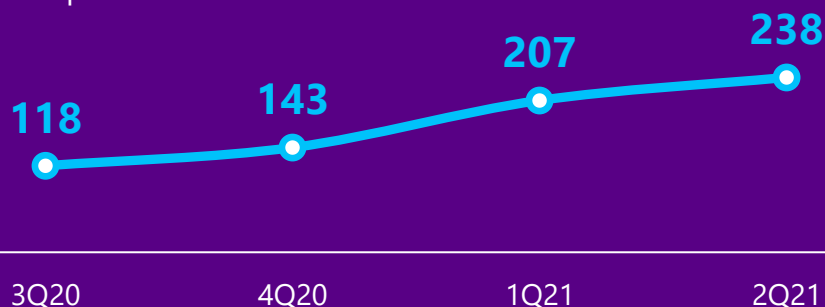
Fiber ARPU and speed evolution



FTTH ARPU Evolution



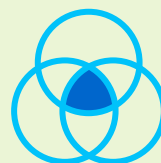
Average speed of gross additions Mbps



Focus on high-value customers, improving ARPU and churn

Customer acquisition

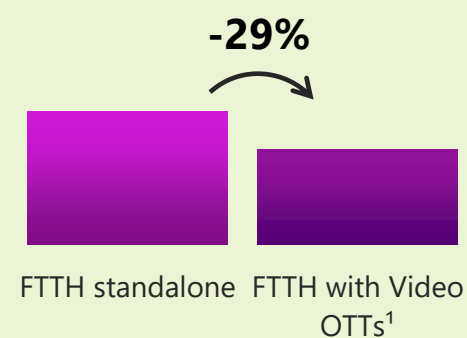
Higher speeds and bundled content continue to gain traction: $\approx 40\%$ of fiber gross adds are ≥ 300 Mbps (+15p.p. QoQ)...



$\approx 40\%$ of fiber customers are convergent with mobile...

Customer engagement

...with strong improvement in churn rates



...driving a -67% reduction in postpaid² churn



VIVO CONTINUES TO ROLL OUT THE BUILDING BLOCKS OF ITS DIGITAL ECOSYSTEM, DEEPENING THE REACH OF ITS RELATIONSHIP WITH CUSTOMERS

Core evolution

Key Enablers



97 million
accesses



1,700 stores
and online channels

vivo **Top 9¹**
brand in Brazil



19 million
users Meu Vivo



**Big Data &
4th Platform**



>200 mn
monthly visits
in Terra

Financial services

vivo MONEY
vivo PAY

A portfolio of financial services, in a digital format, **with the potential to strengthen other initiatives**

Health and wellness

VIDA V

Powered By **TELADOC**

vivo
MEDITAÇÃO

Initiating with telemedicine and wellness services and **expanding along the healthcare value chain**

Marketplace

SHOPPING vivo

 Microsoft 365 

Become the **benchmark marketplace for tech-related needs** and **home office solutions** while increasing customer preference

Connected home



 xiaomi

amazon

vivo GURU
CDF.



POSITIVO



Leveraging on fiber connectivity to offer **connected home services and automation solutions**



VIVO'S DIGITAL CHANNELS ARE GAINING TRACTION, ENHANCING THE OVERALL CUSTOMER JOURNEY AND INCENTIVIZING FURTHER ENGAGEMENT

Core evolution

Increased relevance of digital channels...



Meu Vivo as
key pillar to
drive sales

19mn

Unique users

5 interactions/month
per user

78%

of customer
contacts

use Meu Vivo as their
preferred channel



digital upgrades
and mobile sales



marketplace
traffic



Third-party
app sales

...improving customer experience, activations and engagement (above Industry benchmark)

NPS¹



Stores

57



Technicians

62



Whatsapp
Support

90

Digital Top-up Revenues

R\$

+27.7%



2Q20

2Q21

Vivo Easy customer base

#

+118.9%



2Q20

2Q21

Digital FTTH net additions

#

+18.6%



2Q20

2Q21

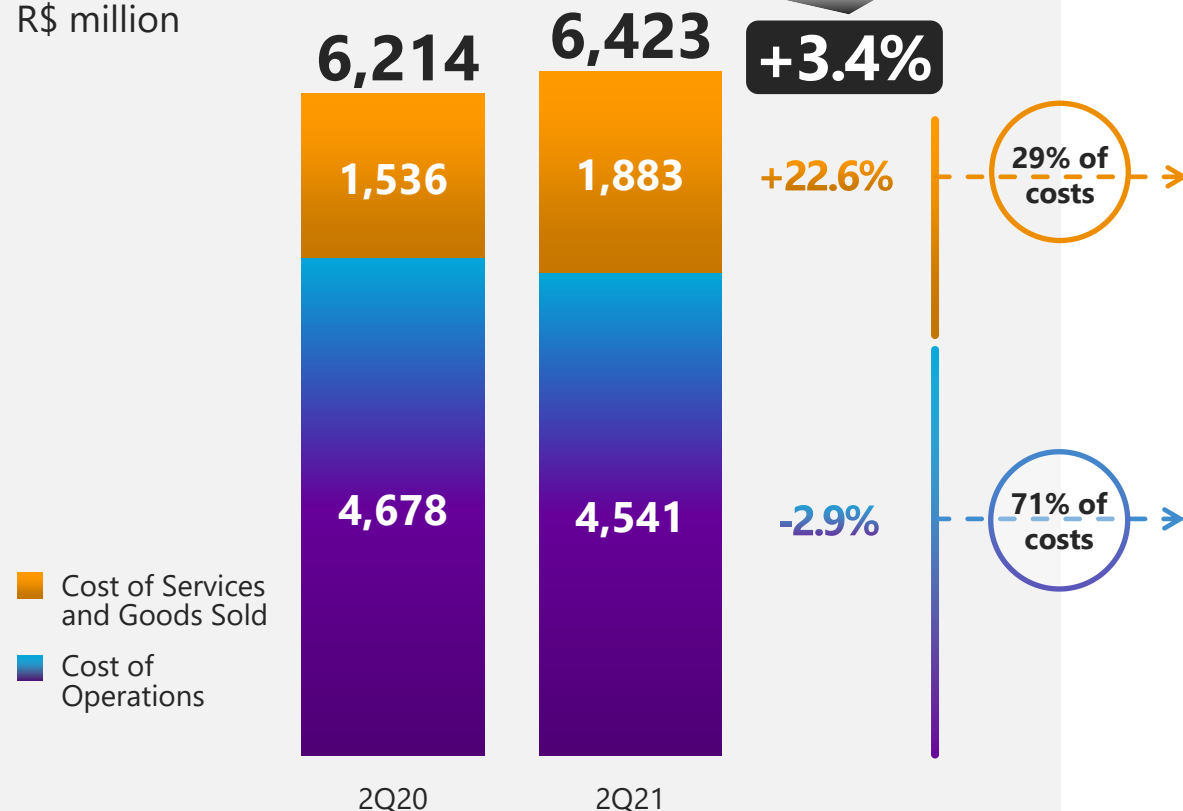
The accelerated
use of digital
channels is
supporting
revenue
evolution and
net additions



VIVO IS TRANSFORMING ITS BUSINESS AND THE COST BASE IS EVOLVING AS THE SALE OF HANDSETS AND DIGITAL SERVICES ESCALATES

Efficiencies & returns

Total Costs¹ R\$ million

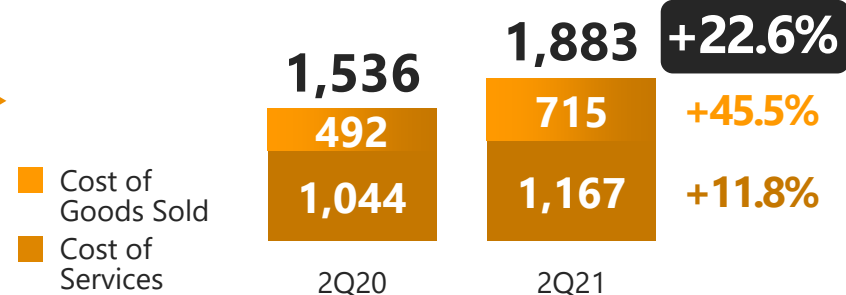


Rec. EBITDA	4,103	4,226	+3.0%
Rec. EBITDA Mg	39.8%	39.7%	-0.1p.p.

1 – Positive net effect of R\$563 million, corresponding to extraordinary tax matters (R\$1,549 million referring to the decision of the Supreme Court on the right to exclude ICMS from the basis of PIS/COFINS contributions and an expense of R\$415 million of tax contingencies) and a regulatory contingencies expense of R\$571 million.

Cost of Services and Goods Sold

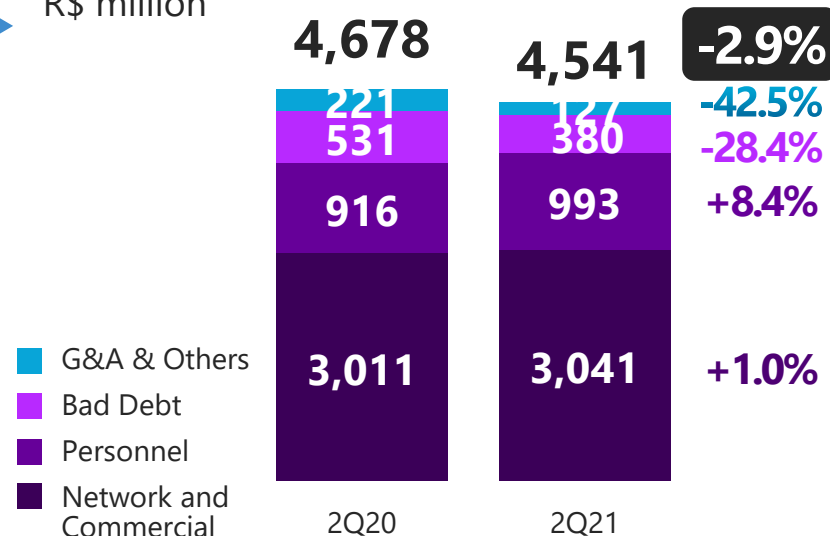
R\$ million



- Positive evolution of handset sales and B2B equipment
- Acceleration of digital services driving revenue growth

Cost of Operations¹

R\$ million



- Bad debt reduction due to economic recovery and essentiality of service
- Higher costs related to maintenance and energy tariff hike partially offset by digitalization and efficiency initiatives

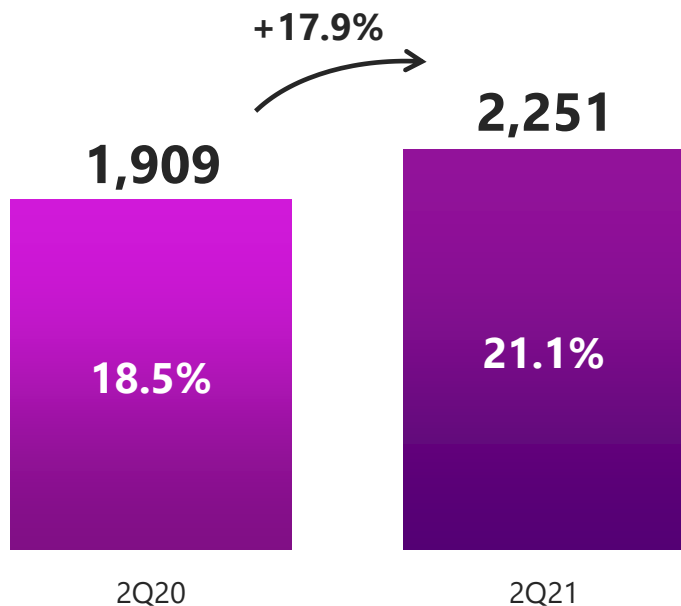


IMPROVED CAPEX ALLOCATION AIMED AT TRANSFORMING THE COMPANY AND SUPPORTING GROWTH IN CUTTING-EDGE TECHNOLOGIES

Efficiencies & returns

CAPEX

- Capex, R\$ Million
- Capex/Sales, %



83% of CapEx dedicated to **Growth and Transformation**

Capex light fiber expansion

- **FiBrasil and partnerships** with American Tower and Phoenix **reducing time to market with less CapEx intensity**
- **Expansion of Terra Fibra Franchise, already reaching 17 cities**, capturing the fiber opportunity in untapped regions

				
# of cities	34	29	11	17

RAN Sharing Agreement with TIM



Single Grid

- **4G Coverage Expansion concluded**, with ≈360 cities for each operator
- **Consolidation: pilot for technical feasibility started in 50 cities** (25 each), to be concluded by September (potential expansion to 1,600 cities)


2G switch-off

- **Systems developments advancing as planned** and rollout expected by the end of the year

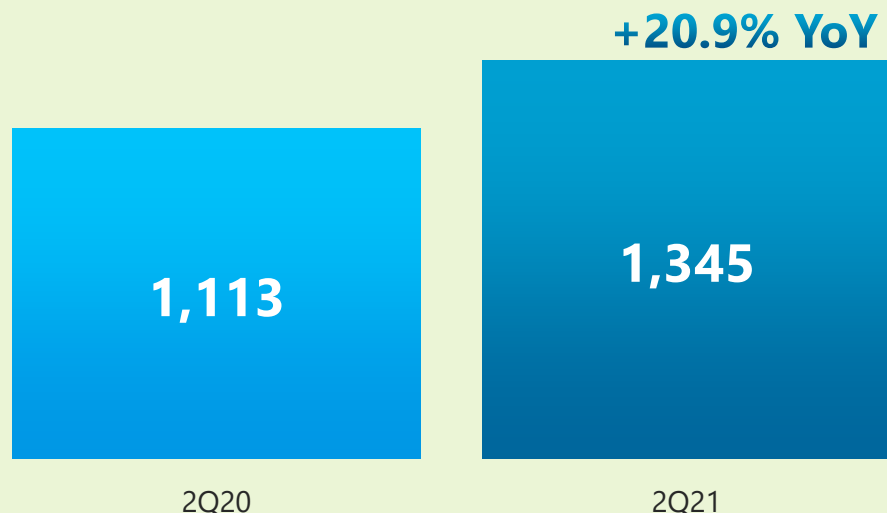


NET PROFIT GROWING 20.9% AND A NEW TAX GAIN OF R\$2.1 BILLION IS A SOURCE OF INCREMENTAL CASH

Efficiencies & returns

Net income

R\$ million



Extraordinary tax gain

Positive effect due to the Supreme Court decision to deduct ICMS from the basis of calculation of PIS/COFINS contributions

R\$2.1bn



Estimated to become an **incremental source of cash in the next 12 months**



Payment Schedule based on 2020 Net Income

First Tranche

R\$2.6 billion

Jul 13th, 2021 ✓

Second Tranche

R\$2.8 billion

Oct 05th, 2021



DPS¹:
R\$3.25²

Shareholder remuneration



R\$1.3 billion
declared as of
June 2021

**Dividend
Yield LTM²
7.7%**

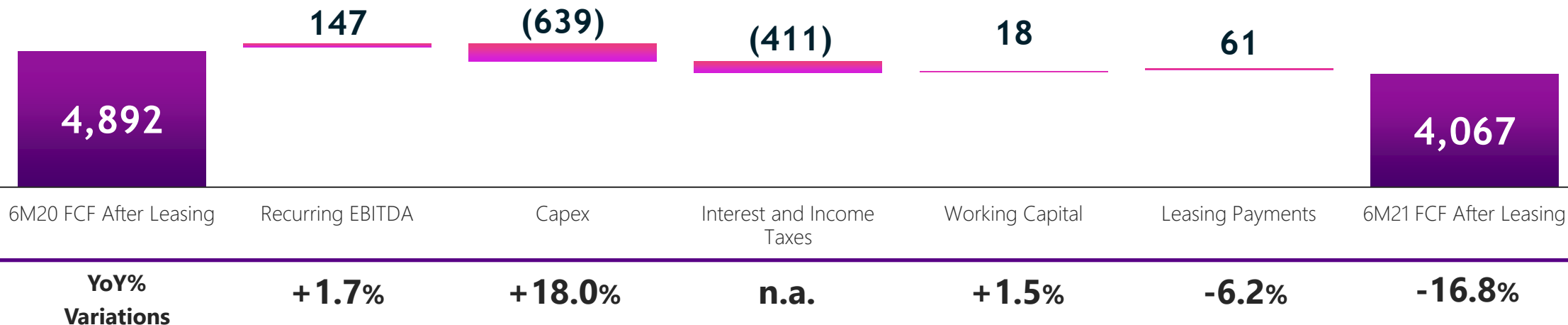


FREE CASH FLOW TOTALED R\$4.1 BILLION IN THE FIRST 6 MONTHS OF 2021, REPRESENTING A FREE CASH FLOW YIELD OF 12% (LTM)

Efficiencies & returns

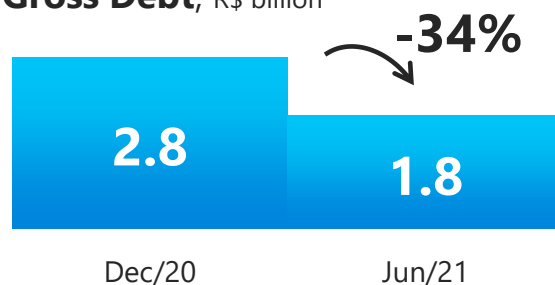
Free Cash Flow¹

R\$ million, Δ YoY



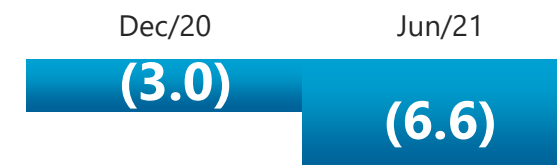
Leverage

Gross Debt, R\$ billion



Strong **net cash position** reinforcing **Vivo's sound financials** and **capacity to fund Oi Mobile assets'** and potential **5G spectrum acquisition**

Net Debt (Cash), R\$ billion





For further information:

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ISEB3

VIV
LISTED
NYSE

[B]³
BRASIL
BOLSA
BALCÃO





2Q21 HIGHLIGHTS

Consolidated in R\$ million	2Q21	2Q20	Δ% YoY	6M21	6M20	Δ% YoY
Net Operating Revenue	10,649	10,317	3.2	21,498	21,142	1.7
Core Revenue ¹	9,453	8,734	8.2	19,016	17,865	6.4
Mobile Revenue	6,990	6,618	5.6	14,138	13,688	3.3
Fixed core revenue	2,462	2,116	16.4	4,878	4,177	16.8
Non-core Revenue ²	1,197	1,583	(24.4)	2,483	3,277	(24.2)
Recurring Total Costs³	(6,423)	(6,214)	3.4	(12,817)	(12,608)	1.7
<i>Reported Total Costs</i>	<i>(5,860)</i>	<i>(6,214)</i>	<i>(5.7)</i>	<i>(12,254)</i>	<i>(12,532)</i>	<i>(2.2)</i>
Recurring EBITDA³	4,226	4,103	3.0	8,681	8,534	1.7
Recurring EBITDA Margin³	39.7%	39.8%	(0.1) p.p.	40.4%	40.4%	0.0 p.p.
<i>Reported EBITDA</i>	<i>4,789</i>	<i>4,103</i>	<i>16.7</i>	<i>9,244</i>	<i>8,610</i>	<i>7.4</i>
<i>Reported EBITDA Margin</i>	<i>45.0%</i>	<i>39.8%</i>	<i>5.2 p.p.</i>	<i>43.0%</i>	<i>40.7%</i>	<i>2.3 p.p.</i>
Net Income	1,345	1,113	20.9	2,287	2,266	0.9
CAPEX EX-IFRS 16	2,251	1,909	17.9	4,194	3,556	18.0
Free Cash Flow⁴	1,868	2,772	(32.6)	4,067	4,892	(16.8)
Core Revenue¹ / Net Revenue	88.8%	84.7%	4.1 p.p.	88.5%	84.5%	4.0 p.p.
Non-core Revenue² / Net Revenue	11.2%	15.3%	(4.1) p.p.	11.5%	15.5%	(4.0) p.p.
Total Subscribers (Thousand)	96,721	92,012	5.1	96,721	92,012	5.1
Core Subscribers	87,197	80,247	8.7	87,197	80,247	8.7
% / total accesses	90.2%	87.2%	2.9 p.p.	90.2%	87.2%	2.9 p.p.
Non-core Subscribers	9,524	11,765	(19.0)	9,524	11,765	(19.0)
% / total accesses	9.8%	12.8%	(2.9) p.p.	9.8%	12.8%	(2.9) p.p.

1 – Total Revenue excluding fixed voice, xDSL and DTH. 2 – Fixed voice, xDSL and DTH revenues. 3 – Excludes the following non-recurring effects: 1Q20: positive effect related to the sale of towers and rooftops in the amount of R\$76 million. 2Q21: net positive effect of R\$ 563 million related to extraordinary tax matters (R\$ 1,549 million related to the Supreme Court decision of the right for exclusion of ICMS in relation to the calculation of PIS/COFINS; expenses of R\$ 415 million due to tributary contingencies) and the regulatory contingency, that represents an expense of R\$ 571 million. 4 – Free cash flow after payment of Leasing. Excludes R\$470 million received from the sale of towers and rooftops in 1Q20.



2Q21 MOBILE AND FIXED REVENUES

NET OPERATING REVENUES | MOBILE SERVICES

Consolidated in R\$ million	2Q21	2Q20	Δ% YoY	6M21	6M20	Δ% YoY
NET MOBILE REVENUE	6,990	6,618	5.6	14,138	13,688	3.3
Mobile Service Revenue	6,441	6,245	3.1	12,944	12,734	1.6
Postpaid	5,217	5,112	2.1	10,499	10,429	0.7
Prepaid	1,224	1,133	8.0	2,445	2,309	5.9
Handset Revenues	550	373	47.3	1,194	954	25.1

NET OPERATING REVENUES | FIXED SERVICES

Consolidated in R\$ million	2Q21	2Q20	Δ% YoY	6M21	6M20	Δ% YoY
NET FIXED REVENUE	3,659	3,700	(1.1)	7,361	7,454	(1.2)
Core fixed revenue¹	2,462	2,116	16.4	4,878	4,177	16.8
FTTx	1,317	1,153	14.3	2,629	2,243	17.2
FTTH	1,062	709	49.7	2,072	1,336	55.1
IPTV	343	265	29.5	668	523	27.7
Corporate Data, ICT and others	802	698	14.8	1,581	1,410	12.1
Non-core fixed revenue²	1,197	1,583	(24.4)	2,483	3,277	(24.2)
Core fixed revenue¹ / Net fixed revenue	67.3%	57.2%	10.1 p.p.	66.3%	56.0%	10.2 p.p.
Non-core fixed revenue² / Net fixed revenue	32.7%	42.8%	(10.1) p.p.	33.7%	44.0%	(10.2) p.p.



2Q21 MOBILE OPERATING FIGURES

Thousand	2Q21	2Q20	Δ% YoY	6M21	6M20	Δ% YoY
TOTAL MOBILE SUBSCRIBERS	80,965	74,408	8.8	80,965	74,408	8.8
Postpaid	47,093	43,117	9.2	47,093	43,117	9.2
<i>M2M</i>	11,182	9,870	13.3	11,182	9,870	13.3
Prepaid	33,872	31,291	8.2	33,872	31,291	8.2
MARKET SHARE¹	33.0%	33.0%	(0.0) p.p.	33.0%	33.0%	(0.0) p.p.
Postpaid ¹	36.9%	38.8%	(1.9) p.p.	36.9%	38.8%	(1.9) p.p.
Prepaid ¹	28.8%	27.4%	1.4 p.p.	28.8%	27.4%	1.4 p.p.
ARPU (R\$/month)	26.8	28.0	(4.3)	27.0	28.5	(4.9)
Postpaid (Human)	48.0	49.9	(3.8)	48.9	50.6	(3.4)
M2M	2.8	2.9	(4.9)	2.9	3.0	(2.8)
Prepaid	12.1	12.1	(0.4)	12.1	12.3	(2.0)
MONTHLY CHURN	2.9%	3.4%	(0.4) p.p.	2.9%	3.2%	(0.3) p.p.
Postpaid (ex-M2M)	1.3%	1.5%	(0.2) p.p.	1.2%	1.5%	(0.3) p.p.
Prepaid	4.9%	5.4%	(0.5) p.p.	4.9%	5.3%	(0.4) p.p.



2Q21 FIXED OPERATING FIGURES

Thousand	2Q21	2Q20	Δ% YoY	6M21	6M20	Δ% YoY
TOTAL FIXED SUBSCRIBERS	15,756	17,603	(10.5)	15,756	17,603	(10.5)
Core fixed subscribers¹	6,232	5,838	6.7	6,232	5,838	6.7
FTTx	5,313	5,033	5.6	5,313	5,033	5.6
FTTH	4,046	2,863	41.3	4,046	2,863	41.3
IPTV	919	805	14.1	919	805	14.1
Non-core fixed subscribers²	9,524	11,765	(19.0)	9,524	11,765	(19.0)
ARPU FTTH (R\$/month)	90.9	86.1	5.6	92.8	83.8	10.8
ARPU IPTV (R\$/month)	124.9	114.0	9.5	122.2	115.5	5.8
Core fixed subscribers¹ / Total Fixed subscribers	39.6%	33.2%	6.4 p.p.	39.6%	33.2%	6.4 p.p.
Non-core fixed subscribers² / Total Fixed subscribers	60.4%	66.8%	(6.4) p.p.	60.4%	66.8%	(6.4) p.p.

1 – FTTx and IPTV.
2 – Fixed voice, xDSL and DTH.



2Q21 IFRS INCOME STATEMENT

Consolidated in R\$ million	2Q21	2Q20	Δ% YoY	6M21	6M20	Δ% YoY
Gross Operating Revenue	15,696	14,974	4.8	31,732	30,778	3.1
Net Operating Revenue	10,649	10,317	3.2	21,498	21,142	1.7
Core Revenue ¹	9,453	8,734	8.2	19,016	17,865	6.4
Mobile core revenue	6,990	6,618	5.6	14,138	13,688	3.3
Fixed core revenue	2,462	2,116	16.4	4,878	4,177	16.8
Non-core Revenue ²	1,197	1,583	(24.4)	2,483	3,277	(24.2)
Total Costs	(5,860)	(6,214)	(5.7)	(12,254)	(12,532)	(2.2)
Cost of Services and Products sold	(1,883)	(1,536)	22.6	(3,799)	(3,140)	21.0
Services	(1,167)	(1,044)	11.8	(2,311)	(2,021)	14.4
Products sold	(715)	(492)	45.5	(1,488)	(1,119)	33.0
Costs from Operations	(3,978)	(4,678)	(15.0)	(8,455)	(9,393)	(10.0)
Personnel	(993)	(916)	8.4	(2,006)	(1,905)	5.3
Commercial and Infrastructure	(3,041)	(3,011)	1.0	(6,052)	(6,054)	(0.0)
Provision for Bad Debt	(380)	(531)	(28.4)	(744)	(985)	(24.5)
General and Administrative	(254)	(309)	(17.8)	(557)	(614)	(9.3)
Other Net Operating Revenue (Expenses)	690	88	684.2	903	165	446.0
EBITDA	4,789	4,103	16.7	9,244	8,610	7.4
EBITDA Margin %	45.0%	39.8%	5.2 p.p.	43.0%	40.7%	2.3 p.p.
Depreciation and Amortization	(3,013)	(2,777)	8.5	(5,919)	(5,522)	7.2
EBIT	1,776	1,326	33.9	3,326	3,088	7.7
Financial Result	(157)	(75)	110.0	(472)	(269)	75.2
Gain (Loss) on Investments	1	1	n.a.	3	1	123.1
Taxes (Income tax / Social contribution)	(275)	(139)	97.6	(570)	(554)	2.9
Net Income	1,345	1,113	20.9	2,287	2,266	0.9