



**TELEFÓNICA MÓVILES CHILE S.A. AND SUBSIDIARIES**

**REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

For the years ended as of december 31, 2022 and 2021

# INDEX

	Page No.
➤ Interim consolidated Statements of Financial Position.....	3
➤ Interim consolidated Statements of Comprehensive Income .....	5
➤ Interim consolidated Statements of Changes in Shareholders' Equity.....	7
➤ Interim Consolidated Statements of Cash Flows .....	8

## Notes to the Consolidated Financial Statements

1. Corporate information .....	9
2. Significant accounting principles .....	9
3. Changes in accounting policy and disclosures.....	31
4. Financial information by segment .....	33
5. Cash and cash equivalents.....	36
6. Other current and non-current financial assets .....	37
7. Other current and non-current non-financial assets.....	38
8. Current trade and other accounts receivable .....	39
9. Receivables from and payable to related companies.....	45
10. Inventory .....	50
11. Income taxes .....	51
12. Non-current trade and other accounts receivable .....	58
13. Intangible assets other than goodwill .....	59
14. Goodwill.....	60
15. Property, plant and equipment .....	61
16. Investment properties .....	64
17. Right of use assets .....	65
18. Current assets or disposal groups classified as held for sale .....	66
19. Other current and other non-current financial liabilities .....	67
20. Current and non-current lease liabilities .....	69
21. Current and non-current lease liabilities .....	80
22. Trade and other payables.....	80
23. Financial instruments .....	83
24. Other current provisions.....	91
25. Employee benefits accrual.....	92
26. Other current and non-current non-financial liabilities .....	94
27. Equity.....	96
28. Earnings per share .....	100
29. Income .....	100
30. Expenses .....	101
31. Financial income and costs .....	102
32. Leases .....	103
33. Local and foreign currency .....	104
34. Contingencies and restrictions .....	106
35. Environment .....	108
36. Risk management .....	110
37. Subsequent events .....	117

ThCh\$ : Thousands of Chilean Pesos

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2022 and 2021



	Notes	12.31.2022	12.31.2021
		ThCh\$	ThCh\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	(5)	466,972,364	412,783,123
Other current financial assets	(6)	89,268,915	654,692,865
Other current non-financial assets	(7)	145,104,073	103,376,808
Current trade and other accounts receivable	(8a)	225,384,045	243,735,280
Current receivables from related companies	(9a)	44,894,759	38,754,659
Inventory	(10a)	91,442,933	99,897,490
Current tax assets	(11b)	40,408,582	11,064,336
Current assets or disposal groups classified as held for sale	(18)	-	5,393,616
<b>TOTAL CURRENT ASSETS</b>		<b>1,103,475,671</b>	<b>1,569,698,177</b>
<b>NON-CURRENT ASSETS</b>			
Other non-current financial assets	(6)	11,600,641	82,183,532
Other non-current non-financial assets	(7)	209,336,847	139,855,385
Non-current trade and other accounts receivable	(12a)	39,787,680	25,107,034
Non-current receivables from related companies	(9b)	68,508,794	83,260,671
Investments in associates and joint ventures	(19)	72,372,094	72,428,057
Intangible assets other than goodwill, net	(13a)	244,212,072	253,356,060
Goodwill	(14)	504,774,872	504,774,872
Property, plant and equipment, net	(15a)	1,029,275,838	987,881,420
Investment properties	(16)	4,440,742	4,701,161
Right of-use assets	(17)	304,785,725	209,297,210
Deferred tax assets	(11c)	126,578,556	100,742,697
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,615,673,861</b>	<b>2,463,588,099</b>
<b>TOTAL ASSETS</b>		<b>3,719,149,532</b>	<b>4,033,286,276</b>

The accompanying notes 1 to 37 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2022 and 2021



	Notes	12.31.2022	12.31.2021
		ThCh\$	ThCh\$
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Other current financial liabilities	(20)	346,453,273	443,011,372
Current leases liabilities	(21)	98,526,851	41,841,185
Trade and other payables	(22a)	511,913,858	494,081,118
Current payables to related companies	(9c)	121,121,862	190,308,580
Other current provisions	(24a)	2,802,796	8,013,274
Current tax liabilities	(11f)	756,228	96,946,527
Current employee benefits accrual	(25a)	5,216,457	3,764,665
Other current non-financial liabilities	(26)	38,541,054	48,364,405
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,125,332,379</b>	<b>1,326,331,126</b>
<b>NON-CURRENT LIABILITIES</b>			
Other non-current financial liabilities	(20)	759,778,763	1,045,081,667
Non current leases liabilities	(21)	245,120,945	193,160,081
Trade and other payables non-current	(22a)	28,814	280,037
Current payables to related companies non-current	(9d)	5,548,164	1,529,371
Other non-current provisions	(24b)	18,078,266	17,662,670
Deferred tax liabilities	(11c)	115,637,138	97,003,247
Non-current employee benefits accrual	(25a)	31,235,592	28,518,971
Other non-current non-financial liabilities	(26)	77,478,576	80,692,068
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,252,906,258</b>	<b>1,463,928,112</b>
<b>TOTAL LIABILITIES</b>		<b>2,378,238,637</b>	<b>2,790,259,238</b>
<b>NET SHAREHOLDERS' EQUITY</b>			
Issued capital	(27a)	1,364,872,285	1,364,872,285
Retained earnings		424,008,652	291,568,647
Other reserves	(27d)	(457,048,524)	(421,857,714)
Shareholders' equity attributable to owners of the parent		1,331,832,413	1,234,583,218
Non-controlling interest	(27e)	9,078,482	8,443,820
<b>TOTAL NET SHAREHOLDERS' EQUITY</b>		<b>1,340,910,895</b>	<b>1,243,027,038</b>
<b>TOTAL NET LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		<b>3,719,149,532</b>	<b>4,033,286,276</b>

The accompanying notes 1 to 37 are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

As of December 31, 2022 and 2021

For years ended December 31,

STATEMENTS OF COMPREHENSIVE INCOME	Notes	For years ended December 31,	
		2022 ThCh\$	2021 ThCh\$
Income from ordinary operations	(29a)	1,675,120,863	1,585,856,285
Other income	(29b)	68,749,726	388,037,237
Employee benefits expenses	(25d)	(144,197,349)	(134,472,403)
Depreciation and amortization expense	(13b) (15b) (16) (17)	(277,082,691)	(298,577,926)
Impairment losses (reversal of impairment losses)	(30a)	(58,690,574)	(48,822,697)
Other expenses, by nature	(30b)	(1,142,207,562)	(999,956,105)
<b>Profit from operating activities</b>		<b>121,692,413</b>	<b>492,064,391</b>
Finance income	(31a)	68,266,806	11,762,852
Finance costs	(31a)	(131,658,064)	(50,668,792)
Share in earnings (losses) of associates and joint ventures		(387,098)	(846,934)
Foreign exchange differences	(31b)	(2,204,801)	(4,761,511)
Income from indexation units	(31b)	1,568,783	923,450
<b>Profits before tax from continuing operations</b>		<b>57,278,039</b>	<b>448,473,456</b>
Income tax expense	(11e)	5,586,192	(112,913,614)
<b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>		<b>62,864,231</b>	<b>335,559,842</b>
<b>Profit attributable to holders of equity instruments of the controller and minority interest:</b>			
Profit attributable to parent owners	(28)	62,506,242	332,859,272
Profit attributable to non-controlling interest	(27e)	357,989	2,700,570
<b>PROFIT (LOSS)</b>		<b>62,864,231</b>	<b>335,559,842</b>
<b>EARNINGS PER SHARE</b>			
<b>Earnings per basic share</b>			
Earnings per basic share for continuing operations	(28)	0.065	0.347
Earnings per basic share for discontinuing operations			
Earnings per basic share		0.065	0.347
<b>Diluted earnings per share</b>			
Diluted earnings per share from continuing operations		0.065	0.347
Diluted earnings per share from discontinuing operations			
Diluted earnings per share		0.065	0.347

The accompanying notes 1 to 37 are an integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

As of December 31, 2022 and 2021

For years ended December 31

	<u>2022</u>	<u>2021</u>
	ThCh\$	ThCh\$
<b>STATEMENTS OF OTHER COMPREHENSIVE INCOME</b>		
<b>PROFIT (LOSS)</b>	<b>62,864,231</b>	<b>335,559,842</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Components of other comprehensive income that will not be reclassified to income for the year</b>		
Other comprehensive income, before taxes, profits (losses) on new measurements of defined benefits plans	(3,732,889)	3,593,093
Other comprehensive income, before taxes, profits (losses) from investment in equity instruments	328,962	5,434,246
Other comprehensive income, before taxes, profits (losses) on investments in equity instruments	<b>(1,004,538)</b>	860,076
<b>Total other comprehensive income that will not be reclassified to income for the year</b>	<b>(4,408,465)</b>	<b>9,887,415</b>
<b>Components of other comprehensive income that will be reclassified to income for the year</b>		
Profit (loss) on cash flow hedges	(43,506,156)	61,451,502
<b>Total Components of other comprehensive income that will be reclassified to income for the year</b>	<b>(43,506,156)</b>	<b>61,451,502</b>
<b>Total other components of other comprehensive income, before taxes</b>	<b>(47,914,621)</b>	<b>71,338,917</b>
<b>Income taxes associated to components of other comprehensive income which will not be reclassified to income for the year</b>		
Income taxes associated to new measurements of defined benefits plans of other comprehensive income	1,005,394	(965,568)
<b>Total income taxes associated to components of other comprehensive income which will not be reclassified to income for the year</b>	<b>1,005,394</b>	<b>(965,568)</b>
<b>Income taxes associated to components of other comprehensive income which will be reclassified to income for the year</b>		
Income tax related to hedging cash flows from other comprehensive income	11,732,284	(16,602,819)
<b>Total income taxes associated to components of other comprehensive income</b>	<b>12,737,678</b>	<b>(17,568,387)</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>(35,176,943)</b>	<b>53,770,530</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>27,687,288</b>	<b>389,330,372</b>
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>		
Comprehensive income attributable to parent owners	27,315,432	386,475,576
Comprehensive income attributable to non-controlling interest	371,856	2,854,796
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>27,687,288</b>	<b>389,330,372</b>

The accompanying notes 1 to 37 are an integral part of these consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

As of December 31, 2022 and 2021



	Changes in capital (Note 27 a)	Changes in the other reserves (Note 27 d)				Retained earnings	Equity attributable to parent owners	Non controlling interests (Note 27 e)	Total Equity	
	Issued capital	Cash flow hedge reserves	Reserves of actuarial gains or losses on defined benefit plans	Accrual of profits or losses on remeasurement of financial assets available for sale	Other miscellaneous reserves	Total other reserves				
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
<b>Balance at the beginning of the year</b>	1,364,872,285	35,021,989	(7,517,091)	1,146,101	(450,508,713)	(421,857,714)	291,568,647	1,234,583,218	8,443,820	1,243,027,038
<b>Changes in equity</b>										
<b>Comprehensive income</b>										
Profit	-	-	-	-	-	-	62,506,242	62,506,242	357,989	62,864,231
Other comprehensive income	-	(31,391,660)	(2,801,253)	(997,897)	-	(35,190,810)	-	(35,190,810)	13,867	(35,176,943)
<b>Comprehensive income</b>		<b>(31,391,660)</b>	<b>(2,801,253)</b>	<b>(997,897)</b>	<b>-</b>	<b>(35,190,810)</b>	<b>62,506,242</b>	<b>27,315,432</b>	<b>371,856</b>	<b>27,687,288</b>
Reversal of interim dividends (see note 27c(i))	-	-	-	-	-	-	98,820,761	98,820,761	(98,069)	98,722,694
Capital increase	-	-	-	-	-	-	-	-	456,720	456,720
2022 dividend payment	-	-	-	-	-	-	(28,887,000)	(28,887,000)	(95,845)	(28,982,845)
<b>Total changes in shareholders' equity</b>	<b>-</b>	<b>(31,391,660)</b>	<b>(2,801,253)</b>	<b>(997,897)</b>	<b>-</b>	<b>(35,190,810)</b>	<b>132,440,005</b>	<b>97,249,195</b>	<b>634,662</b>	<b>97,883,857</b>
<b>Ending balance as of 12.31.2022</b>	<b>1,364,872,285</b>	<b>3,630,329</b>	<b>(10,318,344)</b>	<b>148,204</b>	<b>(450,508,713)</b>	<b>(457,048,524)</b>	<b>424,008,652</b>	<b>1,331,832,413</b>	<b>9,078,482</b>	<b>1,340,910,895</b>
<b>Balance at the beginning of the year</b>	1,364,872,285	(14,505,535)	(10,127,702)	293,416	(451,134,197)	(475,474,018)	494,586,414	1,383,984,681	5,659,883	1,389,644,564
<b>Changes in equity</b>										
<b>Comprehensive income</b>										
Profit	-	-	-	-	-	-	332,859,272	332,859,272	2,700,570	335,559,842
Other comprehensive income	-	49,527,524	2,610,611	852,685	625,484	53,616,304	-	53,616,304	154,226	53,770,530
<b>Comprehensive income</b>	<b>-</b>	<b>49,527,524</b>	<b>2,610,611</b>	<b>852,685</b>	<b>625,484</b>	<b>53,616,304</b>	<b>332,859,272</b>	<b>386,475,576</b>	<b>2,854,796</b>	<b>389,330,372</b>
Reversal of interim dividends	-	-	-	-	-	-	(88,832,450)	(88,832,450)	(70,859)	(88,903,309)
Dividends	-	-	-	-	-	-	(447,044,589)	(447,044,589)	-	(447,044,589)
<b>Total changes in shareholders' equity</b>	<b>-</b>	<b>49,527,524</b>	<b>2,610,611</b>	<b>852,685</b>	<b>625,484</b>	<b>53,616,304</b>	<b>(203,017,767)</b>	<b>(149,401,463)</b>	<b>2,783,937</b>	<b>(146,617,526)</b>
<b>Ending balance as of 12.31.2021</b>	<b>1,364,872,285</b>	<b>35,021,989</b>	<b>(7,517,091)</b>	<b>1,146,101</b>	<b>(450,508,713)</b>	<b>(421,857,714)</b>	<b>291,568,647</b>	<b>1,234,583,218</b>	<b>8,443,820</b>	<b>1,243,027,038</b>

The accompanying notes 1 to 37 are an integral part of these consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

As of December 31, 2022 and 2021



For years ended December 31,

	Notes	For years ended December 31,	
		2022	2021
		ThCh\$	ThCh\$
<b>CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>			
<b>Types of operating activity charges</b>			
<b>Proceeds from sale of assets and services rendered</b>		<b>1,863,005,290</b>	<b>1,824,757,809</b>
Proceeds from sales and services		1,824,757,809	1,795,620,634
Proceeds from related entities		103,827,498	29,137,175
<b>Types of payments</b>		<b>(1,573,254,306)</b>	<b>(1,475,077,182)</b>
Payments to suppliers for supplying goods and services		(1,176,656,856)	(1,065,433,429)
Payments from related entities		(212,218,801)	(96,958,561)
Payments to and on account of employees		(153,239,317)	(145,651,329)
Other operating activities payments (1)		(31,139,332)	(167,033,863)
<b>Net cash flows provided by (used in) operating activities</b>		<b>(167,033,863)</b>	<b>349,680,627</b>
Income taxes paid		(109,577,279)	(18,356,699)
<b>Cash flows provided by (used in) operating activities</b>		<b>180,173,705</b>	<b>331,323,928</b>
<b>CASH FLOWS PROVIDED BY (USED IN) INVESTMENT ACTIVITIES</b>			
Amounts from sales of property, plant and equipment (2)		67,107,775	44,111,607
Loss of control of subsidiaries or other businesses		-	493,229,554
Additions to property, plant and equipment		(239,890,057)	(364,436,290)
Interest received		53,773,767	3,104,010
Dividends received		221,076	171,037
Proceeds from government subsidies		-	4,523,073
Other cash inputs (outputs) (3)		451,016,238	(422,382,586)
<b>Net cash flows provided by (used in) investment activities</b>		<b>332,228,799</b>	<b>(241,679,595)</b>
<b>CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>			
Collections loans to related entities		956,660	707,608
Payments loans to related entities		(850,000)	(1,564,289)
Proceeds from loans		-	651,137,064
Reimbursement of loans, classified as financing activities		(240,231,400)	(219,697,500)
(Payments) dividends, classified as financing activities		(28,854,037)	(448,670,663)
Lease obligation payments in accordance with IFRS 16		(89,243,859)	(87,978,740)
Interest paid (4)		(51,454,373)	(33,604,049)
Other cash inputs (outputs) (5)		(48,536,252)	(2,999,970)
<b>Net cash flows provided by (used in) financing activities</b>		<b>(458,213,261)</b>	<b>(142,670,539)</b>
<b>Increase (decrease) in cash and cash equivalents, before the effects of changes in he exchange rate</b>		<b>54,189,243</b>	<b>(53,026,206)</b>
		<b>54,189,243</b>	<b>(53,026,206)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	(5)	<b>412,783,121</b>	<b>465,809,329</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	(5)	<b>466,972,364</b>	<b>412,783,123</b>

- (1) Mainly includes factoring and portfolio sales transactions. The Company is the collection agent for mass service transactions. Corresponds to the sale of the Data Center business.
- (2) In 2022 corresponds mainly to sale of telecommunications infrastructure on rooftops and business.
- (3) Corresponds to recovery of time deposit (see Note 6b).
- (4) Corresponds to payment of bonds and loans (see Note 20).
- (5) Corresponds mainly to hedging payments.

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.



## 1. Corporate information:

Telefónica Móviles Chile S.A. (formerly Inversiones Telefónica Móviles Holding S.A., (hereinafter “the Company”), was established as a limited liability company on July 12, 2004. On December 30, 2011 the partners agreed to change it to a closely held company. The Company’s capital is divided into 10 billion common, single series registered shares, without par value, which have been fully subscribed and paid. The Company’s line of business is: i) operating the public telephone service concessions which it may become the owner by virtue of Supreme Decrees issued by the Ministry of Transportation and Telecommunications; ii) performing all types of activities in the field of telecommunications services (fixed and mobile), comprising the installation, operation, exploitation and management, in general, of all types of networks, systems and services; iii) purchasing and selling all types of articles and products in the communications area; iv) offering data processing services to third parties; v) performing research and development activities in the telecommunications and telematics fields; vi) investing in tangible and intangible personal property, in shares of public companies, rights in other companies, bonds, commercial papers and other transferable securities, as well as their administration and operation. The Company is located at Avenida Providencia No, 111, Santiago, Chile.

Telefónica Móviles Chile S.A. is part of the Telefónica Group, where its majority shareholder Inversiones Telefónica Internacional Holding SpA is an indirect subsidiary of Telefónica S.A., which has its headquarters in Spain.

The subsidiary registered in the Securities Registry is:

Subsidiary	Taxpayer No.	Registration No.	Participation percentage (direct and indirect)	
			12.31.2022 %	12.31.2021 %
Telefónica Chile S.A.	90.635.000-9	009	99.3388793	99.1405597

## 2. Significant accounting principles:

### a) Accounting period

These consolidated financial statements (hereinafter, “financial statements”) cover the years ended December 31, 2022 and 2021.

### b) Basis of presentation

The consolidated financial statements for December 31, 2022 and December 31, 2021 and their corresponding notes are shown in a comparative manner in accordance with Note 2a). In addition, for comparative purposes, a less reclassification has been made between items current leases liabilities and trade and other payables and item current payables to related companies; in the financial result between the items exchange rates and financial income; between the operational flow of payments and receipts from third party providers to payments and receipts of related parties and the other payments of operational flow to other inputs (outputs) of investment cash flow in the 2021 financial statements, for a better comparison with the financial statements as of December 31, 2022.

### c) Basis of preparation

The financial statements as of December 31, 2022, and 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

## 2. Significant accounting principles, continued

### c) Basis of preparation, continued

The figures included in these consolidated financial statements are expressed in thousands of Chilean pesos, since the Chilean peso is the Company's functional and reporting currency. All values are rounded to the nearest thousands, except where otherwise indicated.

The Company's Board of Directors is responsible for the information contained in these consolidated financial statements, and it expressly manifests its responsibility for the consistent and reliable nature of the application of IFRS.

### d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries (hereinafter, "the Company"), including assets, liabilities, income, expenses and cash flows after making adjustments and eliminations related to transactions between the companies that are part of the consolidation. For its part, minority investments have been recognized under "Non-controlling Interests" (note 27e).

Control is achieved when the Company is exposed to or has rights to variable returns from its interest in the investee and has the capacity to influence these returns through its power over it. In order to comply with the definition of control, the following points must be fulfilled:

- Power over the investee (existing rights that give it the capacity to direct the relevant activities of the investee),
- Exposure, or right to variable returns from its interest in the investee; and
- Capacity to use its power over the investee to influence the amount of the returns of the investor

The financial statements of the consolidated companies cover the years ended on the same dates as the individual financial statements of the parent Company, Telefónica Móviles Chile S.A. and have been prepared using the same accounting policies.

Non-controlling interest represents the portion of net income or loss and net assets of certain subsidiaries that are not owned by the parent company and are presented in the consolidated statements of income and equity, separately from shareholders' equity.

The following subsidiaries are included in consolidation:

Taxpayer No.	Company Name	Origin Country	Currency	% of participation			12.31.2021 Total
				Direct	Indirect	Total	
76.378.279-4	Telefónica Investigación y Desarrollo Chile SpA (1)	Chile	CLP	-	-	-	100.000000
90.635.000-9	Telefónica Chile S.A.	Chile	CLP	99.3388793	-	99.3388793	99.1405597
76.703.410-1	Telefónica Empresas Chile S.A.	Chile	CLP	-	99.9999973	99.9999973	99.9999973
76.086.148-0	Telefónica Chile Servicios Corporativos Ltda.	Chile	CLP	49.0000000	51.0000000	100.0000000	100.0000000

(1) On June 29, 2022, Telefónica Investigación y Desarrollo Chile S.A. was completely absorbed by its parent company, Telefónica Móviles Chile S.A.

Notes to the interim consolidated financial statements

As of December 31, 2022 and 2021



2. Significant accounting principles, continued

d) Basis of consolidation, continued

The summarized financial information at December 31, 2022 of the companies included in the consolidation is as follows:

Taxpayer No.	Company Name	% Participation (*)	Currents assets	Non-currents assets	Total Assets	Currents liabilities	Non-currents liabilities	Total liabilities	Equity	Revenues from ordinary operations	Profit (loss) Net
			ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
78.703.410-1	Telefónica Empresas Chile S.A.	99.9999973	201.004.179	144.675.294	45.679.473	247.155.512	12.261.090	259.416.602	86.262.871	350.964.094	(13.740.945)
90.635.000-9	Telefónica Chile S.A.	99.3388793	500.198.440	1.160.998.665	61.197.105	396.228.030	242.397.650	638.625.680	1.022.571.425	579.666.916	50.239.024
76.086.148-0	Telefónica Chile Servicios Corporativos Ltda.	100.0000000	145.496.670	34.706.681	80.203.351	65.604.100	34.201.281	99.805.381	80.397.970	186.093.282	8.168.706

(\*) Direct and indirect participation.

The summarized financial information at December 31, 2021 of the companies included in the consolidation is as follows:

Taxpayer No.	Company Name	% Participation (*)	Currents assets	Non-currents assets	Total Assets	Currents liabilities	Non-currents liabilities	Total liabilities	Equity	Revenues from ordinary operations	Profit (loss), Net
			ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
76.378.279-4	Telefónica Investigación y Desarrollo Chile SpA	100.0000000	4,575,268	411,850	4,987,118	3,289,049	1,770	3,290,819	1,696,299	928,773	77,482
78.703.410-1	Telefónica Empresas Chile S.A.	99.9999973	197,827,854	106,381,900	304,209,754	194,525,163	6,570,196	201,095,359	103,114,395	327,090,306	4,061,787
90.635.000-9	Telefónica Chile S.A.	99.1405597	650,524,091	1,177,505,912	1,828,030,003	804,421,828	265,753,338	1,070,175,166	757,854,837	496,676,544	312,964,020
76.086.148-0	Telefónica Chile Servicios Corporativos Ltda.	100.0000000	118,977,062	47,487,887	166,464,949	60,604,958	30,902,894	91,507,852	74,957,097	184,944,658	7,133,115

(\*) Direct and indirect participation.

## 2. Significant accounting principles, continued:

### e) Exchange Method

Balances of monetary assets and liabilities denominated in foreign currency are presented valued at the closing exchange rate for each year. Foreign currency translation differences arising from the application of this standard are recognized in income for the year through the “Foreign currency translation differences account and differences resulting from valuation of the UF are recognize in income for the year in the “income from indexation units” account.

Non-monetary items in foreign currency, which are measured in terms of historical cost, are converted using the exchange rate on the transaction date and non-monetary items that are measured at fair value in a foreign currency, are converted using the exchange rates for the date on which this fair value is measured.

When a loss or profit derived from a non-monetary item is recognized in other comprehensive income, any foreign currency translation difference included in that loss or profit, is also recognized in other comprehensive income. On the other hand, when the loss or profit, derived from a non-monetary item, is recognized in income for the year, any foreign currency translation difference, included in this loss or profit, will also be recognized in income for the year.

Assets and liabilities in US\$ (United States dollars), Euros, Brazilian Real and UF (“Unidades de Fomento”), have been converted to Chilean pesos at the observed exchange rates as of the closing date of each years, detailed as follows:

FECHA	USD	EURO	REAL	UF
12.31.2022	855.86	915.95	161.96	35,110.98
12.31.2021	844.69	955.64	151.68	30,991.74

### f) Financial assets and liabilities

#### 1. Financial assets other than derivatives

##### Classification and presentation

The Company classifies its financial assets into the following categories: loans and accounts receivable, financial assets at fair value through profit and loss, financial assets held to maturity and assets-held-for-sale. The classification depends on the purpose for which the financial assets were acquired. The Company determines the classification of its financial assets at the time of initial recognition.

## 2. Significant accounting principles, continued

### f) Financial assets and liabilities, continued

#### 1. Financial assets other than derivatives, continued

##### i) Amortized cost

Financial assets that comply with the following two conditions will be measured at amortized cost: the objective of the business model supporting them is to hold the financial assets to obtain contractual cash flows and in turn, the contractual conditions of the financial assets lead to cash flows composed of principal and interest payments only on specific dates.

The Company's financial assets that comply with the conditions established in IFRS 9, for valuation at amortized cost are: accounts receivable, loans and cash and cash equivalents.

Trade receivables are recognized for the amount of the invoice, and an adjustment is recorded if there is objective evidence of customer payment risk.

The estimated impairment of accounts receivable, is determined on the basis of the expected loss throughout the lives of the assets, determined by assessing the historical payment behavior and current information demonstrating the present and future condition of customers from the various segments that compose the portfolio. Recoverability matrices are prepared for this assessment, composed of aging periods, which provide the percentages of uncollectible based on past behavior, in addition to gathering timely customer information and monitoring changes in macroeconomic factors, thus recognizing impairment which are from inception.

Loans and accounts receivable are included in "Trade and other accounts receivable" in the consolidated statement of financial position, except for those with due dates in excess of 12 months from the closing date, which are classified as Non-current trade and other accounts receivable. They are recorded at amortized cost using the effective interest rate method, which is its initial fair value.

The effective interest rate method is a method for calculating the amortized cost of a financial asset or liability and imputing finance income or expenses throughout the relevant period, The effective interest rate is the discount rate that exactly matches the estimated cash flows receivable or payable throughout the expected life of the financial instrument (or, when adequate in a shorter period) with the net carrying amount of the financial asset or liability.

Short-term trade receivables are not discounted. The Company has determined no difference between the amount invoiced and the amortized cost, as the transaction has no significant associated costs.

Cash and cash equivalents recognized in the financial statements includes cash balances, checking accounts, time deposits and investments in instruments with original maturity of ninety days or less. These items are recorded at their historical cost, which does not significantly differ from their realization value. There are no restrictions on the use of cash and cash equivalents contained in this heading.

## 2. Significant accounting principles, continued

### f) Financial assets and liabilities, continued

#### 1. Financial assets other than derivatives, continued

##### Classification and presentation, continued

##### ii) Financial assets at fair value through other comprehensive income

Financial assets that comply with the following two conditions are measured at fair value through other comprehensive income: they are classified within a business model whose objective is to hold financial assets both to collect contractual cash flows and to sell them and in turn, contractual conditions lead to payment of principal and interest on the amount of the outstanding principal.

The Company will apply this valuation to factoring transactions, as long as the following conditions are met by sales subject to this transaction: significant, frequent sales, not motivated by credit risk and far from their due date.

##### iii) Financial assets at fair value through profit or loss

Financial assets will be considered in this category when they are not classified in the two previous categories or are irrevocably designated at their initial recognition at fair value through profit or loss.

They are recorded in the statement of financial position at fair value, and changes in their value are recorded directly in income when they occur, as are the costs of the initial transaction.

#### 2. Financial liabilities

The Company irrevocably determines the classification of its financial liabilities at the time of their initial recognition.

Financial liabilities are initially recognized at fair value and, in the case of loans, include costs directly attributable to the transaction. Subsequent measurement of financial liabilities depends on their classification: amortized cost and fair value through profit or loss.

Financial liabilities are derecognized when the obligation is cancelled, liquidated or expires, When an existing financial liability is replaced by another from the same lender under substantially different terms, or the terms of an existing liability are substantially modified, that exchange or modification is treated as an accounting derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income statement.

##### i) Financial liabilities at amortized cost

The Company classifies all its financial liabilities at amortized cost, except for liabilities held for trading or that decrease an accounting asymmetry, which are valued at fair value through profit or loss.

## 2. Significant accounting principles, continued

### f) Financial assets and liabilities, continued

#### 2. Financial liabilities, continued

##### ii) Financial liabilities at fair value through profit or loss

Financial liabilities are classified to the category of financial liabilities at fair value through profit or loss when they are initially recognized at fair value through profit or loss, in order to reduce accounting asymmetries.

This classification includes derivatives designated as effective hedging instruments (see note 23,2).

The underlying items associated to these derivatives, which are measured at amortized cost, consider the amount determined by rate risk at fair value.

#### 3. Derivative financial instruments

The Company holds hedge derivatives to manage its exposure to interest and/or exchange rate risks (see Note 23.2) to manage its risks associated to changes in interest rate and exchange rate. The Company's objective in respect to derivatives is to minimize these risks using the most effective method to eliminate or reduce the impact on underlying hedged transactions.

Derivative instruments are recognized at fair value on the date of the statement of financial position under "Other financial assets" or "Other financial liabilities" depending on whether their fair value is positive or negative respectively. They are classified as current or non-current depending on whether they mature in less than or more than twelve months. Derivative instruments that meet all the requirements for being treated as hedge instruments for long-term items are presented as non-current assets or liabilities, based on their balance separately from the hedged items, as indicated in IFRS 9.

Hedging the risk associated with the variation of exchange rates in a firmly committed transaction, may be treated as a fair value hedge or cash flow hedge, indistinctly.

Variations in the fair value of derivatives that have been designated and meet the requirements for being treated as fair value hedge instruments, are recorded in the comprehensive income statement offsetting the effects of the part of the underlying for which the risk is being hedged.

In the case of cash flow hedges, changes in the fair value of derivatives are recorded, for the effective part of those hedges, in an equity reserve called "Cash flow hedge reserve". The accumulated deficit or profit in that heading is transferred to the comprehensive income statement to the extent that the underlying has an impact on the comprehensive income statement for the hedged risk, offsetting that effect. The part of the hedge considered to be ineffective is recorded directly in the comprehensive income statement.

## 2. Significant accounting principles, continued

### f) Financial assets and liabilities, continued

#### 3. Derivative financial instruments, continued

The Company formally documents, at the initial moment, the hedging relationship between the derivative and the hedged item, as well as the objectives and risk management strategies pursued when establishing the hedge. This documentation includes identifying the hedge instrument, hedged item or transaction as well as the nature of the hedged risk. It also specifies the method for assessing the degree of effectiveness when offsetting the exposure to changes in the hedged item, either in its fair value or in the cash flows attributable to the hedged risk. The effectiveness assessment is performed prospectively and retroactively, both at inception of the hedge relationship and systematically throughout the period for which it were designated.

The fair value of the derivatives portfolio reflects estimates based on calculations made from observable market data, using specific assessment and risk management tools widely used among diverse financial entities.

### g) Inventory

Materials for consumption and replacement are valued at their weighted average cost or at net realizable value, whichever is lower.

The net realizable value is the estimated sales value during the normal course of business, less costs related to the sale and costs related to finishing the product.

When cash flows related to inventory purchases are covered by an effective hedge, the corresponding gains and losses accumulated in equity become part of the cost of acquired inventory.

Obsolescence is determined on the basis of the age and commercial rotation of equipment and accessories. According to the Company's policies, a provision has been made for inventories whose age since the purchase is greater than 360 days and whose rotation is greater than 12 months. Likewise, stored scrapped products or accessories are considered to be a total loss.

### h) Non- Current assets or disposal groups classified as held for sale

Non-current assets held for sale are measured at their carrying amount or fair value less cost of sales, whichever is lower. Assets are classified in this account when their carrying amount can be recovered through a very probable sales transaction, and they are immediately available in their present condition. Management must be committed to a plan to sell the asset and have actively begun a program to find a purchaser and complete the plan, and it must be expected that the sale will qualify for full recognition.

Property, plant and equipment assets classified as held for sale are not depreciated.



## 2. Significant accounting principles, continued

### i) Impairment of non-current assets

At each year-end, non-current assets are evaluated for signs of possible impairment. If such signs exist, the Company estimates the asset's recoverable amount, which is its value in use or its fair value, less cost to sell, whichever is greater. Value in use is determined by discounting estimated future cash flows. When an asset recoverable amount is less than its net book value, impairment is recorded.

To calculate impairment, the Company estimates the return on assets assigned to the different cash generating units based on expected cash flows.

### j) Leases

Leases are recognized in accordance with IFRS 16, as a right of use asset and a corresponding liability as of the date on which the leased asset is available for use by the Company. The financial cost is charged to income over the term of the lease. The right of use asset is depreciated using the straight-line method over the useful life of the asset or the term of the lease, whichever is shorter.

#### 1) Right of use assets are measured at cost including the following:

- The initial measurement amount of the lease liability
- Any lease payment made on or before the commencement date less any lease incentive received.
- Any direct initial cost and
- Restoration or decommissioning costs.

Lease liabilities include the present value, as of the commencement date of the lease, net of the following payments:

- Fixed payments (including those that are so in substance), less lease incentives receivable.
- Variable lease payments based on an index or rate.
- The amounts that are expected to be payable by the lessee as guarantee for the residual value;
- Payment of fines for lease contract termination, if the lease termination reflects the lessee that exercises that option.

#### 2) Subsequent measurement

The right of use asset must be measured using the cost model, that is, cost less accumulated depreciation and any accumulated impairment loss, adjusted for any new measurement of the lease liability, including restatement of indexation units (UF).

The lease liability will be measured increasing the carrying amount to reflect the interest on the lease liability and reducing the carrying amount to reflect lease payments made. In addition, it must include new evaluations or modifications.

## 2. Significant accounting principles, continued

### j) Leases, continued

#### 2) Subsequent measurement, continued

Lease payments are discounted using the implicit interest rate in the lease contract, if it can be determined, or the incremental interest rate.

Payments associated to short-term leases and low value asset leases are recognized in income as an expense, based on accrual of the service. Short-term leases are those that are equal to or less than 12 months (that do not contain a purchase option). Low value assets comprise equipment for information processes, office furniture and equipment.

### k) Income taxes

The income tax expense for each year comprises current and deferred income taxes.

Tax assets and liabilities for the current and prior years are measured at the amount the Company estimates it will recover or pay to tax authorities. Tax rates and government regulations used to calculate these amounts are those in force as of each year, being 27% as of December 31, 2022 and 2021, respectively.

The deferred tax amount is obtained from analyzing temporary differences that arise due to differences between the tax and book values of assets and liabilities, mainly allowance for doubtful accounts, depreciation of Property, plant and equipment and staff severance indemnities.

Under Chilean tax regulations, the tax loss from previous periods can be used in the future as a tax benefit with no expiration period.

Temporary differences generally become taxable or deductible when the related liability is settled or the related asset is recovered. A deferred tax liability or asset represents the amount of tax payable or refundable in future periods under the currently enacted tax laws and rates as a result of temporary differences determined as of the date of issuance of the financial statements. Deferred tax assets and liabilities are not discounted at their current value and are classified as non-current.

### l) Goodwill

Represents the difference between the acquisition cost and the fair values of the assets acquired, liabilities assumed and identifiable contingent liabilities acquired from an associate. After initial recognition, goodwill is recorded at cost, less any accumulated impairment loss.

## 2. Significant accounting principles, continued

### l) Goodwill, continued

The Company tests goodwill impairment annually and when there are indicators that the net carrying amount might not be fully recoverable. The impairment test, which is based on fair value, is performed for each cash generating unit, for which the goodwill has been allocated. If that fair value is less than the carrying amount, an irreversible impairment loss is recognized in the income statement.

Impairment testing was determined considering the following estimated variables:

- i) Forecasted operating revenue and costs are based on the Strategic Plan for 2022, 2023 and 2024, forecasting a fourth and fifth year as terminal value. These projections have been made considering the Company's best estimates, using sectorial projections, historical behavior of the business and future expectations.
- ii) Cash flow projections are made at a terminal value, covering a 5-year period, with the last period being the terminal value.
- iii) The rate used to discount future cash flows considers the time value of money and the individual risks of the assets under analysis.
- iv) The valuation is determined using the value in use (VU) mechanism, which requires that the VU be determined using the net present value of the cash flows that the Company expects to receive from the Cash Generating Unit (CGU). Telefónica Chile S.A. and its subsidiary Telefónica Empresas Chile S.A. have been considered to be a CGU and provide fixed broadband, television, fixed telephone and technology services for companies.

### m) Investment properties

Investment properties correspond to buildings held for the purpose of obtaining income instead of using them in the production process, or in the supply of goods or services, or for administrative purposes, or to sell them in the course of the Company's ordinary activities.

If the elements can be disaggregated for rental, they receive a separate accounting treatment.

They are recognized as an asset when it is probable that they will generate future benefits that will flow to the Company and their cost can be reliably measured.

Investment properties are initially recognized at cost, and the standard subsequently establishes two valuation alternatives, at fair value or cost. The latter includes the original cost, plus accumulated amortization, less accumulated impairment losses.

The criterion chosen by the Telefónica Group is to value them at cost.

## 2. Significant accounting principles, continued

### n) Intangibles

#### i) Administrative concessions

Concession licenses correspond to the cost incurred to obtain mobile cellular telephone public services concessions. They are registered at their acquisition cost less accumulated amortization and less any impairment loss, should there be any. The Company amortizes these licenses over the concession period 30 years from the date of publication of the Decree that accredits the respective license in the Official Gazette.

#### ii) Licenses and software

This item includes software licenses and the right to use underwater cable, which are recorded at acquisition or production cost, less accumulated amortization and less any accumulated impairment loss. Also includes intangible assets under development which correspond to commercial systems applications, mainly billing, collecting and collections, to be used by the Company in the normal course of its operations in relation to its customers. These intangible assets under development are recorded at acquisition cost plus all costs associated to their implementation and are amortized over the period in which their use is expected to generate income.

Software licenses and rights to use underwater cable have finite useful lives and are amortized over their estimated useful lives. As of the close of each period date there is an analysis underway to determine whether there are events or changes that indicate that the net book value might not be recoverable, in which case impairment tests will be carried out.

The methods and periods of amortization applied are reviewed as of each year and, if applicable, adjusted in a prospective manner.

The Company amortizes software licenses and the right to use underwater cable using the straight-line method over their estimated useful lives, which is 3 years for software licenses and a maximum of 20 years for rights to use underwater cable.

There are no restrictions on ownership of software licenses or the right of use of underwater cable, and they have not been pledged as guarantee of compliance with obligations.

### ñ) Property, plant and equipment

Property, plant and equipment items are valued at acquisition cost, less accumulated depreciation and less applicable impairment losses. Land is not depreciated.

Acquisition cost includes external costs plus internal costs necessary to carry out the investment, comprised of direct costs, direct labor costs used in the installation and any other cost necessary to carry out the investment, In addition, the Company recognizes an obligation for assets that will be dismantled, corresponding to future disbursements that the Company must make for removal of certain installations.

## 2. Significant accounting principles, continued

### ñ) Property, plant and equipment, continued

These future disbursements are incorporated in the restated value of the asset, recognizing the corresponding dismantling provision.

Changes in the valuation of the existing dismantling liabilities, derived from changes in the amount or in the temporary structure of the outflow of resources that incorporate economic benefits required to cancel the obligation, or a change in the discount rate, shall be added to or deducted from the cost of the corresponding asset in the current period. The amount deducted from the cost of the asset must not exceed its book value. If the decrease in the liability should exceed the book value of the asset, the excess is immediately recognized in income for the year.

An asset's dismantling provisioned cost is recognized in the income statement through depreciation over its useful life, under the item depreciation and amortization expense. The provision discount process is recognized in income for the year as finance cost.

Interest and other financial expenses incurred and directly attributable to the acquisition or construction of qualifying assets, may be capitalized. Qualifying assets, under the criteria of the Telefónica Group, are assets that require at least 18 months of preparation for their use or sale.

At the end of the 2022 and 2021, years there are no capitalized interests.

Costs for improvements that result in increased productivity, efficiency, or extension of the useful lives of assets are capitalized as higher cost of such assets when they comply with the requirements to be recognized as an asset.

Repair and maintenance expenses are charged to the income statement account for the period in which they are incurred.

Property, plant and equipment assets do not have ownership restrictions and are not used as guarantees of compliance with obligations.

### o) Depreciation of property, plant and equipment

The Company depreciates Property, plant and equipment from the moment when the assets are in condition to be used, distributing the cost of the assets on a straight-line basis over the respective estimated useful life. Projects classified under building in progress, for which their estimated termination date as of each closing period has expired but are in usable condition, are also included.

The average annual financial depreciation rate of the Company is approximately 8.45% and 8.45% at December 31, 2022 and 2021, respectively.

## 2. Significant accounting principles, continued

### o) Depreciation of property, plant and equipment, continued

Estimated useful lives are summarized as follows:

Assets	Useful lives in years	
	Minimum	Maximum
Buildings	5	40
Transportation equipment	7	10
Supplies and accessories	7	10
Office equipment	10	10
Information equipment	4	4
Network and communications equipment	5	25
Other property, plant and equipment	2	7

Estimated residual values, as well as the methods and applied amortization periods are reviewed as of each closing year and, if appropriate, adjusted prospectively.

### p) Investments in associates

Investments in entities in which the Company has significant influence, but not control and which are accounted for using the equity method, net of any accumulated impairment loss, are recorded in this account, in accordance with IAS 28 "Investments in Associates and Joint Ventures".

The investment in the associate is recorded in the statement of financial position at fair value plus the Company's share in the increase or decrease in equity of the associate net of the Purchase Price Allocation (PPA).

The income statement reflects the Company's share in the results of the associate. The Company recognizes its share in that change and discloses it in the statement of changes in equity. The accounting policies of associates are consistent with those used by the Company (see note 19).

### q) Provisions

#### i) Post-employment benefits

The Company is obligated to pay staff severance indemnities in respect of collective negotiation agreements. This obligation is provisioned using the actuarial value of the accrued benefit cost method, using a nominal annual discount rate of 5.163% and 5.924% at December 31, 2022 and 2021 respectively, considering estimations such as future permanence, employee mortality rate and future salary increases determined on the basis of actuarial calculations. Discount rates are determined by reference to market interest curves.

#### Other remunerations

The Company has defined a Variable Remuneration System for its collaborators, based on annual compliance with the established objectives.

These short-term obligations are measured on the basis of undiscounted securities and a liability is recognized for the amount that is expected to be paid.

## 2. Significant accounting principles, continued

### q) Provisions, continued

#### ii) Provision for dismantling expenses

Corresponds to the cost that will be incurred in the future for dismantling microwave antennas from the telecommunications infrastructure once the third-party site rental contract ends. This cost is calculated at current value and recorded as a property, plant and equipment item in assets and as a non-current accrual for future obligation. That property, plant and equipment item is amortized over the duration of the asset associated to that accrual.

#### iii) Other provisions

Provisions are recognized when the Company has a present legal or implicit obligation, as a result of a past event, whose settlement requires an outflow of resources that is considered likely and can be reliably estimated. This obligation can be legal or tacit, derived from, among other factors, regulations, contracts, customary practices or public commitments that create a valid expectation before third parties that the Company will assume certain responsibilities.

### r) Income and expenses

Income and expenses are recognized in the income statement based on the accrual criteria, regardless of the moment at which the cash flows or financing derived from it is produced.

The Company's income comes mainly from the provision of the following services:

#### i) Telecommunications

It is composed of voice and data packages, international business (carrier payments), multiservice network and capacities, pay TV, interconnection, network and equipment rental, sale of equipment and other services such as value added services or maintenance. Products and services can be sold separately or jointly, in commercial packages.

In the case of commercial offers where the customer pays a flat rate, which can include minutes, broadband and pay TV plans, revenue is recognized in a straight-line over the period covered by the rate paid by the customer.

In the case of revenues generated only by traffic, they are recorded as they are consumed.

In equipment sales, revenues are recognized at the time of delivery of the equipment to the customer; in case of sale includes installation, configuration, startup or other complementary activities, revenue is recognized upon the satisfactory reception by the customer.

Revenues from capacity and multi-service networks, are accrued as the service is rendered.

## 2. Significant accounting principles, continued

### r) Income and expenses, continued

#### i) Telecommunications, continued

Interconnection income derived from fixed-mobile and mobile-fixed calls, as well as from other services used by customers, are recognized in the period in which they make said calls.

The Company has current agreements with foreign correspondents, with which the conditions governing international traffic are set, and the same is charged or paid in accordance with the net traffic exchanges and at the rates set in each agreement. Accounting for this exchange is carried out on an accrual basis, recognizing costs and income in the period in which they are produced, recording the balances receivable or payable for each correspondent in the headings of "Accounts trade receivables and other accounts receivable" and "Accounts receivable from related entities, current" or "Trade creditors and Other accounts payable" and "Accounts payable to entities related, current", as applicable.

In the case of prepayment, the amount corresponding to the paid traffic pending generates a deferred income which is recorded within liabilities. Electronic top-ups usually have an expiry period of up to 180 days, and any unused prepaid traffic is recognized directly in income when traffic is consumed or when the top-up expires, since from that moment the Company has no remaining obligations to provide the service.

Monthly fees are recognized as income using the straight-line method in the corresponding period. Rentals and other services are recognized as income as the service is provided.

In accordance with IFRS 15, income from commercial package offers that combine different goods and services for fixed telephone service, data, Internet and television, the Company determines whether it is necessary to separate the different elements identified, applying the appropriate revenue recognition criterion for each case. Total revenue for the package is allocated to its identified elements on the basis of their respective fair values (i.e. the fair value of each individual component, in relation to the total fair value of the package). To the extent that packages are commercialized with an equipment discount, the application of the new criteria will involve an increase in the recognition of income from sale of equipment, which will generally be recognized coinciding with the time of delivery to the customer, at the expense of periodic income from providing services in subsequent periods.

Likewise, due to IFRS 15 the Company will recognize an asset for the cost of obtaining contracts as long as these are incremental, it is estimated that they will be recovered, they can be allocated to a contract and it is estimated that they will be amortized over more than one year. In addition, the Company will recognize an asset for contract compliance costs as long as these are directly identified with a specific contract, generate or improve the Company's resources that will be used to satisfy or continue to satisfy compliance obligations in the future and the Company expects to recover those costs over time. For both cases, the amortization period is determined based on the transfer to the customer of the goods or services related to those assets (see note 7).



## 2. Significant accounting principles, continued

### r) Income and expenses, continued

#### i) Telecommunications, continued

All costs directly associated to obtaining revenue are recognized in profit and loss to the extent that the revenue is generated. The rest of the expenses are recognized in profit and loss when they are accrued.

#### ii) Customer loyalty program

The Company has a customer loyalty program called “Club Movistar” which provides multiple benefits to its customers which can be provided by third parties or by the Company. These benefits will be reflected as a discount in revenue when points from the program are exchanged for products. As of September 30, 2022 and December 31, 2021, the valuation of this loyalty program is immaterial in relation to the contracts for which it was generated.

#### iii) Government subsidies

Parent Company and the subsidiary Telefónica Chile S.A. participate in tenders for Government projects associated to the Telecommunications Development Fund, for the purpose of receiving resources to install operating assets for the operation and exploitation of public services. These resources, called “Government subsidies”, , in the case to be obtained from January 1, 2018, must be presented in the statement of financial position recognizing them as deductions from the book value of the associated assets.

The subsidies obtained prior to January 1, 2018 were initially recorded as a deferred income, in the item “Other non-financial liabilities”, and are allocated to results in the period of useful life of the assets associated with these subsidies (see note 26a).

### s) Use estimates

The following section shows the main future hypotheses assumed and other relevant sources of uncertainty in estimates as of the reported periods that could have a significant effect on the financial statements in the future.

#### i) Impairment of trade accounts receivable

The calculation of impairment of long and short-term financial assets measured at amortized cost, related to trade accounts receivable (generated by the sale of goods and services and telecommunications transactions with other operators) and contractual assets, is based on the expected loss per group of customers, for which the Company applies a simplified model. The simplified model is based on an estimated rate of uncollectability to determine the expected credit loss over the entire life of the asset in particular. For this, the Company uses matrices that have been developed based on the historical uncollectability experience and on a portfolio classified by customer category and type of product and services contracted, according to the pattern of credit behavior. The matrix for each category has a defined temporal horizon divided in intervals based on the collection management policy and is fed with historical data encompassing at least 24 collection cycles. Data is periodically updated.

## 2. Significant accounting principles, continued

### s) Use estimates, continued

Based on the observable information at each closing date, the Company analyzes the need to adjust the rates resulting from those matrices based on current market conditions, regulatory changes, credit improvements, and so on, as well as the prevailing and projected macroeconomic forecasts. This means, any event that could reasonably affect the statistically proven impairment behavior of the portfolio.

Due to the above, hedging for the probability of non-payment of the portfolio is established from the time at which revenue is provisioned, thus faithfully reflecting its intrinsic credit risk.

### ii) Property, plant and equipment and intangibles

The accounting treatment for Property, plant and equipment and intangible assets uses estimates to determine useful life for the purpose of calculating depreciation and amortization.

Determination of useful lives requires estimates regarding expected technological progress and alternative use of assets. Hypotheses regarding technological framework and its future development imply a significant degree of judgment, as the timing and nature of future technological change is difficult to predict.

Decommissioning estimates for assets classified in property, plant and equipment, are calculated on the basis of the price agreed with the supplier, taking it to its future value using the future inflation rate, to then bring it to its present value using a risk-free discount rate.

### iii) Right of use:

Regarding the reasonable period of time of contracts considered non-cancellable under IFRS 16, it is important to consider that contracts with a duration of less than one year, including their active extensions with that duration are considered to be within the short-term exceptions of the standard. In addition, contracts for information processing equipment and office furniture and equipment with a comparable new individual purchase cost of US\$ 5,000 (reference value) are considered to be of low value.

### iv) Deferred taxes

The Company evaluates probability of recovery of deferred tax assets based on estimates of future earnings. This probability of recovery ultimately depends on the Company's capacity to generate taxable income throughout the period in which the deferred tax assets are deductible.

This analysis takes into consideration the forecasted reversal calendar for deferred tax liabilities as well as estimates of taxable income, based on internal projections that are updated to reflect recent trends.

## 2. Significant accounting principles, continued

### s) Use estimates, continued

#### iv) Deferred taxes, continued

Determining the proper classification of tax items depends on various factors, including timing estimates, realization of deferred tax assets and the expected timing of tax payment. The real flows of income tax payments and recoveries may differ from estimates made by the Company as a consequence of changes in tax legislation or of unforeseen future transactions that may affect tax balances.

#### v) Provisions

Given the uncertainty inherent to estimates used to determine provisions, real disbursements may differ from the amounts originally recognized using these estimates.

Determination of the amount of provisions is based on the best estimate of the disbursements that must be made for the corresponding obligations, taking into consideration all information available as of the end of year, including the opinion of independent experts, such as legal advisors and consultants.

#### vi) Post-employment benefits

The present value of the obligation is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. All assumptions are reviewed once a year. In determining the appropriate discount rate, it is considered the interest rates of instruments issued by the Central Bank of Chile. The mortality rate is based on publicly available mortality tables for the country.

Future salary increases and pension increases are based on expected future inflation rates for the country. (See details of the actuarial hypotheses used in note 25a).

## 2. Significant accounting principles, continued

### s) Use estimates, continued

#### vii) Financial assets and liabilities

When the fair value of financial assets and financial liabilities recorded in the balance sheet and disclosed in the notes can not be derived from active markets, they are determined using valuation techniques including the Discounted Cash Flows model. The inputs to these models are taken from observable markets when possible, but when not, a degree of judgment is required in establishing fair values. The variables include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instrument.

### t) Methods of consolidation

Consolidation has been carried out using the “Global Integration method” for companies where there is control, whether through effective control or the existence of agreements with the rest of the shareholders.

All balances and transactions among consolidated companies have been eliminated in the consolidation process. Likewise, the margins included in the operations carried out by subsidiaries to other companies of the Company for capitalizable goods or services, have been eliminated in the consolidation process.

The accounts in the statement of comprehensive income and consolidated cash flows include, respectively, the income and expenses and cash flows of the companies that cease to be part of the Company up to the date on which the participation has been sold or the company has been liquidated. Likewise, in the case of new acquisitions, income and expenses and cash flows of the new companies are gathered from the date of purchase of those companies.

The value of the participation of minority shareholders in the equity and results of companies subsidiaries consolidated by the global integration method is presented in the items “non-controlling interests” and “profit attributable to non-controlling interests”, respectively.

### u) New IFRS and Interpretations of the IFRS Interpretations Committee

#### i) Publication of new standards

IFRS improvements and amendments, as well as interpretations that have been published during the year, are detailed below. As of the closing date, these standards are still not in forced and the Company has not opted for early application of any of them:

	<b>New Standard</b>	<b>Mandatory application date</b>
IFRS 17	Insurance Contracts	January 1, 2023

## 2. Significant accounting principles, continued

### u) New IFRS and Interpretations of the IFRS Interpretations Committee

#### IFRS 17 “Insurance Contracts”

Published in May 2017, it replaces current IFRS 4, IFRS 17 will mainly change accounting for all entities that issue insurance contracts and investment contracts with discretionary participation characteristics. The standard is applicable to annual years commencing as of January 1, 2023. Early application is allowed only when IFRS 15, "Revenue from Contracts with Customers" and IFRS 9 "Financial Instruments" are applied.

Based on the analysis performed to date, the Company believes that the application of many of these standards, will not have a significant impact on the financial statements in the year of initial application.

#### ii) Standards, interpretations and amendments issued, the application of which is not yet mandatory, for which there has been no early adoption.

	Improvements and amendments	Mandatory application date
NIC 1	Presentation of financial statements	January 1, 2024
NIC 1	Non-current liabilities with covenants	January 1, 2024
IFRS16	Leases	January 1, 2024
NIC 1	"Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"	January 1, 2023
NIC 12	Income Taxes	January 1, 2023

#### Amendment to IAS 1 “Presentation of Financial Statements”

The classification is not affected by the entity’s expectation of events after the reporting date (for example, reception of a resignation or breach of covenant). The amendment also clarifies the meaning of IAS 1 when it refers to the "settlement" of a liability. The amendment must be applied retrospectively in accordance with IAS8. The effective date of initial application is January 1, 2022, however, that date was deferred to January 1, 2024.

#### Amendment to IAS 1 “Non-current Liabilities with Covenants”

The purpose of the amendment is to improve the information that an entity provides when the payment terms of its liabilities can be deferred depending on compliance with covenants within the 12 months after the date of issuance of the financial statements.

## 2. Significant accounting principles, continued

### u) New IFRS and Interpretations of the IFRS Interpretations Committee, continued

#### ii) Standards, interpretations and amendments issued, the application of which is not yet mandatory, for which there has been no early adoption, continued

##### Amendments to IFRS 16 "Leases"

Regarding sales with leaseback, it explains how an entity must recognize the right of use asset and how profits or losses due to the sale and leaseback must be recognized in the financial statements.

##### Amendments to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

Published in February 2021. The purpose of the amendments is to improve disclosure of accounting policies and help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

##### Amendment to IAS 12 – Deferred Taxes Related to Assets and Liabilities Arising from a Single Transaction.

These amendments require that companies recognize deferred taxes on transactions that, upon initial recognition, lead to equal amounts of taxable and deductible temporary differences.

Based on the analysis carried out to date, the Company believes that the adoption of the mentioned standards, amendments and interpretations will not have a significant impact on the Company's financial statements.

#### iii) Standards, interpretations and amendments mandatory for the first time for years beginning on January 1, 2022.

	Improvements and amendments	Mandatory application date
IFRS 3	Business Combinations	January 1, 2022
IAS 16	Property, Plant and Equipment	January 1, 2022
IAS 37	Provisions, contingent liabilities and contingent assets	January 1, 2022

##### Amendment to IFRS 3, "Business Combinations"

Minor amendments were made to IFRS 3 to update the references to the conceptual framework for financial reporting, without changing business combination requirements.

##### Amendment to IAS 16, "Property, Plant and Equipment"

Prohibits companies from deducting the cost of property, plant and equipment and income received for the sale of articles produced while the company is preparing the asset for its intended use. The company must recognize such income from sales and related costs in profit or loss for the year.

## 2. Significant accounting principles, continued

### iii) Standards, interpretations and amendments mandatory for the first time for years beginning on January 1, 2022, continued

#### Annual improvements to IFRS 2018-2020 cycle, which make minor amendments to the following standards:

- IFRS 9 Financial Instruments: clarifies that fees must be included in the 10% test for derecognition in financial liabilities accounts.
- IFRS 16 Leases: amendment to illustrative examples included in the standard.
- IFRS 1 First-time Adoption of International Financial Reporting Standards: allows entities that have measured their assets and liabilities at the carrying amounts recorded in the accounting of their parent company to also measure the accumulated foreign currency translation using the amounts reported by the parent company. This amendment will also be applicable to associates and joint ventures that have used the same IFRS 1 exemption.
- IAS 41 Agriculture: elimination of the requirement that entities exclude cash flows on taxes when measuring fair value according to IAS 41.

### u) New IFRS and Interpretations of the IFRS Interpretations Committee, continued

#### iii) Standards, interpretations and amendments mandatory for the first time for years beginning on January 1, 2022.

##### Amendment to IAS 37, "Provisions, contingent liabilities and contingent assets"

For onerous contracts it clarifies which inevitable costs must be included by a company to assess whether a contract will generate losses.

- IAS 41 Agriculture: elimination of the requirement that entities exclude cash flows on taxes when measuring fair value according to IAS 41.

Based on the analysis performed, the Company determined that the application of these standards had no significant impact on the financial statements for this year.

### v) Statement of cash flows

The statement of cash flows includes movements of cash performed during the year, determined using the direct method. Cash flows are understood to be cash inflows and outflows or inflows and outflows of other equivalent means, such as highly liquid time deposits maturing in less than three months with low risk of change in value. The following expressions are used in the following sense:

- i. Operating activities: are activities that constitute the main source of the Company's ordinary income, as well as other activities that can not be qualified as investing or financing.
- ii. Investing activities: are activities such as acquisition, alienation or disposal of non-current assets by other means and other investments not included in cash and cash equivalents.
- iii. Financing activities: are activities that produce changes in the size and composition of total shareholders' equity and financial liabilities.

### 3. Changes in Accounting Policy and Disclosures

International Financial Reporting Standards have been consistently applied in the year covered by these financial statements.

### 4. Financial information by segment

Telefónica Móviles Chile S.A. and subsidiaries disclose segment information in accordance with IFRS 8, "Operating Segments" which establishes the standards for reporting operating segments and related disclosures for products and services and geographical areas. Operating segments are defined as components of an entity for which there is separate financial information that is regularly used by the main decision maker to decide how to assign resources and to evaluate performance. The Company presents segment information that is used by Management for internal decision making purposes.

The Company manages and measures the performance of its operations by business segment. Since the Company's corporate organization coincides basically with that of the businesses, and therefore of the segments, the distributions established in the information presented below, are based on the financial information of the companies of each business segment. Assets and liabilities correspond to those directly attributable to the segment.

The operating segments reported internally are as follows:

#### a) Mobile Telecommunications

Mobile Telecommunications services mainly include revenues from the provision of mobile telecommunications services, sale of electronic prepaid top-ups and the sale of handsets. Revenues are recognized as the services are provided.

#### b) Fixed Telecommunications

Landline telephone services include basic telephone services, connections and line installations, value added services, broadband, dedicated lines, international long-distance services, marketing of handsets, and circuit media rental and others. According to the financial statements, incomes are recognized as the services are provided or the equipment is sold.

#### c) Corporate Communications and Data

Corporate communications services include revenues from the sale and rental of telecommunications equipment and the sale of networks to corporate customers, rental of networks associated to public or private projects and data transmission services. Revenues are recognized as the services are provided.

#### d) Television Services

Multimedia services include direct and indirect development, installation, maintenance, marketing and operations of television services via cable, satellite, broadband or any other physical means using any physical or technical means, including individual paid services or multiple basic channels, special or paid, videos on demand and interactive or multimedia television services. Consistent with the financial statements, incomes are recognized as the services are delivered.

#### e) Others

"Other" includes logistics, personnel and management services.



#### 4. Financial information by segment, continued

Relevant information regarding Telefónica Móviles Chile S.A. and its subsidiaries, which represent different segments, together with information regarding other subsidiaries, corresponding to December 31, 2022, and 2021 is detailed as follows:

For the exercise ended as of December 31, 2022	Mobile Telecommunications	Fixed Telecommunications	Corporate Communication and Data	Television Services	Other	Eliminations	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Income from external customers	883,465,974	443,373,952	188,996,845	149,028,217	10,255,875		1,675,120,863
Income from ordinary activities arising from transactions with other operating segments of the same entity	7,039,177	136,292,964	12,939,032	-	186,077,171	(342,348,344)	-
<b>Total income from operating activities from external customers and transactions with other operating segments of the same entity</b>	<b>890,505,151</b>	<b>579,666,916</b>	<b>201,935,877</b>	<b>149,028,217</b>	<b>196,333,046</b>	<b>(342,348,344)</b>	<b>1,675,120,863</b>
Cost of sales	340,064,562	224,869,313	185,334,746	87,570,836	1,632	(185,097,072)	652,744,017
Impairment losses (reversal of impairment losses)	42,991,453	13,082,039	2,504,515	112,567	-	-	58,690,574
Administrative expenses	297,125,639	225,507,945	37,660,843	41,146,461	26,818,674	(138,796,017)	489,463,545
Employee benefits expenses	30,099	214,206	-	-	158,487,547	(14,534,503)	144,197,349
Cost of interest	92,284,864	35,972,325	5,782,615	1,065,111	2,608,127	(6,054,978)	131,658,064
Interest income	33,873,614	39,719,233	705,650	-	23,287	(6,054,978)	68,266,806
Depreciation and amortization	169,419,632	98,157,822	8,472,763	2,594,982	2,367,699	(3,930,207)	277,082,691
Share in earnings (losses) of associates and joint ventures	53,909,559	(10,068,196)	106,193	-	-	(44,334,654)	(387,098)
Income tax expense	(5,617,314)	7,992,631	(3,767,146)	(2,454,880)	(1,739,483)	-	(5,586,192)
Other significant non-cash items	20,533,257	46,717,352	257,390	249,140	356,569	-	68,113,708
<b>Profits(loss) before tax</b>	<b>56,905,332</b>	<b>58,231,655</b>	<b>(36,750,372)</b>	<b>16,787,400</b>	<b>6,429,223</b>	<b>(44,325,199)</b>	<b>57,278,039</b>
<b>Profit (loss) for the year from continuing operations</b>	<b>62,522,646</b>	<b>50,239,024</b>	<b>(32,983,226)</b>	<b>19,242,280</b>	<b>8,168,706</b>	<b>(44,325,199)</b>	<b>62,864,231</b>
<b>Profit (loss) for the year from discontinuing operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit (loss) for the year</b>	<b>62,522,646</b>	<b>50,239,024</b>	<b>(32,983,226)</b>	<b>19,242,280</b>	<b>8,168,706</b>	<b>(44,325,199)</b>	<b>62,864,231</b>
Assets	3,125,784,595	1,661,197,105	203,950,889	141,728,584	180,203,351	(1,593,714,992)	3,719,149,532
Investments in associates accounted for using the equity method	1,055,206,212	198,592,757	1,045,174	-	-	(1,182,472,049)	72,372,094
Increases in non-current assets	104,263,227	70,809,271	8,089,162	-	-	-	183,161,660
Liabilities	1,803,243,150	638,625,680	153,055,795	106,360,807	99,805,381	(422,852,176)	2,378,238,637
Shareholders' equity	1,322,541,445	1,022,571,425	50,895,094	35,367,777	80,397,970	(1,170,862,816)	1,340,910,895
Liabilities & Shareholders' equity	3,125,784,595	1,661,197,105	203,950,889	141,728,584	180,203,351	(1,593,714,992)	3,719,149,532
Cash flows provided by (used in) operating activities	191,514,004	(159,742,711)	4,531,965	3,344,580	(42,952,486)	183,478,353	180,173,705
Cash flows provided by (used in) investment activities	(64,951,375)	(7,073,085)	(3,047,482)	(2,249,035)	-	409,549,776	332,228,799
Cash flows provided by (used in) financing activities	(56,876,464)	(47,462,159)	(1,155,118)	(852,474)	42,942,858	(394,809,904)	(458,213,261)

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



4. Financial information by segment, continued

For the exercise ended as of December 31, 2021	Mobile Telecommunications	Fixed Telecommunications	Corporate Communication and Data	Television Services	Other	Eliminations	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Income from external customers	893,155,130	376,972,622	179,464,446	136,264,087	-	-	1,585,856,285
Income from ordinary activities arising from transactions with other operating segments of the same entity	6,843,143	119,703,922	11,361,773	-	184,944,658	(322,853,496)	-
<b>Total income from operating activities from external customers and transactions with other operating segments of the same entity</b>	<b>899,998,273</b>	<b>496,676,544</b>	<b>190,826,219</b>	<b>136,264,087</b>	<b>184,944,658</b>	<b>(322,853,496)</b>	<b>1,585,856,285</b>
Cost of sales	340,517,874	129,136,504	162,656,287	79,031,255	-	(164,656,779)	546,685,141
Impairment losses (reversal of impairment losses)	41,035,058	6,834,717	685,641	267,281	-	-	48,822,697
Administrative expenses	292,279,885	201,493,890	39,567,767	32,328,225	24,122,438	(136,521,241)	453,270,964
Employee benefits expenses	881,008	-	-	-	150,151,822	(16,560,427)	134,472,403
Cost of interest	37,434,957	23,170,385	1,111,987	816,895	1,452,880	(13,318,312)	50,668,792
Interest income	7,130,250	13,329,417	842,961	-	372,516	(13,318,312)	8,356,832
Depreciation and amortization	171,365,225	119,706,704	9,502,816	3,003,292	2,084,751	(7,084,862)	298,577,926
Share in earnings (losses) of associates and joint ventures	313,769,508	6,760,011	92,730	-	-	(321,469,183)	(846,934)
Income tax expense	16,573,963	96,346,293	(611,285)	218,833	385,810	-	112,913,614
Other significant non-cash items	8,592,473	372,886,541	5,490,159	(875,375)	13,642	1,497,756	387,605,196
<b>Profits(loss) before tax</b>	<b>345,976,497</b>	<b>409,310,313</b>	<b>(16,272,429)</b>	<b>19,941,764</b>	<b>7,518,925</b>	<b>(318,001,614)</b>	<b>448,473,456</b>
<b>Profit (loss) for the year from continuing operations</b>	<b>329,402,534</b>	<b>312,964,020</b>	<b>(15,661,144)</b>	<b>19,722,931</b>	<b>7,133,115</b>	<b>(318,001,614)</b>	<b>335,559,842</b>
<b>Profit (loss) for the year from discontinuing operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit (loss) for the year</b>	<b>329,402,534</b>	<b>312,964,020</b>	<b>(15,661,144)</b>	<b>19,722,931</b>	<b>7,133,115</b>	<b>(318,001,614)</b>	<b>335,559,842</b>
Assets	1,828,030,003	179,483,755	179,483,755	124,725,999	166,464,949	1,555,097,815	4,033,286,276
Investments in associates accounted for using the equity method	212,796,114	974,443	974,443	-	-	(142,316,943)	72,428,057
Increases in non-current assets	70,101,462	6,637,233	6,637,233	-	-	77,249,134	160,625,062
Liabilities	1,164,064,373	118,646,262	118,646,262	82,449,097	91,507,852	1,214,945,392	2,790,259,238
Shareholders' equity	663,965,630	60,837,493	60,837,493	42,276,902	74,957,097	340,152,423	1,243,027,038
Liabilities & Shareholders' equity	1,828,030,003	179,483,755	179,483,755	124,725,999	166,464,949	1,555,097,815	4,033,286,276
Cash flows provided by (used in) operating activities	9,715,049	(41,677,226)	(41,677,226)	(29,760,634)	27,303,765	404,147,070	328,050,798
Cash flows provided by (used in) investment activities	350,817,702	6,066,142	6,066,142	4,331,676	-	(605,688,127)	(238,406,465)
Cash flows provided by (used in) financing activities	(453,506,016)	34,904,415	34,904,415	24,924,343	(27,755,000)	243,857,304	(142,670,539)

There are no differences in the criteria used, in respect to the previous period, in relation to measurement and valuation of segment results and valuation of their assets and liabilities, as well as transactions among segments.

Accounting criteria regarding transactions among subsidiaries of Telefónica Móviles Chile S.A., which are carried out at market prices, independently and in a manner similar to transactions with third parties, consider that, the balances, transactions and profits or losses, remain in the segment of origin and are only eliminated in the consolidated financial statements of the entity.

## 5. Cash and cash equivalents

Cash and cash equivalents composition is detailed as follows:

Concepts	Currency	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Cash (a)		<b>129,152</b>	<b>159,275</b>
	CLP	128,421	158,510
	EUR	731	765
Banks (b)		<b>76,404,812</b>	<b>192,574,781</b>
	CLP	72,468,969	189,358,692
	USD	1,410,926	3,006,635
	EUR	2,472,466	151,655
	Others currencies	52,451	57,799
Time deposits (c)		<b>390,438,400</b>	<b>220,049,067</b>
	CLP	390,438,400	220,049,067
<b>Total cash and cash equivalents</b>		<b>463,035,790</b>	<b>412,783,123</b>
<b>Sub-total by currency</b>	<b>CLP</b>	<b>1,410,926</b>	<b>409,566,269</b>
	<b>USD</b>	<b>2,473,197</b>	<b>3,006,635</b>
	<b>EUR</b>	<b>52,451</b>	<b>152,420</b>
	<b>Other currencies</b>	<b>129,152</b>	<b>57,799</b>

Each item within cash and cash equivalents is detailed as follows:

### a) Cash

The cash balance is made up of funds to be rendered destined to minor expenses and its book value is the same as the fair value.

### b) Banks

The balance in banks is made up of money held in checking accounts and its book value is the same as the fair value.

## 5. Cash and cash equivalents, continued

### c) Time deposits

Time deposits, maturing in less than 90 days, are recorded at fair value and, of December 31, 2022 and, 2021, are detailed as follows:

Type of investment	Currency	Principal in original currency (thousands)	Average annual rate	Average days to maturity	Principal in local currency ThCh\$	Accrued interest in local currency ThCh\$	12.31.2022 ThCh\$
Time deposits	CLP	390,000,000	11.46%	5	390,000,000	438,400	390,438,400
<b>Total</b>					<b>390,000,000</b>	<b>438,400</b>	<b>390,438,400</b>

Type of investment	Currency	Principal in original currency (thousands)	Average annual rate	Average days to maturity	Principal in local currency ThCh\$	Accrued interest in local currency ThCh\$	12.31.2021 ThCh\$
Time deposits	CLP	220,000,000	2.86%	8	220,000,000	49,067	220,049,067
<b>Total</b>					<b>220,000,000</b>	<b>49,067</b>	<b>220,049,067</b>

In accordance with working capital management policies, all investments in time deposits are only with well-known domestic banks that are ranked in Chile with the highest credit quality.

## 6. Other current and non-current financial assets

Other current and non-current financial assets are detailed as follows:

Concepts		12.31.2022		12.31.2021	
		Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Hedging instruments	(See Note 23,2)	61,814,270	5,773,067	220,841,822	53,949,739
Other non-trade accounts receivable	(a)	21,883,468	-	19,752,048	21,401,681
Other investments	(b)(c)	-	5,827,574	413,857,571	6,832,112
Otros créditos	(d)	5,498,053	-	-	-
Guarantees established	(e)	73,124	-	241,424	-
<b>Total</b>		<b>89,268,915</b>	<b>11,600,641</b>	<b>654,692,865</b>	<b>82,183,532</b>

- a) Corresponds to recognition of the earn-out agreed in the sale of the optic fiber business (see Note 19 iii)). On June 30, KKR Alameda Aggregator L.P. reported the final payment of 40 million US dollars for associate business compliance as of 2021. This generated an additional entry in finance income (see Note 31a) in the amount of ThCh\$15,444,008. The balance as of December 31, 2022 includes interest in the amount of ThCh\$187,582 and foreign currency translation in the amount of ThCh\$4,993,834 generated between January 1 and December 31, 2022 and reclassification of the non-current portion to current.

## 6. Other current and non-current financial assets, continued

- b) Matured investments during the period amounted to ThCh\$411,243,750 in capital and ThCh\$11,545,670 in interest, which were recorded as of December 31, 2021 as current financial assets in time deposits in excess of 90 days.

Type of Investments	Currency	Capital in original currency (thousands)	Effective rate anual	Average days to maturity	Capital in local currency ThCh\$	Accrued interest ThCh\$	12.31.2021 ThCh\$
Time deposits (1)	CLP	411,243,750	5.5%	142	411,243,750	2,613,821	413,857,571
<b>Total</b>		<b>411,243,750</b>			<b>411,243,750</b>	<b>2,613,821</b>	<b>413,857,571</b>

- c) Other current and non-current investments are detailed as follows:

Participation	Country	Investment currency	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Telefónica Brasil (1)	Brazil	REAL	5,827,456	6,831,994
Other participation (2)	Chile	CLP	118	118
<b>Total</b>			<b>5,827,574</b>	<b>6,832,112</b>

(1) This investment is valued at market value through the trading of its shares, information obtained in the Sao Paulo Stock Exchange (Bovespa), and variations in their value are recorded when they occur, directly in equity under Other reserves.

As December 31, 2022 and 2021 dividends have accrued in the amount of ThCh\$312,156 and ThCh\$421,303 respectively, which were recorded as finance income.

(2) Corresponds to the participation in the companies Pegaso México and Telefónica Argentina acquired in April 2019.

- d) The other loans amount corresponds to a loan granted to Digital Holdings Chile SpA derived from the sale of the Data Center business carried out in May 2022. This value includes ThCh\$344,900 in accrued interest. The assets related to this sale were registered in Assets available for sale as of December 31, 2021 (see Note 18).

- e) Securities established correspond to guarantees with customers, official organizations and other institutions.

## 7. Other current and non-current non-financial assets

Other non-financial assets correspond to prepayments detailed as follows:

Concepts	12.31.2022		12.31.2021	
	Current ThCh\$	Non-current ThCh\$	Current ThCh\$	Non-current ThCh\$
Contract compliance costs (1)	76,963,152	127,320,172	49,847,177	94,433,572
Costs of obtaining contracts (2)	45,769,506	81,384,188	27,399,483	45,092,018
Support and repair services (3)	4,668,359	24,775	4,751,800	4,948
Deferred cost of handsets	1,214,071	-	5,694,029	-
Insurance	1,528,190	-	1,505,023	-
Advance leases (4)	453,755	393,426	1,704,906	274,284
Amortizable expenses (5)	4,564,360	214,286	8,022,921	50,563
Other Taxes (6)	9,942,680	-	4,451,469	-
<b>Total</b>	<b>145,104,073</b>	<b>209,336,847</b>	<b>103,376,808</b>	<b>139,855,385</b>

(1) As of December 31, 2022 this item includes capitalization of compliance costs associated to television equipment, broadband equipment and project management in the sum of ThCh\$29,605,430, ThCh\$46,625,826 and ThCh\$731,896 in current and ThCh\$49,099,283, ThCh\$77,659,018 and ThCh\$561,871 in non-current. As of December 31, 2021 this item includes the same concepts in the amounts of ThCh\$20,536,640, ThCh\$28,379,746 and ThCh\$930,791 in current and ThCh\$33,615,710, ThCh\$60,219,227 and ThCh\$598,635 in non-current. The Company reviews the behavior of average customer life in a quarterly manner to calculate the amortizable expense.

(2) As of December 31, 2022 and, 2021 this item includes capitalization of the costs associated to commissions for capturing new customers for the mobile telephone, basic telephone, broadband and television services. The Company reviews the behavior of average customer life in a quarterly manner to calculate the amortizable expense.

(3) Includes amortizable expenses for services, maintenance and software licenses.

(4) This item includes operating leases outside the IFRS 16 standard.

(5) As of December 31, 2022 and, 2021 this item includes amortizable finance costs for hedging derivatives in the amount of ThCh\$4,157,670 and ThCh\$8,009,745 respectively.

(6) This item includes remaining VAT credit and recoverable taxes.

## 8. Current trade and other accounts receivable

a) The composition of current trade and other accounts receivables is as follows:

Concepts	12.31.2022			12.31.2021		
	Gross value ThCh\$	Provision for impairment ThCh\$	Net value ThCh\$	Gross value ThCh\$	Provision for impairment ThCh\$	Net value ThCh\$
<b>Receivables on current loan transactions</b>	<b>396,707,962</b>	<b>(184,534,132)</b>	<b>212,173,830</b>	<b>416,349,391</b>	<b>(190,304,456)</b>	<b>226,044,935</b>
Invoiced services (1)	253,476,786	(182,882,827)	70,593,959	266,896,462	(187,933,159)	78,963,303
Services provided and not invoiced	128,702,602	(1,412,548)	127,290,054	135,038,172	(2,098,853)	132,939,319
Contractual asset (2)	14,528,574	(238,757)	14,289,817	14,414,757	(272,444)	14,142,313
<b>Miscellaneous receivables (3)</b>	<b>13,210,215</b>	<b>-</b>	<b>13,210,215</b>	<b>17,690,345</b>	<b>-</b>	<b>17,690,345</b>
<b>Total</b>	<b>409,918,177</b>	<b>(184,534,132)</b>	<b>225,384,045</b>	<b>434,039,736</b>	<b>(190,304,456)</b>	<b>243,735,280</b>

(1) As of the December 31, 2022 and 2021 closing dates, there were sales transactions involving the large companies and mass services portfolios and mobile handset installments for a total amount of ThCh\$249,349,409 and ThCh\$178,982,498, respectively. The Company continues to be the collection agent for mass services transactions.

(2) Under IFRS 15, the contractual asset corresponds to the difference between income from sale of postpaid handsets and the amount received from the customer at the beginning of the contract.

(3) As of the December 31 2022 and 2021, this item mainly includes loans and advances to employees in the amount of ThCh\$ 5,597,385 and ThCh\$6,142,605, advances to suppliers in the amount of ThCh\$ 3,509,702 and ThCh\$1,208,634 and miscellaneous receivables from transactions outside the main line of business in the amount of ThCh\$4,103,128 and ThCh\$5,092,195, respectively. In December 2021, it is included Voissnet contingency which was recovered in March 2022.

b) The composition of current trade and other accounts receivable with overdue net balances that have not been collected and have not been provisioned as a whole is detailed as follows:

Concepts	12.31.2022					12.31.2021				
	Less than 3 months	3 to 6 months	6 to 12 months	Older than 12 months	Total	Less than 3 months	3 to 6 months	6 to 12 months	Older than 12 months	Total
Miscellaneous receivables	17,337,264	8,205,015	10,515,557	1,693,828	37,751,664	31,558,909	6,302,612	938,252	-	38,799,773
<b>Total</b>	<b>17,337,264</b>	<b>8,205,015</b>	<b>10,515,557</b>	<b>1,693,828</b>	<b>37,751,664</b>	<b>31,558,909</b>	<b>6,302,612</b>	<b>938,252</b>	<b>-</b>	<b>38,799,773</b>

c) The movement of Provision for impairment, which includes “Current trade and other accounts receivable” and “Non-current trade and other accounts receivable” found in Note 12, is detailed as follows:

Movements	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Beginning balance</b>	<b>192,239,498</b>	<b>218,699,345</b>
Increases	59,173,788	48,980,803
Eliminations/ Additions	(63,476,261)	(75,440,650)
<b>Movements, subtotal</b>	<b>(4,302,473)</b>	<b>(26,459,847)</b>
<b>Ending balance</b>	<b>187,937,025</b>	<b>192,239,498</b>

## 8. Current trade and other accounts receivable, continued

- d) Provision for impairment movements according to the composition of the portfolio as of December 31, 2022 and 2021 are detailed as follows:

Provisions and write-offs	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
Provision for non renegotiated portfolio	56,625,869	49,809,686
Provision for renegotiated portfolio	33,093	(828,883)
Write-offs for the year	(60,961,435)	(75,440,650)
<b>Total</b>	<b>(4,302,473)</b>	<b>(26,459,847)</b>

- e) As of December 31, 2022 and 2021 the portfolio of returned documents and those in judicial collection is detailed as follows:

Portfolio of returned documents and judicial collection as of 12.31.2022	Returned notes receivable portfolio w/o guarantee	Returned notes receivable, portfolio w/guarantee	Notes receivable in judicial collection, portfolio w/o guarantee	Notes receivable in judicial collection, portfolio w/guarantee
Number of customers in portfolio of returned documents or those in judicial collection	167	-	-	-
Portfolio of returned documents or those in judicial collection (ThCh\$)	5,765,309	-	-	-

Portfolio of returned documents and judicial collection as of 12.31.2021	Returned notes receivable portfolio w/o guarantee	Returned notes receivable, portfolio w/guarantee	Notes receivable in judicial collection, portfolio w/o guarantee	Notes receivable in judicial collection, portfolio w/guarantee
Number of customers in portfolio of returned documents or those in judicial collection	178	-	-	-
Portfolio of returned documents or those in judicial collection (ThCh\$)	5,859,743	-	-	-

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



8. Current trade and other accounts receivable, continued

f) The composition of the portfolio stratified by segment as of December 31, 2022 is detailed as follows:

Stratification of portfolio by segment As of December 31, 2022	Up to date ThCh\$	From 1 to 30 days ThCh\$	From 31 to 60 days ThCh\$	From 61 to 90 day ThCh\$	From 91 to 120 days ThCh\$	From 121 to 150 days ThCh\$	From 151 to 180 days ThCh\$	From 181 to 210 days ThCh\$	From 211 to 250 days ThCh\$	More than 250 days ThCh\$	Total portfolio w/o guarantee ThCh\$
<b>Fixed Telecommunications</b>											
Number of clients w/o renegotiation (1)	586,004	224,072	76,887	69,481	61,374	57,594	56,913	56,040	60,769	3,110,686	4,359,820
Net portfolio w/o renegotiation	3,025,935	784,368	1,039,736	777,333	730,667	423,844	141,314	194,787	183,567	1,924,092	9,225,643
Debt	3,052,429	1,155,713	2,201,273	1,907,798	1,854,823	1,568,312	956,762	1,262,683	1,343,655	88,543,394	103,846,842
Accrual	(26,494)	(371,345)	(1,161,537)	(1,130,465)	(1,124,156)	(1,144,468)	(815,448)	(1,067,896)	(1,160,088)	(86,619,302)	(94,621,199)
Number of clients w/renegotiation	-	218	57	50	60	18	45	48	42	90,307	90,845
Net renegotiated portfolio	-	4,020	132	19	31	32	-	-	-	5,191	9,425
Debt	-	4,760	457	117	408	550	339	542	113	828,204	835,490
Accrual	-	(740)	(325)	(98)	(377)	(518)	(339)	(542)	(113)	(823,013)	(826,065)
<b>Total number of clients</b>	<b>586,004</b>	<b>224,290</b>	<b>76,944</b>	<b>69,531</b>	<b>61,434</b>	<b>57,612</b>	<b>56,958</b>	<b>56,088</b>	<b>60,811</b>	<b>3,200,993</b>	<b>4,450,665</b>
<b>Total Fixed Telephone Portfolio</b>	<b>3,025,935</b>	<b>788,388</b>	<b>1,039,868</b>	<b>777,352</b>	<b>730,698</b>	<b>423,876</b>	<b>141,314</b>	<b>194,787</b>	<b>183,567</b>	<b>1,929,283</b>	<b>9,235,068</b>
<b>Debt</b>	<b>3,052,429</b>	<b>1,160,473</b>	<b>2,201,730</b>	<b>1,907,915</b>	<b>1,855,231</b>	<b>1,568,862</b>	<b>957,101</b>	<b>1,263,225</b>	<b>1,343,768</b>	<b>89,371,598</b>	<b>104,682,332</b>
<b>Accrual</b>	<b>(26,494)</b>	<b>(372,085)</b>	<b>(1,161,862)</b>	<b>(1,130,563)</b>	<b>(1,124,533)</b>	<b>(1,144,986)</b>	<b>(815,787)</b>	<b>(1,068,438)</b>	<b>(1,160,201)</b>	<b>(87,442,315)</b>	<b>(95,447,264)</b>
<b>Corporate Communication and Data</b>											
Number of clients w/o renegotiation (1)	2,988	1,852	41	1,175	1,006	906	736	642	640	4,590	14,576
Net portfolio w/o renegotiation	38,622,396	2,848,144	301,781	1,743,788	1,713,020	972,550	645,193	506,371	483,599	2,386,783	50,223,625
Debt	38,809,558	3,052,624	349,876	2,133,086	2,310,735	1,438,519	1,016,692	912,088	884,790	15,992,844	66,900,812
Accrual	(187,162)	(204,480)	(48,095)	(389,298)	(597,715)	(465,969)	(371,499)	(405,717)	(401,191)	(13,606,061)	(16,677,187)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	-	-
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-	-
Accrual	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of clients</b>	<b>2,988</b>	<b>1,852</b>	<b>41</b>	<b>1,175</b>	<b>1,006</b>	<b>906</b>	<b>736</b>	<b>642</b>	<b>640</b>	<b>4,590</b>	<b>14,576</b>
<b>Total Corporate Communication and Data Portfolio</b>	<b>38,622,396</b>	<b>2,848,144</b>	<b>301,781</b>	<b>1,743,788</b>	<b>1,713,020</b>	<b>972,550</b>	<b>645,193</b>	<b>506,371</b>	<b>483,599</b>	<b>2,386,783</b>	<b>50,223,625</b>
<b>Debt</b>	<b>38,809,558</b>	<b>3,052,624</b>	<b>349,876</b>	<b>2,133,086</b>	<b>2,310,735</b>	<b>1,438,519</b>	<b>1,016,692</b>	<b>912,088</b>	<b>884,790</b>	<b>15,992,844</b>	<b>66,900,812</b>
<b>Accrual</b>	<b>(187,162)</b>	<b>(204,480)</b>	<b>(48,095)</b>	<b>(389,298)</b>	<b>(597,715)</b>	<b>(465,969)</b>	<b>(371,499)</b>	<b>(405,717)</b>	<b>(401,191)</b>	<b>(13,606,061)</b>	<b>(16,677,187)</b>
<b>Television</b>											
Number of clients w/o renegotiation (1)	182,360	74,532	22,825	21,545	21,133	22,218	21,075	19,200	20,448	228,142	633,478
Net portfolio w/o renegotiation	18,587,477	289,670	139,022	78,247	37,884	9,327	7,119	5,223	4,405	269,225	19,427,599
Debt	19,049,156	336,248	427,500	395,567	377,357	401,595	199,716	296,198	349,431	5,050,039	26,882,807
Accrual	(461,679)	(46,578)	(288,478)	(317,320)	(339,473)	(392,268)	(192,597)	(290,975)	(345,026)	(4,780,814)	(7,455,208)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	-	-
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-	-
Accrual	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of clients</b>	<b>182,360</b>	<b>74,532</b>	<b>22,825</b>	<b>21,545</b>	<b>21,133</b>	<b>22,218</b>	<b>21,075</b>	<b>19,200</b>	<b>20,448</b>	<b>228,142</b>	<b>633,478</b>
<b>Total Television Portfolio</b>	<b>18,587,477</b>	<b>289,670</b>	<b>139,022</b>	<b>78,247</b>	<b>37,884</b>	<b>9,327</b>	<b>7,119</b>	<b>5,223</b>	<b>4,405</b>	<b>269,225</b>	<b>19,427,599</b>
<b>Debt</b>	<b>19,049,156</b>	<b>336,248</b>	<b>427,500</b>	<b>395,567</b>	<b>377,357</b>	<b>401,595</b>	<b>199,716</b>	<b>296,198</b>	<b>349,431</b>	<b>5,050,039</b>	<b>26,882,807</b>
<b>Accrual</b>	<b>(461,679)</b>	<b>(46,578)</b>	<b>(288,478)</b>	<b>(317,320)</b>	<b>(339,473)</b>	<b>(392,268)</b>	<b>(192,597)</b>	<b>(290,975)</b>	<b>(345,026)</b>	<b>(4,780,814)</b>	<b>(7,455,208)</b>

(1) The information mentioned in this line represents the number of current customers and to those that have been commercially eliminated and which are still in collections management.



Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



8. Current trade and other accounts receivable, continued

f) The composition of the portfolio stratified by segment as of December 31, 2022 is detailed as follows, continued

Stratification of portfolio by segment As of December 31, 2022	Up to date ThCh\$	From 1 to 30 days ThCh\$	From 31 to 60 days ThCh\$	From 61 to 90 day ThCh\$	From 91 to 120 days ThCh\$	From 121 to 150 days ThCh\$	From 151 to 180 days ThCh\$	From 181 to 210 days ThCh\$	From 211 to 250 days ThCh\$	More than 250 days ThCh\$	Total portfolio w/o guarantee ThCh\$
<b>Mobile Business</b>											
Number of clients w/o renegotiation (1)	976,218	300,926	68,523	56,322	54,958	47,432	50,436	44,348	40,393	1,626,980	3,266,536
Net portfolio w/o renegotiation	99,896,540	4,363,602	2,701,076	2,266,326	1,042,011	1,703,172	778,851	711,877	459,450	5,074,815	118,997,720
Debt	110,256,578	7,563,423	5,064,848	4,706,572	2,944,278	5,344,878	2,837,674	3,867,057	2,898,095	37,462,528	182,945,931
Accrual	(10,360,038)	(3,199,821)	(2,363,772)	(2,440,246)	(1,902,267)	(3,641,706)	(2,058,823)	(3,155,180)	(2,438,645)	(32,387,713)	(63,948,211)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	10,556	10,556
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	767,505	767,505
Accrual	-	-	-	-	-	-	-	-	-	(767,505)	(767,505)
<b>Total number of clients</b>	<b>976,218</b>	<b>300,926</b>	<b>68,523</b>	<b>56,322</b>	<b>54,958</b>	<b>47,432</b>	<b>50,436</b>	<b>44,348</b>	<b>40,393</b>	<b>1,637,536</b>	<b>3,277,092</b>
<b>Total Other Portfolio</b>	<b>99,896,540</b>	<b>4,363,602</b>	<b>2,701,076</b>	<b>2,266,326</b>	<b>1,042,011</b>	<b>1,703,172</b>	<b>778,851</b>	<b>711,877</b>	<b>459,450</b>	<b>5,074,815</b>	<b>118,997,720</b>
<b>Debt</b>	<b>110,256,578</b>	<b>7,563,423</b>	<b>5,064,848</b>	<b>4,706,572</b>	<b>2,944,278</b>	<b>5,344,878</b>	<b>2,837,674</b>	<b>3,867,057</b>	<b>2,898,095</b>	<b>38,230,033</b>	<b>183,713,436</b>
<b>Accrual</b>	<b>(10,360,038)</b>	<b>(3,199,821)</b>	<b>(2,363,772)</b>	<b>(2,440,246)</b>	<b>(1,902,267)</b>	<b>(3,641,706)</b>	<b>(2,058,823)</b>	<b>(3,155,180)</b>	<b>(2,438,645)</b>	<b>(33,155,218)</b>	<b>(64,715,716)</b>
<b>Contractual Asset and Others</b>											
Number of clients w/o renegotiation (1)	-	-	-	-	-	-	-	-	-	-	-
Net portfolio w/o renegotiation	27,500,033	-	-	-	-	-	-	-	-	-	27,500,033
Debt	27,738,790	-	-	-	-	-	-	-	-	-	27,738,790
Accrual	(238,757)	-	-	-	-	-	-	-	-	-	(238,757)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	-	-
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-	-
Accrual	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of clients</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Other Portfolio</b>	<b>27,500,033</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,500,033</b>
<b>Debt</b>	<b>27,738,790</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,738,790</b>
<b>Accrual</b>	<b>(238,757)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(238,757)</b>
<b>Consolidated Portfolio</b>											
Number of clients w/o renegotiation (1)	1,747,570	601,382	168,276	148,523	138,471	128,150	129,160	120,230	122,250	4,970,398	8,274,410
Net portfolio w/o renegotiation	187,632,381	8,285,784	4,181,615	4,865,694	3,523,582	3,108,893	1,572,477	1,418,258	1,131,021	9,654,915	225,374,620
Debt	198,906,511	12,108,008	8,043,497	9,143,023	7,487,193	8,753,304	5,010,844	6,338,026	5,475,971	147,048,805	408,315,182
Accrual	(11,274,130)	(3,822,224)	(3,861,882)	(4,277,329)	(3,963,611)	(5,644,411)	(3,438,367)	(4,919,768)	(4,344,950)	(137,393,890)	(182,940,562)
Number of clients w/renegotiation	-	218	57	50	60	18	45	48	42	100,863	101,401
Net renegotiated portfolio	-	4,020	132	19	31	32	-	-	-	5,191	9,425
Debt	-	4,760	457	117	408	550	339	542	113	1,595,709	1,602,995
Accrual	-	-740	(325)	(98)	(377)	(518)	(339)	(542)	(113)	(1,590,518)	(1,593,570)
<b>Total number of clients</b>	<b>1,747,570</b>	<b>601,600</b>	<b>168,333</b>	<b>148,573</b>	<b>138,531</b>	<b>128,168</b>	<b>129,205</b>	<b>120,278</b>	<b>122,292</b>	<b>5,071,261</b>	<b>8,375,811</b>
<b>Total Consolidated Portfolio</b>	<b>187,632,381</b>	<b>8,289,804</b>	<b>4,181,747</b>	<b>4,865,713</b>	<b>3,523,613</b>	<b>3,108,925</b>	<b>1,572,477</b>	<b>1,418,258</b>	<b>1,131,021</b>	<b>9,660,106</b>	<b>225,384,045</b>
<b>Debt</b>	<b>198,906,511</b>	<b>12,112,768</b>	<b>8,043,954</b>	<b>9,143,140</b>	<b>7,487,601</b>	<b>8,753,854</b>	<b>5,011,183</b>	<b>6,338,568</b>	<b>5,476,084</b>	<b>148,644,514</b>	<b>409,918,177</b>
<b>Accrual</b>	<b>(11,274,130)</b>	<b>(3,822,964)</b>	<b>(3,862,207)</b>	<b>(4,277,427)</b>	<b>(3,963,988)</b>	<b>(5,644,929)</b>	<b>(3,438,706)</b>	<b>(4,920,310)</b>	<b>(4,345,063)</b>	<b>(138,984,408)</b>	<b>(184,534,132)</b>

(1) The information mentioned in this line represents the number of current customers and to those that have been commercially eliminated and which are still in collections management.

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



8. Current trade and other accounts receivable, continued

f) The composition of the portfolio stratified by segment as of December 31, 2021 is as follows, continued

Stratification of portfolio by segment As of December 31, 2021	Up to date ThCh\$	From 1 to 30 days ThCh\$	From 31 to 60 days ThCh\$	From 61 to 90 day ThCh\$	From 91 to 120 days ThCh\$	From 121 to 150 days ThCh\$	From 151 to 180 days ThCh\$	From 181 to 210 days ThCh\$	From 211 to 250 days ThCh\$	More than 250 days ThCh\$	Total portfolio w/o guarantee ThCh\$
<b>Fixed Telecommunications</b>											
Number of clients w/o renegotiation (1)	566,181	222,670	50,065	41,874	37,858	32,489	32,557	31,524	32,001	3,014,076	4,061,295
Net portfolio w/o renegotiation	28,513,159	4,864,055	111,568	137,399	392,931	189,701	31,366	-	-	-	34,240,179
Debt	30,217,035	7,159,333	1,406,989	3,112,776	2,282,735	1,954,680	1,421,302	1,522,674	2,137,207	73,713,858	124,928,589
Accrual	(1,703,876)	(2,295,278)	(1,295,421)	(2,975,377)	(1,889,804)	(1,764,979)	(1,389,936)	(1,522,674)	(2,137,207)	(73,713,858)	(90,688,410)
Number of clients w/renegotiation	215	618	318	210	96	53	44	36	25	90,581	92,196
Net renegotiated portfolio	38	34	-	-	-	-	-	-	-	-	72
Debt	2,901	9,053	6,060	4,034	1,935	1,048	676	705	360	832,702	859,474
Accrual	(2,863)	(9,019)	(6,060)	(4,034)	(1,935)	(1,048)	(676)	(705)	(360)	(832,702)	(859,402)
<b>Total number of clients</b>	<b>566,396</b>	<b>223,288</b>	<b>50,383</b>	<b>42,084</b>	<b>37,954</b>	<b>32,542</b>	<b>32,601</b>	<b>31,560</b>	<b>32,026</b>	<b>3,104,657</b>	<b>4,153,491</b>
<b>Total Fixed Telephone Portfolio</b>	<b>28,513,197</b>	<b>4,864,089</b>	<b>111,568</b>	<b>137,399</b>	<b>392,931</b>	<b>189,701</b>	<b>31,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,240,251</b>
<b>Debt</b>	<b>30,219,936</b>	<b>7,168,386</b>	<b>1,413,049</b>	<b>3,116,810</b>	<b>2,284,670</b>	<b>1,955,728</b>	<b>1,421,978</b>	<b>1,523,379</b>	<b>2,137,567</b>	<b>74,546,560</b>	<b>125,788,063</b>
<b>Accrual</b>	<b>(1,706,739)</b>	<b>(2,304,297)</b>	<b>(1,301,481)</b>	<b>(2,979,411)</b>	<b>(1,891,739)</b>	<b>(1,766,027)</b>	<b>(1,390,612)</b>	<b>(1,523,379)</b>	<b>(2,137,567)</b>	<b>(74,546,560)</b>	<b>(91,547,812)</b>
<b>Corporate Communication and Data</b>											
Number of clients w/o renegotiation (1)	2,489	1,357	28	736	589	560	483	456	517	4,884	12,099
Net portfolio w/o renegotiation	58,221,175	6,956,660	280,847	1,879,818	1,018,709	623,131	456,956	333,249	271,927	333,076	70,375,548
Debt	58,714,070	7,596,264	327,175	2,387,979	1,446,208	1,002,140	848,413	757,212	703,562	11,100,797	84,883,820
Accrual	(492,895)	(639,604)	(46,328)	(508,161)	(427,499)	(379,009)	(391,457)	(423,963)	(431,635)	(10,767,721)	(14,508,272)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	-	-
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-	-
Accrual	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of clients</b>	<b>2,489</b>	<b>1,357</b>	<b>28</b>	<b>736</b>	<b>589</b>	<b>560</b>	<b>483</b>	<b>456</b>	<b>517</b>	<b>4,884</b>	<b>12,099</b>
<b>Total Corporate Communication and Data Portfolio</b>	<b>58,221,175</b>	<b>6,956,660</b>	<b>280,847</b>	<b>1,879,818</b>	<b>1,018,709</b>	<b>623,131</b>	<b>456,956</b>	<b>333,249</b>	<b>271,927</b>	<b>333,076</b>	<b>70,375,548</b>
<b>Debt</b>	<b>58,714,070</b>	<b>7,596,264</b>	<b>327,175</b>	<b>2,387,979</b>	<b>1,446,208</b>	<b>1,002,140</b>	<b>848,413</b>	<b>757,212</b>	<b>703,562</b>	<b>11,100,797</b>	<b>84,883,820</b>
<b>Accrual</b>	<b>(492,895)</b>	<b>(639,604)</b>	<b>(46,328)</b>	<b>(508,161)</b>	<b>(427,499)</b>	<b>(379,009)</b>	<b>(391,457)</b>	<b>(423,963)</b>	<b>(431,635)</b>	<b>(10,767,721)</b>	<b>(14,508,272)</b>
<b>Television</b>											
Number of clients w/o renegotiation (1)	262,889	93,378	16,785	13,982	12,336	10,746	10,241	9,187	10,550	197,271	637,365
Net portfolio w/o renegotiation	16,904,857	425,953	55,313	12,206	4,466	2,165	1,722	-	-	-	17,406,682
Debt	16,915,029	514,488	327,396	152,316	237,091	217,006	112,204	181,959	200,309	5,432,878	24,290,676
Accrual	(10,172)	(88,535)	(272,083)	(140,110)	(232,625)	(214,841)	(110,482)	(181,959)	(200,309)	(5,432,878)	(6,883,994)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	-	-
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-	-
Accrual	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of clients</b>	<b>262,889</b>	<b>93,378</b>	<b>16,785</b>	<b>13,982</b>	<b>12,336</b>	<b>10,746</b>	<b>10,241</b>	<b>9,187</b>	<b>10,550</b>	<b>197,271</b>	<b>637,365</b>
<b>Total Television Portfolio</b>	<b>16,904,857</b>	<b>425,953</b>	<b>55,313</b>	<b>12,206</b>	<b>4,466</b>	<b>2,165</b>	<b>1,722</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,406,682</b>
<b>Debt</b>	<b>16,915,029</b>	<b>514,488</b>	<b>327,396</b>	<b>152,316</b>	<b>237,091</b>	<b>217,006</b>	<b>112,204</b>	<b>181,959</b>	<b>200,309</b>	<b>5,432,878</b>	<b>24,290,676</b>
<b>Accrual</b>	<b>(10,172)</b>	<b>(88,535)</b>	<b>(272,083)</b>	<b>(140,110)</b>	<b>(232,625)</b>	<b>(214,841)</b>	<b>(110,482)</b>	<b>(181,959)</b>	<b>(200,309)</b>	<b>(5,432,878)</b>	<b>(6,883,994)</b>

(1) The information mentioned in this line represents the number of current customers and to those that have been commercially eliminated and which are still in collections management.

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



8. Current trade and other accounts receivable, continued

f) The composition of the portfolio stratified by segment as of December 31, 2021 is as follows, continued

Stratification of portfolio by segment As of December 31, 2021	Up to date ThCh\$	From 1 to 30 days ThCh\$	From 31 to 60 days ThCh\$	From 61 to 90 day ThCh\$	From 91 to 120 days ThCh\$	From 121 to 150 days ThCh\$	From 151 to 180 days ThCh\$	From 181 to 210 days ThCh\$	From 211 to 250 days ThCh\$	More than 250 days ThCh\$	Total portfolio w/o guarantee ThCh\$
<b>Mobile Business</b>											
Number of clients w/o renegotiation (1)	903,949	314,104	50,036	45,684	32,963	38,696	36,027	33,195	36,848	1,637,490	3,128,992
Net portfolio w/o renegotiation	69,463,620	13,309,597	1,434,980	2,090,479	1,938,797	835,023	807,645	-	-	-	89,880,141
Debt	69,798,876	15,419,354	4,058,908	4,776,432	5,265,785	3,806,756	3,611,843	2,336,259	2,680,155	54,516,632	166,271,000
Accrual	(335,256)	(2,109,757)	(2,623,928)	(2,685,953)	(3,326,988)	(2,971,733)	(2,804,198)	(2,336,259)	(2,680,155)	(54,516,632)	(76,390,859)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	8,764	8,764
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	9	701,066	701,075
Accrual	-	-	-	-	-	-	-	-	(9)	(701,066)	(701,075)
<b>Total number of clients</b>	<b>903,949</b>	<b>314,104</b>	<b>50,036</b>	<b>45,684</b>	<b>32,963</b>	<b>38,696</b>	<b>36,027</b>	<b>33,195</b>	<b>36,848</b>	<b>1,646,254</b>	<b>3,137,756</b>
<b>Total Other Portfolio</b>	<b>69,463,620</b>	<b>13,309,597</b>	<b>1,434,980</b>	<b>2,090,479</b>	<b>1,938,797</b>	<b>835,023</b>	<b>807,645</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>89,880,141</b>
<b>Debt</b>	<b>69,798,876</b>	<b>15,419,354</b>	<b>4,058,908</b>	<b>4,776,432</b>	<b>5,265,785</b>	<b>3,806,756</b>	<b>3,611,843</b>	<b>2,336,259</b>	<b>2,680,164</b>	<b>55,217,698</b>	<b>166,972,075</b>
<b>Accrual</b>	<b>(335,256)</b>	<b>(2,109,757)</b>	<b>(2,623,928)</b>	<b>(2,685,953)</b>	<b>(3,326,988)</b>	<b>(2,971,733)</b>	<b>(2,804,198)</b>	<b>(2,336,259)</b>	<b>(2,680,164)</b>	<b>(55,217,698)</b>	<b>(77,091,934)</b>
<b>Contractual Asset and Others</b>											
Number of clients w/o renegotiation (1)	-	-	-	-	-	-	-	-	-	-	-
Net portfolio w/o renegotiation	31,832,658	-	-	-	-	-	-	-	-	-	31,832,658
Debt	32,105,102	-	-	-	-	-	-	-	-	-	32,105,102
Accrual	(272,444)	-	-	-	-	-	-	-	-	-	(272,444)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	-	-
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-	-
Accrual	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of clients</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Other Portfolio</b>	<b>31,832,658</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,832,658</b>
<b>Debt</b>	<b>32,105,102</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,105,102</b>
<b>Accrual</b>	<b>(272,444)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(272,444)</b>
<b>Consolidated Portfolio</b>											
Number of clients w/o renegotiation (1)	1,735,508	631,509	116,914	102,276	83,746	82,491	79,308	74,362	79,916	4,853,721	7,839,751
Net portfolio w/o renegotiation	204,935,469	25,556,265	1,882,708	4,119,902	3,354,903	1,650,020	1,297,689	333,249	271,927	333,076	243,735,208
Debt	207,750,112	30,689,439	6,120,468	10,429,503	9,231,819	6,980,582	5,993,762	4,798,104	5,721,233	144,764,165	432,479,187
Accrual	(2,814,643)	(5,133,174)	(4,237,760)	(6,309,601)	(5,876,916)	(5,330,562)	(4,696,073)	(4,464,855)	(5,449,306)	(144,431,089)	(188,743,979)
Number of clients w/renegotiation	215	618	318	210	96	53	44	36	25	99,345	100,960
Net renegotiated portfolio	38	34	-	-	-	-	-	-	-	-	72
Debt	2,901	9,053	6,060	4,034	1,935	1,048	676	705	369	1,533,768	1,560,549
Accrual	(2,863)	(9,019)	(6,060)	(4,034)	(1,935)	(1,048)	(676)	(705)	(369)	(1,533,768)	(1,560,477)
<b>Total number of clients</b>	<b>1,735,723</b>	<b>632,127</b>	<b>117,232</b>	<b>102,486</b>	<b>83,842</b>	<b>82,544</b>	<b>79,352</b>	<b>74,398</b>	<b>79,941</b>	<b>4,953,066</b>	<b>7,940,711</b>
<b>Total Consolidated Portfolio</b>	<b>204,935,507</b>	<b>25,556,299</b>	<b>1,882,708</b>	<b>4,119,902</b>	<b>3,354,903</b>	<b>1,650,020</b>	<b>1,297,689</b>	<b>333,249</b>	<b>271,927</b>	<b>333,076</b>	<b>243,735,280</b>
<b>Debt</b>	<b>207,753,013</b>	<b>30,698,492</b>	<b>6,126,528</b>	<b>10,433,537</b>	<b>9,233,754</b>	<b>6,981,630</b>	<b>5,994,438</b>	<b>4,798,809</b>	<b>5,721,602</b>	<b>146,297,933</b>	<b>434,039,736</b>
<b>Accrual</b>	<b>(2,817,506)</b>	<b>(5,142,193)</b>	<b>(4,243,820)</b>	<b>(6,313,635)</b>	<b>(5,878,851)</b>	<b>(5,331,610)</b>	<b>(4,696,749)</b>	<b>(4,465,560)</b>	<b>(5,449,675)</b>	<b>(145,964,857)</b>	<b>(190,304,456)</b>

(1) The information mentioned in this line represents the number of current customers and those that have been commercially removed and are still in collection management.

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



9. Receivables from and payable to related companies

a) Currents receivables from related companies:

Company	Taxpayer No.	Country of origin	Nature of the relationship	Transaction origin	Currency	Term	12.31.2022 ThCh\$	12.31.2021 ThCh\$
InfraCo SpA	77,122,635-3	Chile	Common end controller	<b>Subtotal Total</b>	<b>CLP</b>		<b>25.348.824</b>	<b>27,231,071</b>
				Deployment services	CLP	60 days	17.962.778	20,489,250
				Wholesale and other services	CLP	60 days	6.479.979	5,835,755
				Other credits.	CLP	60 days	906,067	906,066
Telefónica Hispanoamérica	Foreign	Spain	Common end controller	<b>Subtotal</b>			<b>4,443,170</b>	-
				Professional services	EUR	60 days	4,317,733	-
				Serv. provided	EUR	60 days	125,437	-
Telefónica Cybersecurity & Cloud Tech Chile SpA	77,145,256-6	Chile	Common end controller	Serv. provided	CLP	60 days	2,978,259	2,585,644
Telefónica de Argentina S.A.	Foreign	Argentina	Common end controller	<b>Subtotal</b>			<b>2,788,853</b>	<b>261,429</b>
				Professional services	EUR	60 days	1,852,868	-
				Serv. provided	USD	60 days	935,985	261,429
Telefónica del Perú S.A.	Foreign	Perú	Common end controller	<b>Subtotal</b>			<b>2,008,468</b>	-
				Professional services	EUR	60 days	1,938,795	-
				Professional services	USD	60 days	69,673	-
Telefónica Global Solutions	Foreign	Spain	Common end controller	Serv. provided	EUR	60 days	1,290,808	578,297
Telefónica IoT & Big Data Tech Chile SpA	76,338,291-5	Chile	Common end controller	Serv. provided	CLP	60 days	1,014,926	122,347
Otecel S.A.	Foreign	Ecuador	Common end controller	Serv. provided	USD	60 days	806,991	-
Telefónica S.A.	Foreign	Spain	End controller	Serv. provided	EUR	90 days	767,902	419,233
Telefónica Global Solutions Chile, S.p.A.	76,540,944-6	Chile	Common end controller	Serv. provided	CLP	60 days	563,928	1,213,370
Pegaso PCS, S.A. de C.V.	Foreign	México	Common end controller	<b>Subtotal</b>			<b>485,235</b>	<b>9,042</b>
				Professional services	EUR	60 days	468,710	-
				Serv. provided	USD	60 days	16,525	9,042
				Serv. provided	USD	90 days	456,199	343,192
Telefónica Brasil	Foreign	Brazil	Common end controller	Serv. provided	USD	90 days	456,199	343,192
Telxius Cable Chile	96,910,730-9	Chile	Common end controller	<b>Subtotal</b>			<b>308,602</b>	<b>5,244,859</b>
				Serv. provided	CLP	60 days	157,628	5,244,859
				Professional services	USD	60 days	150,974	-
Telefónica Móviles Argentina S.A.	Foreign	Argentina	Common end controller	Serv. provided	USD	90 days	286,083	212,558
Telefónica Digital España	Foreign	Spain	Common end controller	Serv. provided	EUR	60 days	277,000	199,634
Telefónica Móviles del Uruguay	Foreign	Uruguay	Common end controller	<b>Subtotal</b>			<b>459,739</b>	<b>17,754</b>
				Professional services	EUR	60 days	459,739	-
				Serv. provided	USD	60 days	-	17,754
Telefónica Venezolana C.A.	Foreign	Venezuela	Common end controller	<b>Subtotal</b>			<b>263,559</b>	<b>52,298</b>
				Professional services	EUR	60 days	211,255	-
				Serv. provided	USD	60 days	52,304	52,298

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



9. Receivables from and payable to related companies, continued

Company	Taxpayer No.	Country of origin	Nature of the relationship	Transaction origin	Currency	Term	12.31.2022 ThCh\$	12.31.2021 ThCh\$
TIS Hispam	59,083,900-0	Chile	Common end controller	Serv. provided	CLP	60 days	76,276	74,807
Telefónica Móviles España	Foreign	Spain	Common end controller	Serv. provided	EUR	90 days	62,157	65,806
Telefónica Global Roaming GmbH	Foreign	Germany	Common end controller	Serv. provided	EUR	60 days	58,751	-
Telefónica Iot & Big Data Tech	Foreign	Spain	Common end controller	Serv. provided	EUR	60 days	46,372	-
Telefónica UK	Foreign	United Kingdom	Common end controller	Serv. provided	EUR	60 days	44,923	-
Colombia Telecomunicaciones S.A.E.S.P	Foreign	Colombia	Common end controller	Serv. provided	USD	60 days	34,517	46,526
Terra Networks Brasil	Foreign	Brazil	Common end controller	Serv. provided	USD	90 days	5,148	5,148
Terra Networks Chile S.A.	96,834,230-4	Chile	Common end controller	Serv. provided	CLP	60 days	18,069	34,327
Wayra Chile Tecnología e Innovación Ltda.	96,672,150-2	Chile	Common end controller	Serv. provided	CLP	60 days	-	31,642
Inversiones Telefónica Internacional Holding SpA	77,363,730-K	Chile	Common end controller	Serv. provided	CLP	60 days	-	5,262
Telefónica Móviles El Salvador	Foreign	El Salvador	Common end controller	Serv. provided	USD	90 days	-	413
<b>Total</b>							<b>44,894,759</b>	<b>38,754,659</b>

There are no allowances for doubtful accounts or guarantees related to amounts included in outstanding balances. For amounts in excess of 5% of their total heading, the origin of the service rendered is specified.

b) Non-current receivables from related companies

Company	Taxpayer No.	Country of origin	Nature of the relationship	Transaction origin	Currency	Term	12.31.2022 ThCh\$	12.31.2021 ThCh\$
HoldCo Infraco SpA (1)	77,374,961-2	Chile	Associate	Sale of Fiber Optic business.	CLP	-	68,508,794	83,260,671
<b>Total</b>							<b>68,508,794</b>	<b>83,260,671</b>

(1) Corresponds to the subordinated debt generated by the sale of 40% of the optic fiber business. Includes accrued interest and adjustments in the amount of ThCh\$12,612,739 and ThCh\$4,397,607 as of December 31, 2022 and 2021, respectively (See Note 19 b(ii)).

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



9. Receivables from and payable to related companies, continued

c) Current payables to related companies:

Company	Taxpayer No,	Country of origin	Nature of the relationship	Transaction origin	Currency	Term	12.31.2022 ThCh\$	12.31.2021 ThCh\$
InfraCo SpA (1)	77,122,635-3	Chile	Common end controller	Serv. Provided	CLP	60 days	46,264,286	27,063,783
Telefónica Cybersecurity & Cloud Tech Chile SpA (1)	77,145,256-6	Chile	Common end controller	Serv. Provided	CLP	60 days	17,463,563	18,770,492
Telefónica Argentina S.A.	Foreign	Argentina	Common end controller	Serv. Provided	USD	60 days	11,235,475	10,809,568
Telefónica Global Solutions Chile, S.p.A.	76,540,944-6	Chile	Common end controller	Serv. Provided	CLP	60 days	6,559,356	2,704,861
Telxius Cable Chile	96,910,730-9	Chile	Common end controller	<b>Subtotal</b>		60 days	<b>7,295,917</b>	<b>3,764,212</b>
				Ip voice traffic	CLP	60 days	5,323,538	2,023,354
				Data and links	CLP	60 days	1,874,949	1,651,518
				Mandate	CLP	60 days	97,430	89,340
Telefónica S.A.	Foreign	Spain	End Controller	<b>Subtotal</b>		60 days	<b>6,809,674</b>	<b>11,952,652</b>
				Brand Fee	EUR	60 days	6,251,544	11,493,901
				Other	EUR	60 days	558,130	458,751
Telefónica Hispanoamérica, S.L (antes LACH)	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	5,771,749	2,937,250
Telefónica Digital España	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	4,686,002	5,855,486
Telefónica IoT & Big Data Tech Chile SpA	76,338,291-5	Chile	Common end controller	Serv. Provided	CLP	60 days	4,326,512	615,056
Telefónica Global Solutions	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	4,258,743	3,005,502
Telefónica Compras Electrónicas	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	1,591,360	1,332,800
Telefónica Móviles Argentina S.A.	Foreign	Argentina	Common end controller	Serv. Provided	USD	60 days	1,122,684	-
Telefónica lot & Big Data Tech	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	1,076,207	849,680
Telefónica del Perú S.A.	Foreign	Perú	Common end controller	Serv. Provided	USD	60 days	892,009	518,770
TIS Hispam	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	399,347	704,424
Telefónica Cybersecurity & Cloud Tech España	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	351,463	346,876
Telefónica Brasil	Foreign	Brazil	Common end controller	Serv. Provided	USD	60 days	200,165	-
Telefónica O2 Germany Gmbh & Co Ohg	Foreign	Germany	Common end controller	Serv. Provided	EUR	60 days	163,513	101,013
Telefónica Venezolana C.A.	Foreign	Venezuela	Common end controller	Serv. Provided	USD	60 days	124,897	69,168
Terra México	Foreign	México	Common end controller	Serv. Provided	USD	60 days	109,177	124,099
Pegaso PCS, S.A.	Foreign	México	Common end controller	Serv. Provided	USD	60 days	90,850	-
Colombia Telecomunicaciones	Foreign	Colombia	Common end controller	Serv. Provided	USD	60 days	72,621	54,431
Telefónica Servicios Audiovisuales	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	58,912	50,032
Telefónica Móviles España	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	41,431	59,928
Telefónica Global Technology S.A.U.	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	37,580	387,436
Telefónica UK	Foreign	United Kingdom	Common end controller	Serv. Provided	EUR	60 days	30,528	-
Otecel S.A.	Foreign	Ecuador	Common end controller	Serv. Provided	USD	60 days	22,710	10,335
Telefónica Global Roaming Gmbh	Foreign	Germany	Common end controller	Serv. Provided	EUR	60 days	21,743	-
Telefónica Móviles del Uruguay S.A.	Foreign	Uruguay	Common end controller	Serv. Provided	USD	60 days	18,033	46,904
Telefónica Global Technology Chile	Foreign	Chile	Common end controller	Computer services	CLP	60 days	16,105	16,105
T. Germany GMBH & CO OHG	Foreign	Germany	Common end controller	Serv. Provided	EUR	60 days	9,250	-
Inversiones Telefónica Internacional Holding SpA	Foreign	Chile	Common end controller	Interim dividends	CLP	60 days	-	97,791,799
Telefónica Global Roaming Gmbh	Extranjero	Alemania	Controlador final común	Prestación de servicios	EUR	60 días	-	343,540
Telefónica Learning Services	Foreign	Spain	Common end controller	Serv. Provided	EUR	60 days	-	22,378
				<b>Total</b>			<b>121,121,862</b>	<b>190,308,580</b>

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



9. Receivables from and payable to related companies, continued

c) Current payables to related companies

There are no guarantees related to amounts included in outstanding balances.

For amounts in excess of 5% of their total heading, the origin of the service rendered is specified.

d) Non-current payables to related companies:

Company	Taxpayer No,	Country of origin	Nature of the relationship	Transaction origin	Currency	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Telefónica S.A.	Foreign	Spain	End controller	HR obligation	CLP	5,548,164	1,529,371
<b>Total</b>						<b>5,548,164</b>	<b>1,529,371</b>

e) The most significant transactions and their effects on Results:

Company	Taxpayer No,	Country of origin	Nature of the relationship	Transaction origin	Currency	ThCh\$	12.31.2022 Effect on income (charge)/credit	ThCh\$	12.31.2021 Effect on income (charge)/credit
InfraCo SpA	77,122,635-3	Chile	Associate	Deployment service	CLP	80,842,849	80,842,849	46,042,555	46,042,555
				Optic Fiber Connectivity.	CLP	112,064,231	(112,064,231)	45,156,729	(45,156,729)
HoldCo InfraCo SpA	77,374,961-2	Chile	Associate	interest and adjustments subordinated debt	CLP	2,350,714	2,350,714	2,919,768	2,919,768
Telefónica Hispanoamérica	Foreign	Spain	Common end controller	Management Fee	EUR	4,553,734	4,553,734	-	-
				Costs	EUR	1,643,598	(1,643,598)	-	-
				Management Fee (costs)	EUR	4,063,005	(4,063,005)	2,445,146	(2,445,146)
Telefónica Argentina S.A.	Foreign	Argentina	Common end controller	Management Fee	USD	2,810,566	2,810,566	-	-
				Serv. Provided	USD	96,212	96,212	-	-
				Costs	USD	962,845	(962,845)	5,329,595	(5,329,595)
Telxius Cable Chile S.A.	96,910,730-9	Chile	Common end controller	Access to International Internet – IP Traffic	CLP	2,872,447	2,872,447	1,982,806	1,982,806
			Common end controller	Costs	CLP	14,133,279	(14,133,279)	14,720,850	(14,720,850)
Telefónica S.A.	Foreign	Spain	End controller	Serv. Provided	EUR	1,887,675	1,887,675	-	-
				Brand Fee	EUR	27,062,468	(27,062,468)	28,054,410	(28,054,410)
				Other	EUR	2,320,070	(2,320,070)	-	-
Telefónica Perú S.A.	Foreign	Perú	Common end controller	Management Fee	EUR	1,728,115	1,728,115	-	-
				Services provided	USD	658,882	658,882	2,284,176	(2,284,176)
Telefónica Global Solutions	Foreign	Spain	Common end controller	Access and interconnection services	EUR	1,777,189	1,777,189	1,914,896	1,914,896
				Costs	EUR	4,494,767	(4,494,767)	4,538,505	(4,538,505)
Telefónica Global Solutions Chile, SpA.	76,540,944-6	Chile	Common end controller	Access and interconnection services	CLP	1,612,116	1,612,116	2,386,220	2,386,220
				Access and interconnection charges	CLP	7,792,565	(7,792,565)	5,028,270	(5,028,270)
Telefónica Cybersecurity & Cloud Tech Chile SpA	77,145,256-6	Chile	Common end controller	Serv. Provided	CLP	1,320,230	1,320,230	-	-
				Costs	CLP	29,202,716	(29,202,716)	43,272,353	(43,272,353)
Telefónica Móviles Argentina	Foreign	Argentina	Common end controller	Costs	USD	1,428,704	(1,428,704)	-	-
TIS Hispam	59,083,900-0	Chile	Common end controller	Costs	CLP	1,624,643	(1,624,643)	4,338,179	(4,338,179)
Telefónica Compras Electrónica S.L.	Foreign	Spain	Common end controller	Costs	EUR	2,209,313	(2,209,313)	3,025,437	(3,025,437)
Telefónica lot & Big Data Tech	Foreign	Spain	Common end controller	Costs	EUR	2,885,611	(2,885,611)	2,977,537	(2,977,537)
Telefónica Global Technology S.A.U	Foreign	Spain	Common end controller	Costs	EUR	4,675,939	(4,675,939)	6,220,602	(6,220,602)

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



9. Receivables from and payable to related companies, continued

Company	Taxpayer No,	Country of origin	Nature of the relationship	Transaction origin	Currency	ThCh\$	12.31.2022 Effect on income (charge)/credit	ThCh\$	12.31.2021 Effect on income (charge)/credit
Telefónica IoT & Big Data Tech Chile SpA	76.338.291-5	Chile	Common end controller	Sale IOT Big Data	CLP	6,312,785	(6,312,785)	3,990,530	(3,990,530)
			Common end controller	Costs	CLP	-	-	1,661,109	(1,661,109)
Telefónica Digital España	Foreing	Spain	Common end controller	Costs	EUR	11,099,842	(11,099,842)	11,228,574	(11,228,574)

As of December 31, 2022, only transactions between related parties in excess of ThCh\$1,000,000 are disclosed



## 9. Receivables from and payable to related companies, continued

### d) The most significant transactions and their effects on results, continued

Title XVI of the Corporations Law, and other relevant regulations, requires that a publicly traded corporation's transactions with related companies are carried out under terms similar to those commonly prevailing in the market. As of December 31, 2022 and 2021, the Company has no significant transactions with related parties other than those already reported in these financial statements.

There have been charges and credits to current accounts in the receivables of companies due to billing for sale of materials, equipment and services. The conditions of the Mercantile Current Account and Mandate are currents, accruing interest at a variable interest rate that adjusts to market conditions.

Sales and service rendering expire in the short-term (less than one year) and the expiry conditions for each case vary by virtue of the transaction that generates them.

### e) Remuneration and benefits received by the Company's key employees:

The Company is managed by a Board of Directors composed of 3 members and its key employees are 76 and 68 for December 31, 2022 and 2021, respectively.

Concepts	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
Salaries	13,038,457	11,807,537
Post employment benefits	1,120,377	1,068,589
<b>Total</b>	<b>14,158,834</b>	<b>12,876,126</b>

## 10. Inventory

a) The detail of inventory is as follows:

Concepts	12.31.2022			12.31.2021		
	Gross value ThCh\$	Allowance for obsolescence ThCh\$	Net value	Gross value ThCh\$	Allowance for obsolescence ThCh\$	Net value ThCh\$
Mobile equipment	17,420,735	(98,683)	17,322,052	35,085,700	(241,310)	34,844,390
Optic fiber (1)	25,234,548	(282,093)	24,952,455	29,407,601	(66,073)	29,341,528
Modems and Router	26,136,093	(479,115)	25,656,978	22,423,379	(905,886)	21,517,493
Basic telephony, public telephony and switchboard ("centralitas")	7,721,625	(115,499)	7,606,126	5,318,687	(181,151)	5,137,536
IP Solutions Projects	4,839,151	-	4,839,151	4,374,333	-	4,374,333
Decoders and TV equipment (2)	5,693,936	(124,266)	5,569,671	2,723,062	(230,628)	2,492,434
Mobile accessory	5,182,542	(139,192)	5,043,349	2,181,339	(81,712)	2,099,627
Other	457,997	(4,846)	453,151	110,296	(20,147)	90,149
<b>Total</b>	<b>92,686,627</b>	<b>(1,243,694)</b>	<b>91,442,933</b>	<b>101,624,397</b>	<b>(1,726,907)</b>	<b>99,897,490</b>

(1) Includes materials associated to IP solutions projects, external plant developments and network deployment.

(2) Includes equipment for technology and implementation of IP television.

As of December 31, 2022 and 2021 there have been no inventory write-offs, there is no inventory in guarantee.

b) The movement of inventory is as follows:

Movements	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Beginning balance</b>	<b>99,897,490</b>	<b>67,436,585</b>
Purchases	416,179,658	455,503,245
Sales	(429,391,997)	(431,909,186)
Allowance for obsolescence	483,214	270,255
Transfer (1)	4,274,568	8,596,591
<b>Movement, subtotal</b>	<b>(8,454,557)</b>	<b>32,460,905</b>
<b>Ending balance</b>	<b>91,442,933</b>	<b>99,897,490</b>

(1) Corresponds to transfers between property, plant and equipment and inventory. As of December 31, 2012 transfer to property, plant and equipment in the amount of ThCh\$8,596,591 (see Note 15c) of materials destined for investment which were transferred due to the sale of the optic fiber network, composed of optic fiber cables in the amount of thCh\$3,719,112, optic terminal boxes in the amount of ThCh\$2,864,863, steel cable, crossheads, service mast heads and others in the amount of ThCh\$2,012,616.

## 11. Income Taxes

### a) Income Taxes:

As of December 31, 2022, the parent company, Telefónica Móviles Chile S.A. and subsidiaries Telefónica Servicios Corporativos Ltda. and Telefónica Empresas, are in a tax loss situation, therefore they have not established a first category income tax provision. Subsidiary Telefónica Chile S.A. has established an income tax provision since it has a taxable income base of ThCh\$2,306,715.

The first category tax losses as of December 31, 2022 and 2021 are detailed as follows:

- Telefónica Móviles Chile S.A. in the amount of ThCh\$125,271,853 as of December 31, 2022.
- Telefónica Empresas Chile S.A. in the amount of ThCh\$121,121,064 and ThCh\$60,039,288 as of December 31, 2022 and 2021., respectively.
- Telefónica Servicios Corporativos Ltda. in the amount of ThCh\$11,119,485 as of December 31, 2022.

Regarding the current tax results of the Parent company and its subsidiaries, it should be noted that, in the normal development of their operations, they are subject to regulation and supervision by the Internal Revenue Service, as a result of which differences may arise in the application of criteria for determining taxes.

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



11. Income Taxes, continued

a) Income Taxes, continued

As of December 31, 2022, corporate income is detailed as follows:

Subsidiaries	Accumulated credit balances (SAC)									
	Control	Income subject to Global Complementary or Additional Tax (RAI)	Difference between Accelerated Devaluation And normal (DDAN)	Exempt income (REX) Non-taxable income	Accumulated as of 01.01.2017		Current loan rate (factor of 27%)		Accumulated up to 12.31.2016 Effective rate 22,77% Entitled to return	Total Balance of Taxable Net Income (STUT)
					Subject to restitution entitled to return	No Subject to restitution entitled to return	Total available credit against final taxes (art 41 A & 41 C of ITL)			
ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
Telefónica Móviles Chile S.A.	-	-	-	-	(1,159,638)	-	-	-	-	
Telefónica Chile S.A.	-	-	-	-	6,280,192	-	-	209,074,280	922,668,946	
Telefónica Empresas Chile S.A.	3,563,947	-	-	3,563,947	(354,334)	-	-	-	-	
Telefónica Chile Servicios Corporativos Ltda.	98,634,014	98,634,014	-	-	19,567,261	-	-	21,472,647	79,970,876	
<b>Total</b>	<b>102,197,961</b>	<b>98,634,014</b>	<b>-</b>	<b>3,563,947</b>	<b>24,333,481</b>	<b>-</b>	<b>-</b>	<b>230,546,927</b>	<b>1,002,639,822</b>	

b) Current tax assets

As of December 31, 2022 and 2021, current income tax assets are detailed as follows:

Concepts	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Monthly prepaid tax installments (1)	31,274,572	7,574,836
Provisional payment on absorbed profits (2)	8,390,377	2,718,729
Sence and others	743,633	770,771
<b>Total</b>	<b>40,408,582</b>	<b>11,064,336</b>

- (1) As of December 2022 includes recoverable taxes from previous years for the monthly provisional payments of Telefónica Móviles Chile S.A. in the amount of ThCh\$9,700,334, Telefónica Chile S.A. in the amount of ThCh\$2,405,367 and Telefónica Chile Servicios Corporativos in the amount of ThCh\$2,158,295 and the net amount of monthly provisional payment and the income tax provision for FY 2023 at Telefónica Móviles Chile S.A. in the amount of ThCh\$11,126,685, Telefónica Chile Servicios Corporativos Ltda. in the amount of ThCh\$2,495,865 and Telefónica Chile S.A. in the amount of ThCh\$4,582,819.
- (2) The provisional payment on Absorbed Profits corresponds to Telefónica Móviles Chile S.A. for Adjustments No. 19 and the 2022 FY.

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



11. Income Taxes, continued

c) Deferred tax assets and liabilities

As of December 31, 2022 and 2021 accumulated balances of temporary differences originated net deferred tax assets in the amount of ThCh\$10,941,418, ThCh\$3,739,451 respectively and which are detailed as follows:

Disclosure of temporary differences, losses and unused tax credits December 31, 2022	Provision for impairment	Obsolescence provision	Deferred income	Effect or taxable goodwill on merger of subsidiary	Dismantling provision	Deferred cost of sales & deferred sales commissions	Personnel provisions	Amortization and depreciation of assets	Tax loss	Right of use and leasing obligations	Other temporary differences	Reclassification (1)	Temporary differences	Temporary differences, losses and unused tax credits
<b>Deferred tax assets and liabilities</b>														
Deferred tax assets	24,041,464	-	24,641,588	66,044,759	5,263,638	-	12,776,823	16,769,434	69,528,348	16,142,676	(6,884,916)	(101,745,258)	126,578,556	126,578,556
Deferred tax liabilities	-	14,508,945	4,640,019	-	-	18,060,845	12,018,554	141,709,111	-	15,934,066	10,510,856	(101,745,258)	115,637,138	115,637,138
<b>Deferred tax liabilities (assets)</b>	<b>(24,041,464)</b>	<b>14,508,945</b>	<b>(20,001,569)</b>	<b>(66,044,759)</b>	<b>(5,263,638)</b>	<b>18,060,845</b>	<b>(758,269)</b>	<b>124,939,677</b>	<b>(69,528,348)</b>	<b>(208,610)</b>	<b>17,395,772</b>	-	<b>(10,941,418)</b>	<b>(10,941,418)</b>
<b>Deferred tax assets and liabilities, net</b>														
Deferred tax assets, net	(24,041,464)	-	(20,001,569)	(66,044,759)	(5,263,638)	-	(758,269)	-	(69,528,348)	(208,610)	-	-	(185,846,657)	(185,846,657)
Deferred tax liabilities, net	-	14,508,945	-	-	-	18,060,845	-	124,939,677	-	-	17,395,772	-	174,905,239	174,905,239
<b>Deferred tax expense (benefit)</b>														
Deferred tax expense (benefit)	2,584,570	12,699,253	3,420,765	1,016,008	(112,211)	6,453,970	6,206,775	5,612,077	(41,942,198)	2,404,059	4,337,596	-	2,680,664	2,680,664
Deferred tax expense (benefit) recognized in income	2,584,570	12,699,253	3,420,765	1,016,008	(112,211)	6,453,970	6,206,775	5,612,077	(41,942,198)	2,404,059	4,337,596	-	2,680,664	2,680,664
<b>Changes in deferred tax liabilities (assets)</b>														
Deferred tax liabilities (assets) – Beginning balance Dec, 2021	(26,626,034)	1,809,692	(23,422,334)	(67,060,767)	(5,151,427)	11,606,875	(5,956,120)	119,327,600	(18,712,443)	(2,612,669)	13,058,176	-	(3,739,451)	(3,739,451)
<b>Changes in deferred tax liabilities (assets)</b>														
Deferred tax expense (benefit) recognized in income	2,584,570	12,699,253	3,420,765	1,016,008	(112,211)	6,453,970	6,206,775	5,612,077	(41,942,198)	2,404,059	4,337,596	-	2,680,664	2,680,664
Deferred taxes related to items credited (charged) directly to equity	-	-	-	-	-	-	-	-	(8,873,707)	-	-	-	(8,873,707)	(8,873,707)
Income taxes related to components of other comprehensive income	-	-	-	-	-	-	(1,008,924)	-	-	-	-	-	(1,008,924)	(1,008,924)
Increase (decrease) from business combinations, deferred tax liabilities (assets)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) due to loss of control of subsidiary, deferred tax liabilities (assets)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) due to net foreign currency translation, deferred tax liabilities (assets)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Increase (decrease) in deferred tax (assets) liabilities</b>	<b>2,584,570</b>	<b>12,699,253</b>	<b>3,420,765</b>	<b>1,016,008</b>	<b>(112,211)</b>	<b>6,453,970</b>	<b>5,197,851</b>	<b>5,612,077</b>	<b>(50,815,905)</b>	<b>2,404,059</b>	<b>4,337,596</b>	-	<b>(7,201,967)</b>	<b>(7,201,967)</b>
<b>Deferred tax liabilities (assets)</b>	<b>(24,041,464)</b>	<b>14,508,945</b>	<b>(20,001,569)</b>	<b>(66,044,759)</b>	<b>(5,263,638)</b>	<b>18,060,845</b>	<b>(758,269)</b>	<b>124,939,677</b>	<b>(69,528,348)</b>	<b>(208,610)</b>	<b>17,395,772</b>	-	<b>(10,941,418)</b>	<b>(10,941,418)</b>

(1) Corresponds to netting of deferred tax assets and liabilities.

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021



11. Income Taxes, continued

c) Assets and Liability by Deferred taxes, continued

Disclosure of temporary differences, losses and unused tax credits December 31, 2021	Provision for impairment	Obsolescence provision	Deferred income	Effect or taxable goodwill on merger of subsidiary	Dismantling provision	Deferred cost of sales & deferred sales commissions	Personnel provisions	Amortization and depreciation of assets	Tax loss	Right of use and leasing obligations	Other temporary differences	Reclassification (1)	Temporary differences	Temporary differences, losses and unused tax credits
<b>Deferred tax assets and liabilities</b>														
Deferred tax assets	26,626,034	388,859	27,731,560	67,060,767	5,151,427	-	17,064,265	15,418,084	18,712,443	13,178,444	(3,550,972)	(87,038,213)	100,742,698	100,742,698
Deferred tax liabilities	-	-	4,309,226	-	-	11,606,875	11,108,145	134,745,684	-	10,565,775	11,705,755	(87,038,213)	97,003,247	97,003,247
<b>Deferred tax liabilities (assets)</b>	<b>(26,626,034)</b>	<b>(388,859)</b>	<b>(23,422,334)</b>	<b>(67,060,767)</b>	<b>(5,151,427)</b>	<b>11,606,875</b>	<b>(5,956,120)</b>	<b>119,327,600</b>	<b>(18,712,443)</b>	<b>(2,612,669)</b>	<b>15,256,727</b>	<b>-</b>	<b>(3,739,451)</b>	<b>(3,739,451)</b>
<b>Deferred tax assets and liabilities, net</b>														
Deferred tax assets, net	(26,626,034)	(388,859)	(23,422,334)	(67,060,767)	(5,151,427)	-	(5,956,120)	-	(18,712,443)	(2,612,669)	-	-	(149,930,653)	(149,930,653)
Deferred tax liabilities, net	-	-	-	-	-	11,606,875	-	119,327,600	-	-	15,256,727	-	146,191,202	146,191,202
<b>Deferred tax expense (benefit)</b>														
Deferred tax expense (benefit)	9,310,582	42,690	(26,399,462)	21,265,864	(131,576)	4,175,153	(293,871)	(16,514,543)	4,684,960	(2,297,241)	22,609,488	-	16,452,044	16,452,044
Deferred tax expense (benefit) recognized in income	9,310,582	42,690	(26,399,462)	21,265,864	(131,576)	4,175,153	(293,871)	(16,514,543)	4,684,960	(2,297,241)	22,609,488	-	16,452,044	16,452,044
<b>Changes in deferred tax liabilities (assets)</b>														
Deferred tax liabilities (assets) – Beginning balance Dec, 2020	(35,936,616)	(431,549)	2,977,128	(88,326,631)	(5,019,851)	7,431,722	(6,632,068)	135,842,143	(24,080,648)	(315,428)	(7,352,761)	-	(21,844,559)	(21,844,559)
<b>Changes in deferred tax liabilities (assets)</b>														
Deferred tax expense (benefit) recognized in income	9,310,582	42,690	(26,399,462)	21,265,864	(131,576)	4,175,153	(293,871)	(16,514,543)	4,684,960	(2,297,241)	22,609,488	-	16,452,044	16,452,044
Deferred taxes related to items credited (charged) directly to equity	-	-	-	-	-	-	-	-	683,245	-	-	-	683,245	683,245
Income taxes related to components of other comprehensive income	-	-	-	-	-	-	969,819	-	-	-	-	-	969,819	969,819
Increase (decrease) from business combinations, deferred tax liabilities (assets)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) due to loss of control of subsidiary, deferred tax liabilities (assets)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) due to net foreign currency translation, deferred tax liabilities (assets)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Increase (decrease) in deferred tax (assets) liabilities</b>	<b>9,310,582</b>	<b>42,690</b>	<b>(26,399,462)</b>	<b>21,265,864</b>	<b>(131,576)</b>	<b>4,175,153</b>	<b>675,948</b>	<b>(16,514,543)</b>	<b>5,368,205</b>	<b>(2,297,241)</b>	<b>22,609,488</b>	<b>-</b>	<b>18,105,108</b>	<b>18,105,108</b>
<b>Deferred tax liabilities (assets)</b>	<b>(26,626,034)</b>	<b>(388,859)</b>	<b>(23,422,334)</b>	<b>(67,060,767)</b>	<b>(5,151,427)</b>	<b>11,606,875</b>	<b>(5,956,120)</b>	<b>119,327,600</b>	<b>(18,712,443)</b>	<b>(2,612,669)</b>	<b>15,256,727</b>	<b>-</b>	<b>(3,739,451)</b>	<b>(3,739,451)</b>

(1) Corresponds to netting of deferred tax assets and liabilities.

## 11. Income Taxes, continued

### c) Assets and Liability by Deferred taxes, continued

#### i. Ef Effect of taxable goodwill due to merger of Telefónica Móviles Chile S.A. with Inversiones Telefónica Móviles Holding Ltda.

On May 2, 2017 the Company (formerly Inversiones Telefónica Móviles Holding Ltda.) merged by absorption with its subsidiary Telefónica Móviles Chile S.A., generating an impact on income of ThCh\$140,423,552. That amount arose from the allocation of taxable goodwill, generated in the merger, on the non-monetary assets of the absorbed entity, which was ultimately reflected in recording of a deferred tax asset under IFRS. This allocation required that Management use their best estimate to determine the fair value of those assets. As of March 31, 2018, the Company concluded the process of estimating the fair values of the non-monetary assets involved in the merger and determined a deferred tax which was reviewed by the Chilean Internal Revenue Service in FY2018. On September 23, 2021 the review was completed determining a final deferred tax of ThCh\$139,353,817. The difference generated based on recognition of beginning deferred taxes in 2017 was recorded with a credit to income, under income tax expenses.

As of December 31, 2022 and December 31, 2021, the balance of this deferred tax asset amounts to ThCh\$66,044,759 and ThCh\$67,060,767, respectively.

### d) Taxable Income

As of December 31, 2022 and 2021 a first category income tax provision has been established, therefore a taxable positive base was determined in the amount of ThCh\$2,306,711 and ThCh\$406,156,814, respectively for year, detailed as follows:

Concepts	Taxable Net Income	
	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Finance income	62,864,231	335,559,842
Recorded tax expense	(5,586,192)	112,913,614
Additions	841,837,955	1,230,330,271
Deductions	(896,809,279)	(1,272,646,914)
Taxable net income	2,306,715	406,156,813
<b>First category tax rate 27%</b>	<b>622,813</b>	<b>109,662,340</b>
Art. 21 rejected expenses tax base	2,649,782	1,825,937
<b>First category tax rate 40%</b>	<b>1,059,913</b>	<b>730,375</b>
<b>Total tax provision</b>	<b>1,682,726</b>	<b>110,392,715</b>
Provision contingencies (1)	9,688,908	5,283,841
Settlement of derivatives of previous years (2)	1,880,334	(4,978,567)
Provision for hedging instruments to equity (3)	998,619	(10,927,797)
(Excess) Déficit previous year	(22,517,443)	(3,308,622)
<b>Total first category taxes</b>	<b>(8,266,856)</b>	<b>96,461,570</b>

(1) Corresponds to interest and readjustments of the contingencies provision of the parent company (see Note 34 a).

(2) Corresponds to the tax expense (benefit) calculated on 2021 hedging instruments, which is carried out in the settlement of the derivative, which occurs in the following period to its provision. This tax provision is presented as a higher or lower expense for the year.

(3) Taxable net income considers adjustment for derivative instruments recorded in equity.

Notes to the interim consolidated financial statements, continued

As of December 31, 2022 and 2021

11. Income Taxes, continued

e) Income tax reconciliation

The income tax expense reconciliation for December 31, 2022 and 2021 is detailed as follows:

Conceptos	12.31.2022		12.31.2021	
	Taxable Base ThCh\$	27% Tax Rate ThCh\$	Taxable Base ThCh\$	27% Tax Rate ThCh\$
<b>Based on accounting income before taxes:</b>				
Finance income	62,864,231		335,559,842	
Recorded tax expense	(5,586,192)		112,913,614	
<b>Income before taxes</b>	<b>57,278,039</b>	<b>15,465,071</b>	<b>448,473,456</b>	<b>121,087,833</b>
<b>Permanent differences</b>	<b>(77,967,638)</b>	<b>(21,051,262)</b>	<b>(30,274,885)</b>	<b>(8,174,219)</b>
Monetary correction effect of the year	(102,597,715)	(27,701,383)	(31,162,844)	(8,413,968)
Result from investment in related parties	(79,335)	(21,420)	(56,144,233)	(15,158,943)
Contingency provision	35,884,844	9,688,908	19,346,463	5,223,545
Adjustment of initial deferred tax balances	(19,310,717)	(5,213,894)	27,861,985	7,522,736
Art. 21 non-deductible expenses	3,925,604	1,059,913	2,705,093	730,375
IFRS16 adjustment	(79,129)	(21,365)	(3,558,511)	(960,798)
Adjustment for BAF and DECOS components	2,664,960	719,539	6,330,956	1,709,358
Others (1)	1,623,850	438,440	4,346,206	1,173,476
<b>Total corporate tax expense</b>	<b>(20,689,599)</b>	<b>(5,586,192)</b>	<b>418,198,571</b>	<b>112,913,614</b>
<b>Based on taxable net income and deferred taxes calculated on the basis of temporary differences</b>				
27% income tax		1,621,432		98,734,544
40% income tax		1,059,913		730,375
Contingency provision		9,688,908		5,283,841
Settlement of derivatives of previous years		1,880,334		(4,978,567)
(Excess) Déficit previous year		(22,517,443)		(3,308,623)
<b>Income tax expense</b>		<b>(8,266,856)</b>		<b>96,461,570</b>
<b>Total deferred tax expense (income)</b>		<b>2,680,664</b>		<b>16,452,044</b>
<b>Total corporate tax expense (income)</b>		<b>(5,586,192)</b>		<b>112,913,614</b>
<b>Effective income tax rate (2)</b>		<b>(9.75%)</b>		<b>25.18%</b>

(1) This item includes tax fines, price-level of tax loss, price-level of non-monetary assets, goodwill, IPAS to result, among others.

(2) Effective rate determined considering the tax expense accounted for in result with respect to the financial result before tax amounts to (9.75%).



## 11. Income Taxes, continued

### f) Current income tax liabilities

As of December 31, 2022 and 2021, current income tax liabilities are detailed as follows:

Concepts	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Income tax accrual (1)	-	95,893,746
Unic income tax	756,228	730,377
Contingency provision and other	-	322,404
<b>Total</b>	<b>756,228</b>	<b>96,946,527</b>

(1) Annual income taxes as of December 31, 2022 and 2021 are presented net of monthly provisional payments in the amount of ThCh\$1,280,081 and ThCh\$2,969,754, respectively

## 12. Non-current trade and other accounts receivable

a) Non-current trade and other accounts receivable are detailed as follows:

Concepts	12.31.2022			12.31.2021		
	Gross value ThCh\$	Provision for impairment ThCh\$	Net value ThCh\$	Gross value ThCh\$	Provision for impairment ThCh\$	Net value ThCh\$
<b>Receivables on non-current loan transactions</b>	<b>33,641,543</b>	<b>(3,402,893)</b>	<b>30,238,650</b>	<b>17,135,102</b>	<b>(1,935,042)</b>	<b>15,200,060</b>
Trade receivables	30,984,861	(3,354,574)	27,630,287	15,589,761	(1,907,973)	13,681,788
Contractual asset (1)	2,656,682	(48,319)	2,608,363	1,545,341	(27,069)	1,518,272
<b>Miscellaneous receivables (2)</b>	<b>9,549,030</b>	<b>-</b>	<b>9,549,030</b>	<b>9,906,974</b>	<b>-</b>	<b>9,906,974</b>
<b>Total</b>	<b>43,190,573</b>	<b>(3,402,893)</b>	<b>39,787,680</b>	<b>27,042,076</b>	<b>(1,935,042)</b>	<b>25,107,034</b>

(1) Under IFRS 15, the contractual asset is the difference between revenue from sale of handsets and the amount received from the customer at the beginning of the contract.

(2) Mainly includes loans related to employees.

b) Non-current trade and other accounts receivable by due date, as of December 31, 2022 and, 2021, are detailed as follows:

Concepts	As of December 31, 2022								Net Total
	Gross Portfolio value in ThCh\$				Provision for impairment ThCh\$				
	1 to 3 years	3 to 5 years	Greater than 5 years	Gross Total ThCh\$	1 to 3 years	3 to 5 years	Greater than 5 years	Gross Total ThCh\$	
Trade receivables	33,507,602	133,939	-	33,641,541	(3,401,361)	(1,530)	-	(3,402,891)	30,238,650
Miscellaneous receivables	216,735	953,427	8,378,868	9,549,030	-	-	-	-	9,549,030
<b>Total</b>	<b>33,724,337</b>	<b>1,087,366</b>	<b>8,378,868</b>	<b>43,190,571</b>	<b>(3,401,361)</b>	<b>(1,530)</b>	<b>-</b>	<b>(3,402,891)</b>	<b>39,787,680</b>

Concepts	As of December 31, 2021								Net Total
	Gross Portfolio value in ThCh\$				Provision for impairment ThCh\$				
	1 to 3 years	3 to 5 years	Greater than 5 years	Gross Total ThCh\$	1 to 3 years	3 to 5 years	Greater than 5 years	Gross Total ThCh\$	
Trade receivables	16,966,537	168,565	-	17,135,102	(1,931,624)	(3,418)	-	(1,935,042)	15,200,060
Miscellaneous receivables	225,483	989,102	8,692,389	9,906,974	-	-	-	-	9,906,974
<b>Total</b>	<b>17,192,020</b>	<b>1,157,667</b>	<b>8,692,389</b>	<b>27,042,076</b>	<b>(1,931,624)</b>	<b>(3,418)</b>	<b>-</b>	<b>(1,935,042)</b>	<b>25,107,034</b>

### 13. Intangible Assets other than goodwill

a) Intangible assets other than goodwill as of December 31, 2022 and, 2021 are detailed as follows:

Concepts	12.31.2022			12.31.2021		
	Intangible, gross ThCh\$	Accumulated amortization ThCh\$	Intangible, net ThCh\$	Intangible, gross ThCh\$	Accumulated amortization ThCh\$	Intangible, net ThCh\$
Administratives grantings (1)	213,716,653	(85,334,333)	128,382,318	213,643,943	(80,046,427)	133,597,516
Licenses and franchises (2)	667,430,377	(591,823,321)	75,607,058	617,054,105	(534,316,589)	82,737,516
Intangible assets in development (3)	40,222,696	-	40,222,696	37,021,028	-	37,021,028
Other intangible assets (4)	21,689,823	(21,689,823)	-	21,689,823	(21,689,823)	-
<b>Total</b>	<b>943,059,549</b>	<b>(698,847,477)</b>	<b>244,212,072</b>	<b>889,408,899</b>	<b>(636,052,839)</b>	<b>253,356,060</b>

(1) Contains 5G spectrum.

(2) As of december 2022, the net value mainly includes data transmission and switching software in the amount of ThCh\$25,235,397, corporate systems and office automation software in the amount of ThCh\$23,453,580 and other network softwares in the amount of ThCh\$26,918,081.

(3) As of December 2022, the net value corresponds to Platforms and Services in the amount of ThCh\$26,467,340, operating continuity in the amount of ThCh\$2,133,700 and other information software in the amount of ThCh\$11,621,656.

(4) Corresponds to submarine cable usage rights.

b) As of December 31, 2022 the movements of intangible assets other than goodwill are detailed as follows:

Movements	Administratives Grantings Net ThCh\$	Licenses and franchises, net ThCh\$	Intangible assets in development, Net ThCh\$	Intangible, net ThCh\$
<b>Beginning balance as of 01.01.2022</b>	<b>133,597,516</b>	<b>82,737,516</b>	<b>37,021,028</b>	<b>253,356,060</b>
Additions (1)	-	-	49.059.510	49.059.510
Transfer from costs of developing to service	72.710	54.312.342	(54.385.052)	-
Derecognitions	-	(3.970.070)	-	(3.970.070)
Amortization of derecognitions	-	3.868.679	-	3.868.679
Amortization	(5.287.906)	(61.375.411)	-	(66.663.317)
Transfer from work in progress (2)	-	34.000	8.527.210	8.561.210
<b>Movement, subtotal</b>	<b>(5.215.196)</b>	<b>(7.130.460)</b>	<b>3.201.668</b>	<b>(9.143.988)</b>
<b>Ending balance as of 12.31.2022</b>	<b>128.382.320</b>	<b>75.607.056</b>	<b>40.222.696</b>	<b>244.212.072</b>
<b>Remaining average useful life</b>	<b>24,3 años</b>	<b>1,23 años</b>	-	-

(1) Mainly includes operating continuity in the amount of ThCh\$34,535,877, platforms and services (developments, licenses and other in the amount of ThCh\$14,523,633.

(2) Correspond to transfers from tangible to intangible (see Note 15b).

As of December 31, 2021 the movements of intangible assets other than goodwill are detailed as follows:

Movements	Intangible assets in development, net ThCh\$	Licenses and franchises, net ThCh\$	Administratives Grantings Net ThCh\$	Other intangible assets, Net ThCh\$	Intangible, net ThCh\$
<b>Beginning balance as of 01.01.2021</b>	<b>30,728,545</b>	<b>93,074,466</b>	<b>18,467,585</b>	<b>142,677</b>	<b>142,413,273</b>
Additions (1)	-	-	159,746,207	-	159,746,207
Transfer from costs of developing to service	117,479,634	53,812,939	(171,292,573)	-	-
Cancellations	-	(125,114,081)	(59,590)	-	(125,173,671)
Amortization of cancellations	-	125,114,082	-	-	125,114,082
Amortization	(2,349,703)	(61,212,855)	-	(142,677)	(63,705,235)
Transfer from work in progress (Note 15c)	-	-	17,898,439	-	17,898,439
Transfer of gross value to assets available for sale (Note 18)	-	(5,112,649)	-	-	(5,112,649)
Transfer of amortization to assets available for sale Note 18)	-	2,175,654	-	-	2,175,654
<b>Movement, subtotal</b>	<b>115,129,931</b>	<b>(10,336,910)</b>	<b>6,292,483</b>	<b>(142,677)</b>	<b>110,942,827</b>
<b>Ending balance as of 12.31.2021</b>	<b>133,597,516</b>	<b>82,737,516</b>	<b>37,021,028</b>	-	<b>253,356,060</b>
<b>Remaining average useful life</b>	<b>25.3 years</b>	<b>1,35 years</b>	-	-	-

### 13. Intangible Assets other than goodwill, continued

Licenses correspond to software licenses, which are obtained through non-renewable contracts, therefore the Company has defined that they have definite useful lives of 3 years.

Intangible assets with defined useful lives are amortized on a straight-line basis over their estimated useful lives, Amortization for each year is recognized in the statement of comprehensive income within "Depreciation and Amortization".

Intangible assets are tested for impairment whenever there is an signs of a potential loss in value, and in any case at each year-end.

As of December 31, 2022, impairment testing did not result in loss of value of intangible assets.

The main additions to intangible assets, other than goodwill, as of December 31, 2022 and, 2021, are investments in computer application and licenses.

Items in the intangibles heading that are fully depreciated and in use are licenses and franchises which amount to ThCh\$496,246,860 and ThCh\$445,965,660, as of December 31, 2022 and, 2021 respectively.

### 14. Goodwill

Current goodwill as of this period was generated before the date of transition to and adoption of International Financial Reporting Standards and, as of December 31, 2022 and, 2021, the value recorded as of that date remains the same.

Goodwill movement as of December 31, 2022 and 2021, is as follows:

Taxpayer No.	Company	01.01.2022 ThCh\$	Additions ThCh\$	Eliminations ThCh\$	12.31.2022 ThCh\$
76.124.890-1	Telefónica Móviles Chile S.A.	483,179,725	-	-	483,179,725
96.672.160-k	Telefónica Chile S.A. (Ex Telefónica Larga Distancia S.A.)	21,039,896	-	-	21,039,896
96.834.320-3	Telefónica Internet Empresas S.A.	555,251	-	-	555,251
	<b>Total</b>	<b>504.774.872</b>	-	-	<b>504,774,872</b>

Taxpayer No.	Company	01.01.2021 ThCh\$	Additions ThCh\$	Eliminations ThCh\$	12.31.2021 ThCh\$
76.124.890-1	Telefónica Móviles Chile S.A. (1)	483,179,725	-	-	483,179,725
96.672.160-k	Telefónica Chile S.A. (Ex Telefónica Larga Distancia S.A.) (2)	21,039,896	-	-	21,039,896
96.834.320-3	Telefónica Internet Empresas S.A. (3)	555,251	-	-	555,251
	<b>Total</b>	<b>504.774.872</b>	-	-	<b>504,774,872</b>

(1) On May 2, 2017, subsidiary Telefónica Móviles Chile S.A. was merged by absorption, and the Company's name was changed.

Assets indicated in goodwill are tested for impairment once a year, at each year-end.

Impairment testing carried out as of December 31, 2022, was carried out considering the variables mentioned in criteria note (see Note 2I).

## 15. Property, plant and equipment

- a) The detail of Property, plant and equipment items for the periods as of December 31, 2022 and 2021 and their corresponding accumulated depreciation, is as follows:

Concepts	12.31.2022		12.31.2021		Property, plant & equipment, Net ThCh\$	
	Property, plant & equipment, Gross ThCh\$	Accumulated depreciation ThCh\$	Property, plant & equipment, Net ThCh\$	Property, plant & equipment, Gross ThCh\$		Accumulated depreciation ThCh\$
	Land	21,694,128	-	21,694,128		21,844,513
Buildings	907,366,694	(637,141,978)	270,224,716	911,997,733	(650,259,853)	261,737,880
Supplies and accessories	34,467,387	(32,533,353)	1,934,034	34,790,435	(33,256,474)	1,533,961
Office equipment	889,550	(811,248)	78,302	4,226,390	(3,238,322)	988,068
Construction in progress	172,130,254	-	172,130,254	161,422,658	-	161,422,658
Information equipment	59,697,288	(50,813,942)	8,883,346	63,387,321	(55,474,355)	7,912,966
Network and communication Equipment	3,180,047,206	(2,638,349,863)	541,697,343	3,280,997,276	(2,762,175,289)	518,821,987
Other property, plant & equipment (1)	222,640,589	(210,006,875)	12,633,714	345,345,100	(331,725,713)	13,619,387
<b>Total</b>	<b>4,598,933,096</b>	<b>(3,569,657,259)</b>	<b>1,029,275,837</b>	<b>4,824,011,426</b>	<b>(3,836,130,006)</b>	<b>987,881,420</b>

(1) Corresponds mainly to broadband devices and data and voice equipment at customer premises

## 15. Property, plant and equipment, continued

b) As of December 31, 2022 the movements in Property, plant and equipment items are as follows:

Movements	Land	Buildings, net	Supplies and accessories, net	Office equipment, net	Construction in progress Net	Information equipment, net	Network and communications equipment, net	Other property, plant & equipment, net	Property, plant and equipment, net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Beginning balance as of 01.01.2022</b>	<b>21,844,513</b>	<b>261,737,880</b>	<b>1,533,961</b>	<b>988,068</b>	<b>161,422,658</b>	<b>7,912,966</b>	<b>518,821,987</b>	<b>13,619,387</b>	<b>987,881,420</b>
Additions (1)	-	-	-	-	183,161,660	-	-	-	183,161,660
Withdrawals	(172,897)	(38,340,456)	(364,505)	(3,348,250)	-	(6,840,694)	(219,610,596)	(130,747,522)	(399,424,920)
Withdrawals depreciation	-	36,473,655	1,089,902	2,618,145	-	6,838,183	217,964,423	131,206,863	396,191,171
Depreciation expense	-	(23,355,780)	(366,781)	(191,071)	-	(2,177,770)	(94,138,997)	(9,488,025)	(129,718,424)
Transfer to intangible assets (2)	-	-	-	-	(8,527,210)	-	-	(34,000)	(8,561,210)
Transfers to inventory (3)	-	-	-	-	-	-	(4,274,568)	-	(4,274,568)
Other Increase (decrease)	22,512	33,709,417	41,457	11,410	(163,926,854)	3,150,661	122,935,094	8,077,011	4,020,708
<b>Movements, subtotal</b>	<b>(150,385)</b>	<b>8,486,836</b>	<b>400,073</b>	<b>(909,766)</b>	<b>10,707,596</b>	<b>970,380</b>	<b>22,875,356</b>	<b>(985,673)</b>	<b>41,394,417</b>
<b>Ending balance as of 12.31.2022</b>	<b>21,694,128</b>	<b>270,224,716</b>	<b>1,934,034</b>	<b>78,302</b>	<b>172,130,254</b>	<b>8,883,346</b>	<b>541,697,343</b>	<b>12,633,714</b>	<b>1,029,275,837</b>

- (1) Additions for the period correspond mainly to core, transportation and optimization in the amount of ThCh\$32,423,514, network and other in the amount of ThCh\$104,666,028, platforms and services in the amount of ThCh\$20,282,513, new investments in the areas of operating continuity in the amount of ThCh\$16,585,006, equipment in customer homes in the amount of ThCh\$7,526,916 and civil works in the amount of ThCh\$1,677,683.
- (2) Includes net property, plant and equipment transfers to intangible assets (see Note 13b).
- (3) Includes movement of transfers to inventory in the amount of ThCh\$4,274,568 (Note 10). (Link 3 MCh\$2,185 and UP Deployment MCh\$2,090)

As of December 31, 2022, the Property, plant and equipment items, which are fully depreciated and still in use, are detailed as follows:

	Land	Buildings, gross	Supplies and accessories, gross	Office equipment, gross	Construction in progress gross	Information equipment, gross	Network and communications equipment, gross	Finance lease on property, plant and equipment, Gross	Other property, plant & equipment, gross	Property, plant and equipment, gross
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$		ThCh\$	ThCh\$
<b>Fully depreciated assets still in use</b>	-	278,065,800	497,235	31,149,726	-	56,485,708	2,179,966,389	-	220,434,437	2,766,599,296

To date, the Company has no Property, plant and equipment that is temporarily out of service and not actively in use. Should any of these situations occur, they will be destined for sale or will be derecognized.

Property, plant and equipment assets are subjected to impairment testing whenever there are indications of potential loss of value. The Company has assessed the indicators for potential loss of value that property, plant and equipment items may have suffered as of December 31, 2022.

Notes to the consolidated financial statements, continued

As of December 31, 2022 and 2021



15. Property, plant and equipment, continued

c) As of December 31, 2021 the movements of Property, plant and equipment items are as follows:

Movements	Land	Buildings, net	Supplies and accessories, net	Office equipment, net	Construction in progress Net	Information equipment, net	Network and communications equipment, net	Other property, plant & equipment, net	Property, plant and equipment, net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Beginning balance as of 01.01.2021</b>	<b>23,448,557</b>	<b>268,626,041</b>	<b>1,218,951</b>	<b>838,434</b>	<b>156,941,673</b>	<b>10,920,547</b>	<b>660,033,590</b>	<b>31,535,140</b>	<b>1,153,562,933</b>
Additions (1)	-	-	-	-	160,625,062	-	-	-	160,625,062
Withdrawals	(457,085)	(7,915,626)	-	-	(6,817)	(7,686,912)	(2,472,207)	(9,257,288)	(27,795,935)
Withdrawals depreciation	-	7,486,383	-	-	-	6,329,951	2,256,149	8,983,129	25,055,612
Depreciation expense	-	(24,240,222)	(713,437)	(268,525)	-	(4,061,023)	(97,825,830)	(24,350,608)	(151,459,645)
Transfer of gross value to investment property (note 16b)	-	(1,777,951)	-	(3,076)	-	-	(319,819)	(582)	(2,101,428)
Transfer of depreciation to investment property (note 16b)	-	937,495	-	1,744	-	-	316,742	582	1,256,563
Transfer of gross value to assets available for sale (2)	(1,246,178)	(34,433,783)	-	-	-	-	(161,672,416)	-	(197,352,377)
Transfer of depreciation to assets available for sale (2)	-	13,246,491	-	-	-	-	36,866,226	-	50,112,717
Transfer to intangible assets (3)	-	-	-	-	(17,898,439)	-	-	-	(17,898,439)
Other Increase (decrease) (4)	99,219	39,809,052	1,028,447	419,491	(138,238,821)	2,410,403	81,639,552	6,709,014	(6,123,643)
<b>Movements, subtotal</b>	<b>(1,604,044)</b>	<b>(6,888,161)</b>	<b>315,010</b>	<b>149,634</b>	<b>4,480,985</b>	<b>(3,007,581)</b>	<b>(141,211,603)</b>	<b>(17,915,753)</b>	<b>(165,681,513)</b>
<b>Ending balance as of 12.31.2021</b>	<b>21,844,513</b>	<b>261,737,880</b>	<b>1,533,961</b>	<b>988,068</b>	<b>161,422,658</b>	<b>7,912,966</b>	<b>518,821,987</b>	<b>13,619,387</b>	<b>987,881,420</b>

- (1) Additions in 2021 correspond mainly to new investments in Operating Continuity in the amount of ThCh\$16,675,904, Core, Transportation and Optimization in the amount of ThCh\$18,688,759, customer equipment in the amount of ThCh\$5,925,134, Civil works in the amount of ThCh\$1,181,856, Platforms and services in the amount of ThCh\$15,531,496, Network in the amount of ThCh\$74,317,487, and others in the amount of ThCh\$28,304,426.
- (2) Corresponds to transfer of the net value from available-for-sale assets (see note 18b).
- (3) Corresponds to transfer of the net value from Property, plant and equipment to intangible assets for ThCh\$17,898,439 (see note 13b).
- (4) Mainly includes transfers to inventory in the amount of ThCh\$ (8,596,591) (see Note 10) corresponding to materials destined to investment which were transferred due to the sale of the Fiber network and are detailed as follows: Fiber cables in the amount of ThCh\$ (3,719,112), optic terminal boxes in the amount of ThCh\$ (2,864,863), steel cable "crucetas" and "mufas" in the amount of ThCh\$ (1,768,236), splitter, jumper and optical boxes in the amount of ThCh\$ (244,380).

As of December 31, 2021, the Property, plant and equipment items that are fully depreciated and still in use are detailed as follows:

	Land	Buildings, gross	Supplies and accessories, gross	Office equipment, gross	Construction in progress gross	Information equipment, gross	Network and communications equipment, gross	Finance lease on property, plant and equipment, Gross	Other property, plant & equipment, gross	Property, plant and equipment, gross
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$		ThCh\$	ThCh\$
<b>Fully depreciated assets still in use</b>	-	291,691,621	30,780,741	2,266,839	-	54,980,231	2,237,396,433	-	341,117,449	3,404,198,975

To date, the Company has no Property, plant and equipment that is temporarily out of service and not actively in use. Should any of these situations occur, they will be destined for sale or will be derecognized.

Property, plant and equipment assets are subjected to impairment testing whenever there are indications of potential loss of value. The Company has assessed the indicators for potential loss of value that property, plant and equipment items may have suffered as of December 31, 2021.

## 15. Property, plant and equipment, continued

In the normal course of its operations the Company monitors new and existsets, and their depreciations rates, standardizing them with the technological evolution and developments of the markets in which it competes. The Company does not have assets provided as surety.

Regarding real estate lease contracts, the Company has deemed it necessary to establish a provision for decommissioning costs which are presented under Other non-current provisions.

## 16. Investment properties

The composition of this item corresponds to eleven rental floors in the Corporate Building and its related assets and the detail is as follows:

Concepts	12.31.2022			12.31.2021		
	Gross value ThCh\$	Accumulated amortization ThCh\$	Net value ThCh\$	Gross value ThCh\$	Accumulated amortization ThCh\$	Net value ThCh\$
Buildings	10,767,393	(6,341,122)	4,426,271	10,767,393	(6,085,397)	4,681,996
Network and communications equipment	1,936,845	(1,925,710)	11,135	1,936,845	(1,922,880)	13,965
Office equipment	18,632	(15,296)	3,336	18,632	(13,432)	5,200
Plant and equipment	3,526	(3,526)	-	3,526	(3,526)	-
<b>Total</b>	<b>12,726,396</b>	<b>(8,285,654)</b>	<b>4,440,742</b>	<b>12,726,396</b>	<b>(8,025,235)</b>	<b>4,701,161</b>

The Company has recognized rentals from investment properties in operating income. As of December 31, 2022, and 2021 this concept amounts to ThCh\$1,826,304 and ThCh\$1,023,566.

The useful life of the assets included within Investment Property is standardized to those defined for Property, plant and equipment assets.

a) The movements as of December 31, 2022 and 2021 of the items that make up the Investment Property item are as follows:

Movements	Buildings, net	Network and communications equipment, net	Office equipment, net	Other investment properties, net	Investment properties, net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Beginning balance as of 01.01.2022</b>	<b>4,681,996</b>	<b>13,965</b>	<b>5,200</b>	-	<b>4,701,161</b>
Depreciation expense	(255,725)	(2,830)	(1,864)	-	(260,419)
<b>Movements, subtotal</b>	<b>(255,725)</b>	<b>(2,830)</b>	<b>(1,864)</b>	-	<b>(260,419)</b>
<b>Ending balance as of 12.31.2022</b>	<b>4,426,271</b>	<b>11,135</b>	<b>3,336</b>	-	<b>4,440,742</b>

Movements	Buildings, net	Network and communications equipment, net	Office equipment, net	Other investment properties, net	Investment properties, net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Beginning balance as of 01.01.2021</b>	<b>4,079,209</b>	<b>13,627</b>	<b>5,576</b>	-	<b>4,098,412</b>
Depreciation expense	(237,669)	(2,739)	(1,708)	-	(242,116)
Transfer of gross value to investment property	1,777,951	319,819	3,076	582	2,101,428
Transfer of depreciation to investment property	(937,495)	(316,742)	(1,744)	(582)	(1,256,563)
<b>Movements, subtotal</b>	<b>602,787</b>	<b>338</b>	<b>(376)</b>	-	<b>602,749</b>
<b>Ending balance as of 12.31.2021</b>	<b>4,681,996</b>	<b>13,965</b>	<b>5,200</b>	-	<b>4,701,161</b>

(1) Corresponds to transfer of the net value of leased assets Floor 13 to 15 from property, plant and equipment to investment properties (see Note 15c).

## 17. Right of use assets

a) As of December 31, 2022 and 2021, the items that compose this account and their corresponding accumulated depreciation are detailed as follows:

Concepts	12.31.2022			12.31.2021		
	Property, plant & equipment, Gross ThCh	Accumulated depreciation ThCh	Property, plant & equipment, Net ThCh\$	Property, plant & equipment, Gross ThCh\$	Accumulated depreciation ThCh	Property, plant & equipment, Net ThCh\$
Land	176,525,456	(103,990,831)	72,534,625	117,009,875	(73,878,986)	43,130,889
Leasing support network infrastructure and branches	380,524,705	(166,315,396)	214,209,309	273,081,614	(121,804,825)	151,276,789
Plant and machinery	24,885,821	(9,608,314)	15,277,507	18,289,658	(6,064,662)	12,224,996
Vehicle leasing	10,444,240	(7,679,956)	2,764,284	8,070,029	(5,405,493)	2,664,536
<b>Total</b>	<b>592,380,222</b>	<b>(287,594,497)</b>	<b>304,785,725</b>	<b>416,451,176</b>	<b>(207,153,966)</b>	<b>209,297,210</b>

b) As of December 31, 2022 the movements of right of use assets items are as follows:

Movements	Rights of use on land and natural properties, net	Rights of use on Leasing support network infrastructure and branches, net	Rights of use on plant and machinery, net	Rights of use on Vehicle leasing, net	Rights of use, net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Beginning balance as of 01.01.2022</b>	<b>43,130,889</b>	<b>151,276,789</b>	<b>12,224,996</b>	<b>2,664,536</b>	<b>209,297,210</b>
Additions (1)	9,598,414	23,817,908	4,874,929	87,171	38,378,422
Amortization expense	(30,111,845)	(44,510,571)	(3,543,652)	(2,274,463)	(80,440,531)
Other increases (decreases) (2)	49,917,167	83,625,183	1,721,234	2,287,040	137,550,624
<b>Movements, subtotal</b>	<b>29,403,736</b>	<b>62,932,520</b>	<b>3,052,511</b>	<b>99,748</b>	<b>95,488,515</b>
<b>Ending balance as of 12.31.2022</b>	<b>72,534,625</b>	<b>214,209,309</b>	<b>15,277,507</b>	<b>2,764,284</b>	<b>304,785,725</b>

- (5) Additions in the amount of ThCh\$38,378,422 were recorded during the year for new land and infrastructure contracts due to the implementation of 5G, including the sale of 349 rooftops in March 2022, new contracts with tower keeper ATC and ATP and contracts for FO links and Type 3 link.
- (6) Changes for the year amounted to ThCh\$ 137,559,624 due to changes in income, period extensions, the most relevant being the 4-year extension of TTUU on sale made in 2012. In addition, the amount of ThCh\$18,546,724 was recorded for accumulated post-capitalization.

b) As of December 31, 2021, the movements of right of use assets items are as follows:

Movements	Rights of use on land and natural properties, net	Rights of use on Leasing support network infrastructure and branches, net	Rights of use on plant and machinery, net	Rights of use on Vehicle leasing, net	Rights of use, net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Beginning balance as of 01.01.2021</b>	<b>33,567,480</b>	<b>144,251,870</b>	<b>6,420,306</b>	<b>3,078,187</b>	<b>187,317,843</b>
Additions (1)	43,952,726	49,906,996	8,138,488	1,263,187	103,261,397
Withdrawals	(329,843)	-	-	-	(329,843)
Amortization withdrawals	264,278	-	-	-	264,278
Amortization expense	(34,829,561)	(44,124,145)	(2,363,151)	(1,854,073)	(83,170,930)
Other increases (decreases)	505,809	1,242,068	29,353	177,235	1,954,465
<b>Movements, subtotal</b>	<b>9,563,409</b>	<b>7,024,919</b>	<b>5,804,690</b>	<b>(413,651)</b>	<b>21,979,367</b>
<b>Ending balance as of 12.31.2021</b>	<b>43,130,889</b>	<b>151,276,789</b>	<b>12,224,996</b>	<b>2,664,536</b>	<b>209,297,210</b>

- (1) Considers additions of ThCh\$25,846,842, provision for variable income under IFRS 16 in the amount of ThCh\$15,650,931, provision for Claro contracts in the amount of ThCh\$9,215,286, a UF contract post capitalization provision of ThCh\$8,756,429, modification of contract valuation and termination clause by both parties in the amount of ThCh\$10,270,783, variable income contract modification under IFRS 16 in the amount of ThCh\$5,696,391, and other contract modifications due to rate changes, income, and periodicity.



**18. Current assets or groups of assets for disposal classified as held for sale**

- a) Current assets or disposal groups classified as held for sale correspond to assets that the Company expects to sell in the short-term. During the period assets were sold as planned with an effect on income of ThCh\$26,473,661 (see Note 29b).

Conceptos	12.31.2022			12.31.2021		
	Gross value	Accumulated amortization	Net value	Gross value	Accumulated amortization	Net value
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Land	-	-	-	1,246,178	-	1,246,178
Buildings	-	-	-	8,321,416	(6,564,174)	1,757,242
Network and communication Equipment	-	-	-	14,895,697	(12,505,501)	2,390,196
<b>Total</b>	-	-	-	<b>24,463,291</b>	<b>(19,069,675)</b>	<b>5,393,616</b>

- b) As of December 31, 2022 and 2021, movements of items that comprise disposal assets classified as held for sale are detailed as follows:

Movements	Land	Buildings, Net	Network and communication Equipment, Net	Administrative granting's, Net	Information equipment, Net	Licenses and franchises, Net	Other assets for sale, Net	Assets held for sale, Net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Beginning balance as of 01.01.2022</b>	<b>1.246.178</b>	<b>1.757.242</b>	<b>2.390.196</b>	-	-	-	-	<b>1.256.594</b>
Withdrawals	(1.246.178)	(8.321.416)	(14.895.697)	-	-	-	-	<b>(24.463.291)</b>
Amortization withdrawals	-	6.564.174	12.505.501	-	-	-	-	<b>19.069.675</b>
<b>Movements, subtotal</b>	<b>(1.246.178)</b>	<b>(1.757.242)</b>	<b>(2.390.196)</b>	-	-	-	-	<b>(5.393.616)</b>
<b>Ending balance as of 12.31.2022</b>	-	-	-	-	-	-	-	-

The assets that were recorded as of December 31, 2021, associated with the Data Center business, were sold in May 2022 according to plan.

Movements	Land	Buildings, Net	Network and communication Equipment, Net	Administrative granting's, Net	Information equipment, Net	Licenses and franchises, Net	Other assets for sale, Net	Assets held for sale, Net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Beginning balance as of 01.01.2021</b>	-	-	-	<b>2,686,233</b>	<b>1,295,388</b>	<b>30,644</b>	<b>2,810,990</b>	<b>6,823,255</b>
Transfer from Intangible (note13b)	-	-	-	-	-	2,936,995	-	<b>2,936,995</b>
Transfer from property, plant and equipment (note 15b)	1,246,178	21,187,292	124,806,190	-	-	-	-	<b>147,239,660</b>
Additions	-	-	21,825,008	-	-	-	6,340,109	<b>28,165,117</b>
Withdrawals	-	(26,112,367)	(168,601,725)	(34,004,890)	(5,608,521)	(5,293,470)	(9,788,301)	<b>(249,409,274)</b>
Amortization withdrawals	-	6,682,316	24,360,724	31,318,657	4,313,133	2,325,831	637,202	<b>69,637,863</b>
<b>Movements, subtotal</b>	<b>1,246,178</b>	<b>1,757,241</b>	<b>2,390,197</b>	<b>(2,686,233)</b>	<b>(1,295,388)</b>	<b>(30,644)</b>	<b>(2,810,990)</b>	<b>(1,429,639)</b>
<b>Ending balance as of 12.31.2021</b>	<b>1,246,178</b>	<b>1,757,241</b>	<b>2,390,197</b>	-	-	-	-	<b>5,393,616</b>

The assets that were recorded as of December 31, 2020, associated with the Cloud business, were sold in February 2021 according to plan. On July 1, 2021, the assets related to the optic fiber network were sold in the amount of ThCh\$173,361,294 (see Note 19b (i)), composed of: transfer from property, plant and equipment in the amount of ThCh\$164,084,190, transfer from intangibles in the amount of ThCh\$2,936,995, and other assets for sale in the amount of ThCh\$6,340,109.

## 19. Investments in associates and joint ventures

a) As of December 31, 2022, The detail of the movement of investment in associates is as follows:

Company	Ownership %	Investments 12.31.2021 ThCh\$	Additions o drops ThCh\$	Share in income for the period ThCh\$	other movements (1) ThCh\$	Investments 12.31.2022 ThCh\$
HoldCo InfraCo SpA	40%	72,428,056	-	1,854,846	(1,910,807)	72,372,095

(1) Corresponds to calculation of the share in equity and amortization of the PPA (Purchase Price Allocation) in the amount of ThCh\$2,241,944.

Company	Ownership %	Investments 07.31.2021 ThCh\$	Additions o drops ThCh\$	Share in income for the period ThCh\$	other movements (1) ThCh\$	Investments 12.31.2021 ThCh\$
HoldCo InfraCo SpA	40%	67,793,623	-	274,038	4,360,395	72,428,056

(1) Corresponds to calculation of the share in equity and amortization of the PPA (Purchase Price Allocation) in the amount of ThCh\$1,120,972.

b) As of December 31, 2022, investments in associates, as well as a summary of their information are detailed as follows:

Tax No.	Ownership %	Current assets	Non-current assets	Total assets	Current liabilities	Non-Current liabilities	Total liabilities	Equity	Net profit	Tax No. Company name
Company name		ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
77,374,961-2	HoldCo InfraCo SpA	40%	188	213,227,324	213,227,512	1,715	168,305,559	168,307,274	44,920,238	4,637,116

RUT	Nombre Sociedad	Cash flows provided used in operating activities	cash flows provided used in investment activitie	cash flows provided by financing activities	Increase in cash and cash equivalents	Cash and cash equivalents at beginning of year 12.31.2021	Cash and cash equivalents at end of year 12.31.2022
		ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
77,374,961-2	HoldCo InfraCo SpA	(10,858)	(68,401,236)	68,412,259	165	23	188

On February 22, 2021 at Board of Directors meeting of Telefónica Chile S.A. the Directors agreed to sign a share purchase agreement with KKR Alameda Aggregator L.P. (vehicle controlled by funds managed or advised by subsidiaries of KKR), for the sale of 60% of the shares of its subsidiary Infraco SpA.

HoldCo InfraCo SpA, was created on April 13, 2021, whereby Telefónica Chile S.A. as the only concurrent company, obtained 100% of its equity. Subsequently, on June 23, 2021, Telefónica Chile S.A. sold to HoldCo InfraCo SpA, 100% of its ownership in subsidiary Infraco SpA (created in January 2020) whereby the latter becoming the main asset of HoldCo Infraco SpA.

On July 1, 2021, having complied with all the suspensive conditions established in the respective contracts and with the corresponding approvals granted by the competition authorities, both Chilean (National Economic Prosecutor's Office or "Fiscalía Nacional Económica") and foreign (Commission to Promote Competition in Costa Rica and European Commission in the European Union), Telefónica Chile S.A. and KKR Alameda Aggregator L.P. performed the actions and signed the contracts necessary to materialize the agreement indicated in the previous paragraph, through the sale of 60% of the shares of HoldCo Infraco SpA.

**19. Investments in associates and joint ventures, continued**

As a result of the transaction, Telefónica Chile S.A. received net operating cash flows of ThCh\$457,946,989, generating an operating income of ThCh\$358,254,176 (see Note 29b) and a final income net of taxes in the amount of ThCh\$260,523,157. The following transactions and records form an integral part of this transaction:

- i) Telefónica Chile S.A. sold to InfraCo SpA certain assets related to the fiber optic network, which imply 2.4 million real estate units passed with fiber optic. The assets transferred in this operation have been recorded under "Current assets or disposal groups of assets classified as held for sale" since February 2021. The total amount of this account associated to this transaction is ThCh\$173,361,294. (See note 18b).
- ii) Subordinate promissory note receivable from HoldCo Infraco SpA por ThCh\$78,863,065, documented in the Share Purchase Agreement signed with KKR Alameda Aggregator L.P. and which is recorded as "Non-current accounts receivable from related parties" (see Note 9b).
- iii) Account receivable from KKR Alameda Aggregator L.P. for the concept of additional contingent payment by the purchaser, according to clause established in the Share Purchase Contract. The determined value with high probability of occurrence, is recorded under "Other financial assets", with ThCh\$18,956,206 in current, and ThCh\$ 20,523,632 in non-current (see note 6a).
- iv) Deferred income recorded under "Other non-financial liabilities", with ThCh\$8,969,110 in current and ThCh\$80,821,991 in non-current (see Note 26a). The price of the transaction that is being retributed to Telefónica Chile S.A. for the purchase of the fiber optics business, is based on two concepts: the purchase of a business, and the commitment to exclusivity of Telefónica Chile S.A. with InfraCo SpA through the Connectivity Services Supply Contract through the fiber optics network. That exclusivity has the same 10- year term as the contract, therefore its period of deferral is for the same term in a linear way.
- v) Capital contributions to HolCo InfraCo SpA and adjustments to the fair value of the investment in the amount of ThCh\$67,793,623 (See note 19a).

## 20. Other current and other non-current financial liabilities

The composition of other current and other non-current financial liabilities that accrue interest is as follows:

Concepts		12.31.2022		12.31.2021	
		Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Bank loans	(a)	181,285,768	177,462,868	1,088,844	352,932,060
Unguaranteed obligations (Bonds) (1)	(b)	126,045,430	496,573,445	436,772,648	691,104,877
Hedge instruments	(See Note 23,2)	35,789,094	85,742,450	5,149,880	1,044,730
Other financial debts		3,332,981	-	5,149,880	1,044,730
<b>Total</b>		<b>346,453,273</b>	<b>759,778,763</b>	<b>443,011,372</b>	<b>1,045,081,667</b>

(1) Current includes fair value hedging derivatives associated to these obligations in the amount of ThCh\$2,493,980 and ThCh\$6,891,249 and non-current includes ThCh\$86,846,997 and ThCh\$1,392,395 as of December 31, 2022 and 2021, respectively.

In november 2021, The Company entered into financial obligations through the issuance and placement of a bond in the international market that will be destined to pay liabilities of Telefónica Chile S.A., a subsidiary of the Company, and to other corporate purposes.

Notes to the consolidated financial statements, continued  
As of September 30, 2021 (not audited) and December 31, 2020



20. Other current and other non-current financial liabilities, continued

a) As of December 31, 2022, the detail of bank loans is as follows:

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor taxpayer No,	Creditor	Creditor country	Currency	Amortization type	Effective rate	Nominal rate	Nominal value	Term
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,018,000-1	Bank Scotiabank	Chile	USD	At maturity	6.49%	3.62%	US\$ 68,6 mm	11-13-2023
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Foreign	Bank of Nova Scotia	Chile	USD	At maturity	6.09%	3.05%	US\$ 140,19 mm	09-29-2023
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,004,000-5	Banco de Chile	Chile	CLP	At maturity	2.15%	1.90%	CLP 30,000 mm	10-06-2024
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,023,000-9	Banco Itaú	Chile	CLP	At maturity	3.62%	3.35%	CLP 17,911 mm	09-19-2025
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,036,000-k	Banco Santander	Chile	CLP	At maturity	3.53%	3.22%	CLP 50,000 mm	03-26-2025
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,030,000-7	Banco Estado	Chile	CLP	At maturity	1.59%	1.30%	CLP 50,000 mm	03-29-2024
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,006,000-6	Banco BCI	Chile	CLP	At maturity	3.22%	2.94%	CLP 30,000 mm	03-30-2025

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Nominal amounts (capital in thousands)									Total nominal amounts in local currency ThCh\$	
					To Maturity										
					Up to 90 days ThCh\$	90 days to 1 years ThCh\$	1 to 2 years ThCh\$	2 to 3 years ThCh\$	Total 1 to 3 years ThCh\$	3 to 4 years ThCh\$	4 to 5 years ThCh\$	Total 3 to 5 years ThCh\$	5 years and over ThCh\$		
Bilateral Loan (1)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Bank Scotiabank	-	47,022,556	-	-	-	-	-	-	-	-	47,022,556
Bilateral Loan (2)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Bank of Nova Scotia	-	119,080,998	-	-	-	-	-	-	-	-	119,080,998
Bilateral Loan (3)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Chile	-	-	30,000,000	-	30,000,000	-	-	-	-	-	30,000,000
Bilateral Loan (4)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Itaú	-	-	-	17,911,000	17,911,000	-	-	-	-	-	17,911,000
Bilateral Loan (5)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Santander	-	-	-	50,000,000	50,000,000	-	-	-	-	-	50,000,000
Bilateral Loan (6)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Estado	-	-	50,000,000	-	50,000,000	-	-	-	-	-	50,000,000
Bilateral Loan (7)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco BCI	-	-	-	30,000,000	30,000,000	-	-	-	-	-	30,000,000
<b>Total</b>					-	166,103,554	80,000,000	97,911,000	177,911,000	-	-	-	-	-	344,014,554

## 20. Other current and other non-current financial liabilities, continued

a) As of December 31, 2022, the detail of bank loans is as follows

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Current			Non-current							
					To Maturity		Total current as of 12.31.2022 ThCh\$	To Maturity					Total Non-current as of 12.31.2022 ThCh\$		
					Up to 90 days ThCh\$	90 days to 1 years ThCh\$		1 to 2 years ThCh\$	2 to 3 years ThCh\$	Total 1 to 3 years ThCh\$	3 to 4 years ThCh\$	4 to 5 years ThCh\$		Total 3 to 5 years ThCh\$	5 years and over ThCh\$
Bilateral Loan (1)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Bank Scotiabank	-	59,019,210	59,019,210	-	-	-	-	-	-	-	-
Bilateral Loan (2)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Bank of Nova Scotia	-	121,490,246	121,490,246	-	-	-	-	-	-	-	-
Bilateral Loan (3)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Chile	-	75,713	75,713	29,953,456	-	29,953,456	-	-	-	-	29,953,456
Bilateral Loan (4)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Itaú	136,957	-	136,957	-	17,856,640	17,856,640	-	-	-	-	17,856,640
Bilateral Loan (5)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Santander	22,610	-	22,610	-	49,765,605	49,765,605	-	-	-	-	49,765,605
Bilateral Loan (6)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Estado	372,907	-	372,907	49,969,047	-	49,969,047	-	-	-	-	49,969,047
Bilateral Loan (7)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco BCI	168,125	-	168,125	-	29,918,120	29,918,120	-	-	-	-	29,918,120
<b>Total</b>					<b>700,599</b>	<b>180,585,169</b>	<b>181,285,768</b>	<b>79,922,503</b>	<b>97,540,365</b>	<b>177,462,868</b>	-	-	-	-	<b>177,462,868</b>

- 1) On November 13, 2018, a loan was obtained from Scotiabank in the amount of US\$68,6 million (Ch\$47,023 million) with an interest rate of Libor (3M) + 1% annual for a 5-year bullet, maturing on November 13, 2023.
- 2) On April 17, 2020, a loan was obtained from Bank of Nova Scotia in the amount of US\$140,19 million (Ch\$119,080 million) with an interest rate of Libor (6M) + 1.9%, maturing on April 20, 2021. On September 30, 2020, the due date was extended to September 29, 2021 with an interest rate of Libor (6M) + 1.53%.
- 3) On October 6, 2020, a local loan was taken with the Banco de Chile for ThCh \$ 30,000,000 with an annual interest rate of 1.9%, maturing on October 6, 2024.
- 4) On March 23, 2021, a local loan was taken with the Banco Itaú for ThCh \$ 17,911,000 with an annual interest rate of 3.35%, maturing on September 19, 2025.
- 5) On March 26, 2021, a local loan was taken with the Banco Santander for ThCh \$ 50,000,000 with an annual interest rate of 3.22%, maturing on March 26, 2025.
- 6) On March 29, 2021, a local loan was taken with the Banco Estado for ThCh \$ 50,000,000 with an annual interest rate of 1.30%, maturing on March 29, 2025.
- 7) On March 30, 2021, a local loan was taken with the Banco BCI for ThCh \$ 30,000,000 with an annual interest rate of 2.94%, maturing on March 30, 2025.

Notes to the consolidated financial statements, continued  
As of September 30, 2021 (not audited) and December 31, 2020



20. Other current and other non-current financial liabilities, continued

a) As of December 31, 2021 the detail of bank loans is as follows:

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor taxpayer No,	Creditor	Creditor country	Currency	Amortization type	Effective rate	Nominal rate	Nominal value	Term
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,018,000-1	Bank Scotiabank	Chile	USD	At maturity	1,43%	3,62%	US\$ 68,6 mm	11-13-2023
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Foreign	Bank of Nova Scotia	Chile	USD	At maturity	2,08%	3,05%	US\$ 140,19 mm	09-29-2023
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,004,000-5	Banco de Chile	Chile	CLP	At maturity	2,15%	1,90%	CLP 30,000 mm	10-06-2024
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,023,000-9	Banco Itaú	Chile	CLP	At maturity	3,62%	3,35%	CLP 17,911 mm	09-19-2025
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,036,000-k	Banco Santander	Chile	CLP	At maturity	3,53%	3,22%	CLP 50,000 mm	03-26-2025
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,030,000-7	Banco Estado	Chile	CLP	At maturity	1,59%	1,30%	CLP 50,000 mm	03-29-2024
Bilateral Loan	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,006,000-6	Banco BCI	Chile	CLP	At maturity	3,22%	2,94%	CLP 30,000 mm	03-30-2025

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Nominal amounts (capital in thousands)										
					To Maturity										Total nominal amounts in local currency ThCh\$
					Up to 90 days ThCh\$	90 days to 1 years ThCh\$	1 to 2 years ThCh\$	2 to 3 years ThCh\$	Total 1 to 3 years ThCh\$	3 to 4 years ThCh\$	4 to 5 years ThCh\$	Total 3 to 5 years ThCh\$	5 years and over ThCh\$		
Bilateral Loan (1)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Bank Scotiabank	-	-	47,022,556	-	47,022,556	-	-	-	-	-	47,022,556
Bilateral Loan (2)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Bank of Nova Scotia	-	-	119,080,998	-	119,080,998	-	-	-	-	-	119,080,998
Bilateral Loan (3)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Chile	-	-	-	30,000,000	30,000,000	-	-	-	-	-	30,000,000
Bilateral Loan (4)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Itaú	-	-	-	-	-	17,911,000	-	17,911,000	-	-	17,911,000
Bilateral Loan (5)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Santander	-	-	-	-	-	50,000,000	-	50,000,000	-	-	50,000,000
Bilateral Loan (6)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Estado	-	-	-	50,000,000	50,000,000	-	-	-	-	-	50,000,000
Bilateral Loan (7)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco BCI	-	-	-	-	-	30,000,000	-	30,000,000	-	-	30,000,000
<b>Total</b>					-	-	166,103,554	80,000,000	246,103,554	97,911,000	-	97,911,000	-	-	344,014,554

Notes to the consolidated financial statements, continued  
As of September 30, 2021 (not audited) and December 31, 2020



20. Other current and other non-current financial liabilities, continued

a) As of December 31, 2021 the detail of bank loans is as follows:

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Current			Non-current							
					To Maturity		Total current as of 12.31.2021 ThCh\$	To Maturity					Total 5 years and over ThCh\$	Total Non-current as of 12.31.2021 ThCh\$	
					Up to 90 days ThCh\$	90 days to 1 years ThCh\$		1 to 2 years ThCh\$	2 to 3 years ThCh\$	Total 1 to 3 years ThCh\$	3 to 4 years ThCh\$	4 to 5 years ThCh\$			Total 3 to 5 years ThCh\$
Bilateral Loan (1)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Bank Scotiabank	85,731	-	85,731	57,681,500	-	57,681,500	-	-	-	-	57,681,500
Bilateral Loan (2)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Bank of Nova Scotia	228,997	-	228,997	118,179,396	-	118,179,396	-	-	-	-	118,179,396
Bilateral Loan (3)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Chile	-	76,177	76,177	-	29,892,945	29,892,945	-	-	-	-	29,892,945
Bilateral Loan (4)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Itaú	136,447	-	136,447	-	-	-	17,823,591	-	17,8123,591	-	17,823,591
Bilateral Loan (5)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Santander	17,889	-	17,889	-	-	-	49,662,650	-	49,662,650	-	49,662,650
Bilateral Loan (6)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Estado	373,646	-	373,646	-	49,834,869	49,834,869	-	-	-	-	49,834,869
Bilateral Loan (7)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco BCI	169,957	-	169,957	-	-	-	29,857,109	-	29,857,109	-	29,857,109
<b>Total</b>					<b>1,012,667</b>	<b>76,177</b>	<b>1,088,844</b>	<b>175,860,896</b>	<b>79,727,814</b>	<b>255,588,710</b>	<b>97,343,350</b>	-	<b>97,343,350</b>	-	<b>352,932,060</b>

- 1) On November 13, 2018, a loan was obtained from Scotiabank in the amount of US\$68,6 million (Ch\$47,023 million) with an interest rate of Libor (3M) + 1% annual for a 5-year bullet, maturing on November 13, 2023.
- 2) On April 17, 2020, a loan was obtained from Bank of Nova Scotia in the amount of US\$140,19 million (Ch\$119,080 million) with an interest rate of Libor (6M) + 1,9%, maturing on April 20, 2021. On September 30, 2020, the due date was extended to September 29, 2023 with an interest rate of Libor (6M) + 1,53%.
- 3) On October 6, 2020, a local loan was taken with the Banco de Chile for ThCh \$ 30,000,000 with an annual interest rate of 1,9%, maturing on October 6, 2024.
- 4) On March 23, 2021, a local loan was taken with the Banco Itaú for ThCh \$ 17,911,000 with an annual interest rate of 3,35%, maturing on September 19, 2025.
- 5) On March 26, 2021, a local loan was taken with the Banco Santander for ThCh \$ 50,000,000 with an annual interest rate of 3,22%, maturing on March 26, 2025.
- 6) On March 29, 2021, a local loan was taken with the Banco Estado for ThCh \$ 50,000,000 with an annual interest rate of 1,30%, maturing on March 29, 2025.
- 7) On March 30, 2021, a local loan was taken with the Banco BCI for ThCh \$ 30,000,000 with an annual interest rate of 2,94%, maturing on March 30, 2025.

On April 15, 2021, Telefónica Móviles Chile S.A. paid the Tokyo loan from MUFG BANK, LTD. for a total of USD 150,000,000 of capital and USD 113,266.25 of interest equivalent to ThCh\$106,087,500 and ThCh\$80,108 respectively.



Notes to the consolidated financial statements, continued  
As of September 30, 2021 (not audited) and December 31, 2020



20. Other current and other non-current financial liabilities, continued

b) As of December 31, 2022, the detail of unguaranteed obligations (Bonds) is as follows:

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor taxpayer No,	Creditor	Creditor country	Currency	Amortization type	Effective rate	Nominal rate	Nominal value	Term
Bond series F (1)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,036,000-K	Banco Santander	Chile	U,F,	At maturity	3,82%	3,60%	UF 3 mm	10-04-2023
Bond series T (2)	90,635,000-9	Telefónica Chile S.A.	Chile	97,004,000-5	Banco de Chile	Chile	CLP	At maturity	4,72%	4,90%	MM\$ 48,000	07-05-2023
Bono Serie O (3)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,004,000-5	Banco de Chile	Chile	CLP	At maturity	3,36%	3,50%	MM\$ 70,000	12-01-2025
Bono Serie Q (4)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,004,000-5	Banco de Santander	Chile	CLP	At maturity	3,36%	3,60%	MM\$ 70,000	03-01-2026
Bond Serie 144A II (5)	90,635,000-9	Telefónica Chile S.A.	Chile	Foreign	The Bank of New York Mellon	EE,UU,	USD	At maturity	3,73%	3,54%	US\$ 500 mm	11-18-2031

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Nominal amounts (capital in thousands)										Total nominal amounts in local currency ThCh\$
					To Maturity										
					Up to 90 days ThCh\$	90 days to 1 years ThCh\$	1 to 2 Years ThCh\$	2 to 3 Years ThCh\$	Total 1 to 3 Years ThCh\$	3 to 4 Years ThCh\$	4 to 5 Years ThCh\$	Total 3 to 5 Years ThCh\$	5 years and Over ThCh\$		
Bono Serie F (1)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Santander	-	69,392,760	-	-	-	-	-	-	-	-	69,392,760
Bono Serie T (2)	90,635,000-9	Telefónica Chile S.A.	Chile	Banco de Chile	9,600,000	9,600,000	-	-	-	-	-	-	-	-	19,200,000
Bono Serie O (3)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Chile	-	-	-	70,000,000	70,000,000	-	-	-	-	-	70,000,000
Bono Serie Q (4)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Santander	-	-	-	-	-	90,000,000	-	90,000,000	-	-	90,000,000
Bond Serie 144A II (5)	90,635,000-9	Telefónica Chile S.A.	Chile	The Bank of New York Mellon	-	-	-	-	-	-	-	-	409.780.000	409,780,000	
<b>Total</b>					<b>9,600,000</b>	<b>78,992,760</b>	<b>-</b>	<b>70,000,000</b>	<b>70,000,000</b>	<b>90,000,000</b>	<b>-</b>	<b>90,000,000</b>	<b>409,780,000</b>	<b>658,372,760</b>	

**Notes to the consolidated financial statements, continued**  
As of September 30, 2021 (not audited) and December 31, 2020



**20. Other current and other non-current financial liabilities, continued**

b) As of December 31, 2022 the detail of unguaranteed obligations (Bonds) is as follows, continued:

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Current			Non-current							Total Non-current as of 12.31.2022
					To Maturity		Total current as of 12.31.2022	To Maturity							
					Up to 90 days	90 days to 1 years		1 to 2 Years	2 to 3 Years	Total 1 to 3 years	3 to 4 Years	4 to 5 Years	Total 3 to 5 years	5 years and Over	
ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
Bono Serie F (1)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Santander	-	103,673,707	<b>103,673,707</b>	-	-	-	-	-	-	-	-
Bono Serie T (2) (4) (5) (7)	90,635,000-9	Telefónica Chile S.A.	Chile	Banco de Chile	10,010,440	9,558,296	<b>19,568,736</b>	-	-	-	-	-	-	-	-
Bono Serie O(3)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Chile	-	289,229	<b>289,229</b>	-	70,179,277	<b>70,179,277</b>	-	-	-	-	<b>70,179,277</b>
Bono Serie Q (6)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Santander	1,265,999	-	<b>1,265,999</b>	-	-	-	90,440,543	-	<b>90,440,543</b>	-	<b>90,440,543</b>
Bond Serie 144A II (8)	90,635,000-9	Telefónica Chile S.A.	Chile	The Bank of New York Mellon	-	1,247,759	<b>1,247,759</b>	-	-	-	-	-	-	335,953,625	<b>335,953,625</b>
<b>Total</b>					<b>11,276,439</b>	<b>114,768,991</b>	<b>126,045,430</b>	-	<b>70,179,277</b>	<b>70,179,277</b>	<b>90,440,543</b>	-	<b>90,440,543</b>	<b>335,953,625</b>	<b>496,573,445</b>

- (1) On October 15, 2013, there was a 10-year bullet placement in the local market for an amount of UF 3,000,000, maturing on October 4, 2023.
- (2) On January 5, 2017, Telefónica Chile S.A, placed a 6,5-year bullet Bond Series T in the local market with a nominal annual interest rate of 4.9%, maturing on July 5, 2023. The amount collected on this transaction amounted to ThCh\$48,795,000.
- (3) On December 21, 2020, there was a 5-year bullet placement in the local market for an amount of ThCh \$ 70,000,000, maturing December 1, 2025.
- (4) On July 3, 2020, Telefónica Chile S.A. paid the first principal instalment of the T Bond in the amount of ThCh\$9,600,000 and ThCh\$1,161,936 in interest.
- (5) On January 5, 2021, Telefónica Chile S.A. paid the second instalment of the T Bond in the amount of ThCh\$9,600,000 and ThCh\$929,549 in interest.
- (6) On April 13, 2021, a placement was made in the local market for an amount of ThCh \$90,000,000 for a term of 5 bullet years, maturing March 1, 2026
- (7) On July 2, 2021, Telefónica Chile S.A. paid the third installment of the capital of the T bond for ThCh\$9,600,000 and ThCh\$697,162 of interest.
- (8) On November 18, 2021, Telefónica Móviles Chile S.A. issued 144A Reg S Bonds in the American capitals market in the amount of US\$ 500,000,000 (equivalent to ThCh\$ 409,780,000 historical), at an effective annual interest rate of 3.537% in US dollars and 10-year bullet maturing on November 18, 2031. The placing banks were Banco Bilbao Vizcaya Argentaria, S.A. Scotiabank, Goldman Sachs and Bank of America. The proceeds from the issuance were destined to refinancing liabilities and other corporate purposes.

On October 12, 2022, Telefónica Chile S.A. paid the 144A bond for a total of USD 500,000,000 of principal and USD 9,687,500 of interest equivalent to ThCh\$466,940,000 and ThCh\$9,046,963 respectively.

**Notes to the consolidated financial statements, continued**  
As of September 30, 2021 (not audited) and December 31, 2020



**20. Other current and other non-current financial liabilities, continued**

b) As of December 31, 2021 the detail of unguaranteed obligations (Bonds) is as follows:

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor taxpayer No,	Creditor	Creditor country	Currency	Amortization type	Effective rate	Nominal rate	Nominal value	Term
Bond 144A (1)	90,635,000-9	Telefónica Chile S.A.	Chile	0-E	The Bank of New York Mellon	EE,UU,	USD	At maturity	4,06%	3,88%	US\$ 500 mm	10-12-2022
Bond series F (2)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,036,000-K	Banco Santander	Chile	U,F,	At maturity	3,82%	3,60%	UF 3 mm	10-04-2023
Bond series T (3)	90,635,000-9	Telefónica Chile S.A.	Chile	97,004,000-5	Banco de Chile	Chile	CLP	At maturity	4,72%	4,90%	MM\$ 48,000	07-05-2023
Bono Serie O (4)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,004,000-5	Banco de Chile	Chile	CLP	At maturity	3,36%	3,50%	MM\$ 70,000	12-01-2025
Bono Serie Q (5)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	97,004,000-5	Banco de Santander	Chile	CLP	At maturity	3,36%	3,60%	MM\$ 70,000	03-01-2026
Bond Serie 144A II (6)	90,635,000-9	Telefónica Chile S.A.	Chile	0-E	The Bank of New York Mellon	EE,UU,	USD	At maturity	3,73%	3,54%	US\$ 500 mm	11-18-2031

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Nominal amounts (capital in thousands)										
					To Maturity										Total nominal amounts in local currency ThCh\$
					Up to 90 days ThCh\$	90 days to 1 years ThCh\$	1 to 2 Years ThCh\$	2 to 3 Years ThCh\$	Total 1 to 3 Years ThCh\$	3 to 4 Years ThCh\$	4 to 5 Years ThCh\$	Total 3 to 5 Years ThCh\$	5 years and Over ThCh\$		
Bono 144A (1)	90,635,000-9	Telefónica Chile S.A.	Chile	The Bank of New York Mellon	-	236,400,000	-	-	-	-	-	-	-	-	236,400,000
Bono Serie F (3)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Santander	-	-	66,392,760	-	66,392,760	-	-	-	-	-	69,392,760
Bono Serie T (4)	90,635,000-9	Telefónica Chile S.A.	Chile	Banco de Chile	-	-	19,200,000	-	19,200,000	-	-	-	-	-	19,200,000
Bono Serie O (5)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Chile	-	-	-	-	-	70,000,000	-	70,000,000	-	-	70,000,000
Bono Serie Q (5)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Santander	-	-	-	-	-	-	90,000,000	90,000,000	-	-	90,000,000
Bond Serie 144A II (6)	90,635,000-9	Telefónica Chile S.A.	Chile	The Bank of New York Mellon	-	-	-	-	-	-	-	-	409,780,000	409,780,000	
<b>Total</b>					-	236,400,000	88,592,760	-	88,592,760	70,000,000	90,000,000	160,000,000	409,780,000	894,772,760	

Notes to the consolidated financial statements, continued  
As of September 30, 2021 (not audited) and December 31, 2020



21. Other current and other non-current financial liabilities, continued

b) As of December 31, 2021, the detail of unguaranteed obligations (Bonds) is as follows, continued:

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Current					Non-current					
					To Maturity		Total current as of 12.31.2021 ThCh\$	1 to 2 Years ThCh\$	2 to 3 Years ThCh\$	Total 1 to 3 years ThCh\$	To Maturity				Total Non-current as of 12.31.2021 ThCh\$
					Up to 90 days ThCh\$	90 days to 1 years ThCh\$					3 to 4 Years ThCh\$	4 to 5 Years ThCh\$	Total 3 to 5 years ThCh\$	5 years and Over ThCh\$	
Bono 144A (1)	90,635,000-9	Telefónica Chile S.A.	Chile	The Bank of New York Mellon	-	432,354,475	432,354,475	-	-	-	-	-	-	-	-
Bono Serie F (2)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco Santander	-	612,542	612,542	93,004,243	-	93,004,243	-	-	-	-	93,004,243
Bono Serie T (3) (5) (6)(8)	90,635,000-9	Telefónica Chile S.A.	Chile	Banco Chile	484,725	-	484,725	19,208,901	-	19,208,901	-	-	-	-	19,208,901
Bono Serie O (4)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Chile	-	286,375	286,375	-	-	-	70,268,325	-	70,268,325	-	70,268,325
Bono Serie Q (7)	76,124,890-1	Telefónica Móviles Chile S.A.	Chile	Banco de Santander	1,260,087	-	1,260,087	-	-	-	-	90,633,125	90,633,125	-	90,633,125
Bond Serie 144A II (9)	90,635,000-9	Telefónica Chile S.A.	Chile	The Bank of New York Mellon	-	1,774,444	1,774,444	-	-	-	-	-	-	417,990,283	417,990,283
<b>Total</b>					<b>1,744,812</b>	<b>435,027,836</b>	<b>436,772,648</b>	<b>112,213,144</b>	<b>-</b>	<b>112,213,144</b>	<b>70,268,325</b>	<b>90,633,125</b>	<b>160,901,450</b>	<b>417,990,283</b>	<b>691,104,877</b>

- (1) On October 12, 2012, Telefónica Chile S.A. issued a 10-year 144A Reg S bullet Bond in the American Capital Market for an amount of US\$ 500,000,000 (equivalent to ThCh\$ 236,400,000 historical), with an effective annual interest rate of 3,887% in US dollars and 10-year bullet, maturing on October 12, 2022. The placement banks were Banco Bilbao Vizcaya Argentaria, S.A. Citigroup Global Markets Inc, and J.P. Morgan Securities LLC. The funds resulting from the issuance were used for refinancing liabilities and other corporate purposes.
- (2) On October 15, 2013, there was a 10-year bullet placement in the local market for an amount of UF 3,000,000, maturing on October 4, 2023.
- (3) On January 5, 2017, Telefónica Chile S.A. placed a 6,5-year bullet Bond Series T in the local market with a nominal annual interest rate of 4,9%, maturing on July 5, 2023. The amount collected on this transaction amounted to ThCh\$48,795,000.
- (4) On December 21, 2020, there was a 5-year bullet placement in the local market for an amount of ThCh\$ 70,000,000, maturing December 1, 2025.
- (5) On July 3, 2020, Telefónica Chile S.A. paid the first principal instalment of the T Bond in the amount of ThCh\$9,600,000 and ThCh\$1,161,936 in interest.
- (6) On January 5, 2021, Telefónica Chile S.A. paid the second instalment of the T Bond in the amount of ThCh\$9,600,000 and ThCh\$929,549 in interest.
- (7) On April 13, 2021, a placement was made in the local market for an amount of ThCh\$90,000,000 for a term of 5 bullet years, maturing March 1, 2026.
- (8) On July 2, 2021, Telefónica Chile S.A. paid the third installment of the capital of the T bond for ThCh\$9,600,000 and ThCh\$697,162 of interest.
- (9) On November 18, 2021, Telefónica Móviles Chile S.A. issued 144A Reg S Bonds in the American capitals market in the amount of US\$ 500,000,000 (equivalent to ThCh\$ 409,780,000 historical), at an effective annual interest rate of 3.537% in US dollars and 10-year bullet maturing on November 18, 2031. The placing banks were Banco Bilbao Vizcaya Argentaria, S.A. Scotiabank, Goldman Sachs and Bank of America. The proceeds from the issuance were destined to refinancing liabilities and other corporate purposes.

On September 10, 2021 Telefónica Móviles Chile S.A. paid the K Bond for a total of ThCh\$ 94,410,000 in principal and ThCh\$ 2,285,383.



20. Other current and other non-current financial liabilities, continued

c) As of December 31, 2022 the composition of movements in current and non-current financial assets and liabilities from financial activities are as follows:

Conciliation of financing activities, current	Cash flows				Items other than cash flows			12.31.2022
	12.31.2021	Charges	Payments	Exchange rate	Accrued interest	Reclassification current / non-current	Others (*) movements	
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
<b>Financial liabilities</b>	<b>484,852,557</b>	<b>230,007,155</b>	<b>(644,069,718)</b>	<b>(126,176,301)</b>	<b>89,922,309</b>	<b>406,275,685</b>	<b>835,455</b>	<b>441,647,142</b>
Banks loans (1)	1,088,844	-	(10,188,909)	12,651,876	10,312,516	166,103,554	1,317,887	181,285,768
Unguaranteed obligations (Bonds) (2)	436,772,648	226,708,600	(510,386,484)	(146,150,577)	39,239,331	88,592,760	(8,730,848)	126,045,430
Hedge instruments (3)	5,149,880	3,298,555	(34,250,463)	31,086,258	33,346,021	-	(2,841,157)	35,789,094
Leases (4)	41,841,185	-	(89,243,862)	(23,763,858)	7,024,442	151,579,371	11,089,573	98,526,851
<b>Related companies commercial mandate (5)</b>	<b>88,215</b>	<b>956,660</b>	<b>(850,000)</b>	-	-	-	<b>(97,445)</b>	<b>97,430</b>
<b>Dividends pending of payment (6)</b>	-	-	<b>(28,854,037)</b>	-	-	-	<b>28,854,037</b>	-
<b>Others</b>	-	-	<b>(15,403,321)</b>	-	-	-	<b>18,736,302</b>	<b>3,332,981</b>
<b>Total</b>	<b>484,940,772</b>	<b>230,963,815</b>	<b>(689,177,076)</b>	<b>(126,176,301)</b>	<b>89,922,309</b>	<b>406,275,685</b>	<b>67,064,651</b>	<b>448,410,535</b>

(\*) Others

- (1) Corresponds to recognition of amortized cost, 4% tax and stamp tax.
- (2) Includes fair value adjustment for loans subject to fair value hedging ThCh\$(9,385,230) and amortized cost ThCh\$(85,944) and tax ThCh\$740,326
- (3) Corresponds to recognition of the fair value of rate insurance.
- (4) Corresponds to recognition of the obligation for liabilities on lease contracts that qualify under IFRS 16.
- (5) Corresponds to movements of related-party transactions with Telxius Cable,
- (6) Corresponds to dividends paid in December 2022.

Conciliation of financing activities, Non-current	Cash flows				Items other than cash flows			12.31.2022
	12.31.2021	Charges	Payments	Exchange rate	Accrued interest	Reclassification current / non-current	Others (*) movements	
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
<b>Financial liabilities</b>	<b>1,238,241,748</b>	-	-	<b>(25,274,345)</b>	-	<b>(406,275,685)</b>	<b>198,207,990</b>	<b>1,004,899,708</b>
Banks loans (1)	352,932,060	-	-	(10,239,111)	-	(166,103,554)	873,473	177,462,868
Unguaranteed obligations (Bonds) (2)	691,104,877	-	-	(17,839,893)	-	(88,592,760)	(88,098,779)	496,573,445
Hedge instruments (3)	1,044,730	-	-	2,804,659	-	-	81,893,061	85,742,450
Leases (4)	193,160,081	-	-	-	-	(151,579,371)	203,540,235	245,120,945
<b>Total</b>	<b>1,238,241,748</b>	-	-	<b>(25,274,345)</b>	-	<b>(406,275,685)</b>	<b>198,207,990</b>	<b>1,004,899,708</b>

(\*) Others

- (1) Corresponds to recognition of amortized cost, 4% tax and stamp tax.
- (2) Includes fair value adjustment for loans subject to fair value hedging in the amount of ThCh\$(88,239,392) and amortized cost ThCh\$140,613.
- (3) Corresponds to recognition of the fair value of rate insurance.
- (4) Corresponds to recognition of the obligation for liabilities on lease contracts that qualify under IFRS 16.

## 20. Other current and other non-current financial liabilities, continued

c) As of December 31, 2021, the composition of movements in current and non-current financial liabilities from financial activities are as follows:

Conciliation of financing activities, current	Cash flows				Items other than cash flows			12.31.2021
	12.31.2020	Charges	Payments	Exchange rate	Accrued interest	Reclassification current / non-current	Others (*) movements	
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
<b>Financial liabilities</b>	<b>321,904,253</b>	<b>13,842,839</b>	<b>(349,782,709)</b>	<b>146,236,291</b>	<b>33,502,291</b>	<b>308,203,939</b>	<b>10,945,653</b>	<b>484,852,557</b>
Banks loans (1)	107,005,217	-	(105,670,491)	(7,629,086)	6,410,057	-	973,147	1,088,844
Unguaranteed obligations (Bonds) (1)	119,223,234	-	(147,967,613)	185,877,034	29,809,957	236,400,000	13,430,036	436,772,648
Hedge instruments (2)	28,697,814	13,842,839	(8,165,865)	(19,890,185)	(8,692,789)	-	(641,934)	5,149,880
Leases (3)	66,977,988	-	(87,978,740)	(12,121,472)	5,975,066	71,803,939	(2,815,596)	41,841,185
<b>Related companies commercial mandate (4)</b>	<b>88,368</b>	<b>707,608</b>	<b>(1,564,289)</b>	-	-	-	<b>178,120</b>	<b>(590,193)</b>
<b>Related companies' leases (3)</b>	<b>2,560,600</b>	-	-	-	-	<b>(2,560,600)</b>	-	-
<b>Dividends pending of payment (5)</b>	<b>9,971,466</b>	-	<b>(448,670,663)</b>	-	-	-	<b>438,699,197</b>	-
<b>Others</b>	<b>1,922,525</b>	-	<b>(8,340,390)</b>	-	-	-	<b>6,417,865</b>	-
<b>Total</b>	<b>336,447,212</b>	<b>14,550,447</b>	<b>(808,358,051)</b>	<b>146,236,291</b>	<b>33,502,291</b>	<b>305,643,339</b>	<b>456,240,835</b>	<b>484,262,364</b>

(\*) Others

- (1) Corresponds to recognition of amortized cost, 4% tax and stamp tax.
- (2) Corresponds to recognition of the fair value of interest rate insurance and transfer from financial assets.
- (3) Corresponds to recognition of the obligation for liabilities on lease contracts that qualify under IFRS 16.
- (4) Corresponds to movements of related-party transactions with Fundación Telefónica Chile.
- (5) Corresponds to dividends paid in July and August 2021.

Conciliation of financing activities, Non-current	Cash flows				Items other than cash flows			12.31.2021
	12.31.2020	Charges	Payments	Exchange rate	Accrued interest	Reclassification current / non-current	Others (*) movements	
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
<b>Financial liabilities</b>	<b>854,041,423</b>	<b>651,137,064</b>	-	<b>(93,811,090)</b>	-	<b>(266,196,301)</b>	<b>93,070,652</b>	<b>1,238,241,748</b>
Banks loans (1)	177,503,803	147,911,000	-	27,849,670	-	-	(332,413)	352,932,060
Unguaranteed obligations (Bonds) (2)	553,244,197	503,226,064	-	(100,943,601)	-	(236,400,000)	(28,021,783)	691,104,877
Hedge instruments (3)	24,855,039	-	-	(20,717,159)	-	-	(3,093,150)	1,044,730
Leases (4)	98,438,384	-	-	-	-	(29,796,301)	124,517,998	193,160,081
<b>Related companies' leases (4)</b>	<b>39,447,038</b>	-	-	-	-	<b>(39,447,038)</b>	-	-
<b>Total</b>	<b>893,488,461</b>	<b>651,137,064</b>	-	<b>(93,811,090)</b>	-	<b>(305,643,339)</b>	<b>93,070,652</b>	<b>1,238,241,748</b>

(\*) Others

- (1) Corresponds to recognition of amortized cost, 4% tax and stamp tax.
- (2) Includes fair value adjustment for loans subject to fair value hedging in the amount of ThCh\$(20,201,020) and amortized cost in the amount of ThCh\$4,788,094.
- (3) Corresponds to recognition of the fair value of rate insurance.
- (4) Corresponds to recognition of the obligation for liabilities on lease contracts that qualify under IFRS 16.

## 21. Current and non-current lease liabilities

a) The composition of the Liabilities for current and non-current leases that accrue interest is as follows:

Concepts	12.31.2022		12.31.2021	
	Current M\$	Non-current M\$	Current M\$	Non-current M\$
Lease obligations (1)	98,526,851	245,120,945	41,841,185	193,160,081
<b>Total</b>	<b>98,526,851</b>	<b>245,120,945</b>	<b>41,841,185</b>	<b>193,160,081</b>

(1) Corresponds to recognition of the liability for lease agreements that qualify under IFRS 16,

b) The detail of the expirations of the current and non-current financial liabilities for leases as of December 31, 2022 and 2021 is as follows:

Due date Up to 90 days ThCh\$	91 days to 1 year ThCh\$	Total current 12.31.2022 ThCh\$	1 to 3 years ThCh\$	Due dates 3 to 5 years ThCh\$	Over 5 years ThCh\$	Total non-current as of 12.31.2022 ThCh\$

Due date Up to 90 days ThCh\$	91 days to 1 year ThCh\$	Total current 12.31.2021 ThCh\$	1 to 3 years ThCh\$	Due dates 3 to 5 years ThCh\$	Over 5 years ThCh\$	Total non-current as of 12.31.2021 ThCh\$

## 22. Trade and other payables

a) The composition of Trade and other payables is as follows:

Description	12.31.2022		12.31.2021	
	Current ThCh\$	No-current ThCh\$	Current ThCh\$	No-current ThCh\$
Debts due to purchases or services provided, invoiced (1)	206,825,649	-	183,956,374	-
Debts due to purchases or services provided, provisioned (1) (2)	130,180,239	28,814	182,160,106	280,037
Real property providers, invoiced	122,836,392	-	63,663,843	-
Real property providers, provisioned	16,652,347	-	29,224,226	-
Payables to employees	34,813,254	-	34,521,366	-
Dividends pending of payment	605,977	-	555,203	-
<b>Total</b>	<b>511,913,858</b>	<b>28,814</b>	<b>494,081,118</b>	<b>280,037</b>

(1) "Debts from purchases or services rendered" corresponding to foreign and domestic suppliers, for the periods ended as of December 31, 2022 and 2021 are detailed as follows:

Debts due to purchases or services provided	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Domestic	28,511,005	314,212,190
Foreign	308,494,883	51,904,290
<b>Total</b>	<b>337,005,888</b>	<b>366,116,480</b>

(2) Non-current balances correspond to equipment purchase obligations.

## 22. Trade and other payables, continued

### b) Accounts payable payment terms

The Company has a policy of paying its suppliers in an average period of 60 days as of the date of reception of the respective invoice. There are cases in which, due to specific circumstances, other than general policy, the established period is not complied with. For example, contracts that have specific agreed-upon deadlines, or delay on the part of the supplier in the issuance of invoices, or the closing of agreements with suppliers for delivery of goods or providing of the service, among others.

The Company does not present interest associated to debts in this heading.

As of December 31, 2022, the main suppliers, considering the minimum margin to be 4% of total accounts payable are: Huawei Chile S.A. with 10.2%, Samsung Electronics Chile Ltda. with 8.6%, Zener Austral Ltda. with 7.1%, Nokia Solutions and Networks Chile with 6.6%, Lari Obras y Servicios Spa with 6.2%, Atento Chile S.A with 5.9% y Cobra Chile Servicios S.A. with 4.1%, For December 31, 2021, the main suppliers, considering a minimum margin of 4% of total accounts payable correspond to: Samsung Electronics Chile Ltda. with 11.0%, Nokia Solutions and Networks Chile with 8.4%, Comercial Multiwireless Ltda. with 4.8%, Apple Chile Comercial Ltda. with 4.8%, and Huawei Chile S.A. with 4.1%.

The terms of accounts payable to suppliers with up to date payments as of December 31, 2022 and 2021 are detailed as follows:

Suppliers with up to date payments As of 12.31.2022	Goods (Immobilized) ThCh\$	Services and Purchases ThCh\$	Total ThCh\$
<b>Trade accounts to date</b>			
Up to 30 days	39,589,464	60,458,979	100,048,443
From 31 to 60 days	45,000,080	42,035,025	87,035,105
From 61 to 90 days	1,544,312	5,808,762	7,353,074
From 91 to 120 days	4,336,518	335,925	4,672,443
<b>Total</b>	<b>90,470,373</b>	<b>108,638,691</b>	<b>199,109,065</b>
<b>Average period of payment of up to date accounts</b>	<b>66</b>	<b>56</b>	

Suppliers with up to date payments As of 12.31.2021	Goods (Immobilized) ThCh\$	Services and Shopping Purchases ThCh\$	Total ThCh\$
<b>Trade accounts to date</b>			
Up to 30 days	32,419,903	106,555,339	138,975,242
From 31 to 60 days	25,468,394	51,294,450	76,762,844
From 61 to 90 days	1,805,519	4,535,714	6,341,233
From 91 to 120 days	908,178	1,875,653	2,783,831
From 121 to 180 days	25,650	21,841	47,491
More than 180 days	164,464	30,442	194,906
<b>Total</b>	<b>60,792,108</b>	<b>164,313,439</b>	<b>225,105,547</b>
<b>Average period of payment of up to date accounts</b>	<b>71</b>	<b>70</b>	



## 22. Trade and other payables, continued

### b) Payment terms of accounts payable, continued

The terms of accounts payable to suppliers with overdue payments as of December 31, 2022 and 2021 are detailed as follows:

Overdue suppliers by term As of 12.31.2022	Goods (Immobilized) ThCh\$	Services and Purchases ThCh\$	Total ThCh\$
<b>Overdue trade accounts payable by term</b>			
Up to 30 days	16,866,881	51,972,320	68,839,201
From 31 to 60 days	12,380,242	21,762,437	34,142,679
From 61 to 90 days	2,788,941	19,928,352	22,717,293
From 91 to 120 days	103,000	524,422	627,422
From 121 to 180 days	168,426	473,882	642,308
More than 180 days	58,529	3,525,545	3,584,074
<b>Total</b>	<b>32,366,019</b>	<b>98,186,958</b>	<b>130,552,977</b>
<b>Average payment period of overdue accounts</b>	<b>61</b>	<b>51</b>	

Overdue suppliers by term As of 12.31.2021	Goods (In ThCh\$	Services and Purchases ThCh\$	Total ThCh\$
<b>Overdue trade accounts payable by term</b>			
Up to 30 days	2,090,915	13,044,726	15,135,641
From 31 to 60 days	499,259	3,045,222	3,544,481
From 61 to 90 days	229,595	671,776	901,371
From 91 to 120 days	6,336	354,957	361,293
From 121 to 180 days	3,381	299,948	303,329
More than 180 days	42,249	2,226,306	2,268,555
<b>Total</b>	<b>2,871,735</b>	<b>19,642,935</b>	<b>22,514,670</b>
<b>Average payment period of overdue accounts</b>	<b>60</b>	<b>43</b>	

## 23. Financial instruments

### 1. Classification of financial instruments by nature and category

a) Details of financial instruments of assets classified by nature and category as of December 31, 2022 is as follows:

Description of financial assets	Note	Assets recorded at amortized cost		Financial assets booked at fair value = book value									Total financial assets		
		Financial assets at amortized cost	Fair Value of financial assets at amortized cost	Through profit and loss		Through other comprehensive income (equity)			Hedges	Subtotal financial assets at fair value	Fair value measurement hierarchy			Total Book Value of Financial Assets	Total Fair Value of Financial Assets
				Financial Assets - held for trading	Financial assets - fair value to P&L option	Financial assets - Debt instruments	Financial assets - Equity instruments	Level 1 (market prices)			Level 2 (observable inputs other than market prices)	Level 3 (inputs not based on observable market data)			
ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$		
<b>Other participations (net)</b>	6-c	-	-	-	-	-	5,827,574	-	5,827,574	5,827,574	118	-	5,827,574	5,827,574	
Other participations		-	-	-	-	-	5,827,574	-	5,827,574	5,827,574	118	-	5,827,574	5,827,574	
<b>Derivative instrument assets</b>		-	-	-	-	-	-	5,773,067	5,773,067	-	5,773,067	-	5,773,067	5,773,067	
Derivative instrument assets	23-2	-	-	-	-	-	-	5,773,067	5,773,067	-	5,773,067	-	5,773,067	5,773,067	
<b>Non-current trade and other accounts receivable</b>		108,296,474	108,296,474	-	-	-	-	-	-	-	-	-	108,296,474	108,296,474	
Current trade and other accounts receivable	12	39,787,680	39,787,680	-	-	-	-	-	-	-	-	-	39,787,680	39,787,680	
Account receivable from relate entities	9-b	68,508,794	68,508,794	-	-	-	-	-	-	-	-	-	68,508,794	68,508,794	
<b>Non-current financial assets</b>		139,862,698	139,862,698	-	-	-	5,827,574	5,773,067	11,600,641	5,827,456	5,773,185	-	119,897,115	119,897,115	
<b>Current trade accounts receivable</b>		270,278,804	270,278,804	-	-	-	-	-	-	-	-	-	270,278,804	270,278,804	
Current trade and other accounts receivable	8-a	225,384,045	225,384,045	-	-	-	-	-	-	-	-	-	225,384,045	225,384,045	
Account receivable from relate entities	9-a	44,894,759	44,894,759	-	-	-	-	-	-	-	-	-	44,894,759	44,894,759	
<b>Other non-trade accounts receivable</b>	6-a	27,381,521	27,381,521	-	-	-	-	-	-	-	-	-	27,381,521	27,381,521	
<b>Current deposits and pledges</b>	6-c	73,124	73,124	-	-	-	-	-	-	-	-	-	73,124	73,124	
Current pledges and deposits		73,124	73,124	-	-	-	-	-	-	-	-	-	73,124	73,124	
<b>Derivative instrument of assets</b>	23-2	-	-	-	-	-	-	61,814,270	61,814,270	-	61,814,270	-	61,814,270	61,814,270	
Derivative instrument of assets		-	-	-	-	-	-	61,814,270	61,814,270	-	61,814,270	-	61,814,270	61,814,270	
<b>Cash and cash equivalents</b>		466,972,364	466,972,364	-	-	-	-	-	-	-	-	-	466,972,364	466,972,364	
Cash and cash equivalents	5	466,972,364	466,972,364	-	-	-	-	-	-	-	-	-	466,972,364	466,972,364	
<b>Current financial assets</b>		764,705,813	764,705,813	-	-	-	-	61,814,270	61,814,270	-	61,814,270	-	826,520,083	826,520,083	
<b>Total financial assets</b>		873,002,287	873,002,287	-	-	-	5,827,574	67,587,337	73,414,911	5,827,456	67,587,455	-	946,417,198	946,417,198	

Notes to the consolidated financial statements, continued  
As of September 30, 2021 (not audited) and December 31, 2020



23. Financial instruments, continued

1. Classification of financial instruments by nature and category, continued

b) Details of financial instruments of assets classified by nature and category as of December 31, 2021 is as follows:

Description of financial assets	Note	Assets recorded at amortized cost		Financial assets booked at fair value = book value									Total financial assets		
		Financial assets at amortized cost	Fair Value of financial assets at amortized cost	Through profit and loss		Through other comprehensive income (equity)			Hedges	Subtotal financial assets at fair value	Fair value measurement hierarchy			Total Book Value of Financial Assets	Total Fair Value of Financial Assets
				Financial Assets - held for trading	Financial assets - fair value to P&L option	Financial assets - Debt instruments	Financial assets - Equity instruments	Level 1 (market prices)			Level 2 (observable inputs other than market prices)	Level 3 (inputs not based on observable market data)			
ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
<b>Other participations (net)</b>	6-c	-	-	-	-	-	6,832,112	-	6,832,112	6,831,994	118	-	6,832,112	6,832,112	
Other participations		-	-	-	-	-	6,832,112	-	6,832,112	6,831,994	118	-	6,832,112	6,832,112	
<b>Derivative instrument assets</b>		-	-	-	-	-	-	53,949,739	53,949,739	-	53,949,739	-	53,949,739	53,949,739	
Derivative instrument assets	23-2	-	-	-	-	-	-	53,949,739	53,949,739	-	53,949,739	-	53,949,739	53,949,739	
<b>Non-current trade and other accounts receivable</b>		108,367,705	108,367,705	-	-	-	-	-	-	-	-	-	108,367,705	108,367,705	
Non-current trade and other accounts receivable	12	25,107,034	25,107,034	-	-	-	-	-	-	-	-	-	25,107,034	25,107,034	
Account receivable from relate entities	9-b	83,260,671	83,260,671	-	-	-	-	-	-	-	-	-	83,260,671	83,260,671	
Other non-trade accounts receivable	6-a	21,401,681	21,401,681	-	-	-	-	-	-	-	-	-	21,401,681	21,401,681	
<b>Non-current financial assets</b>		129,769,386	129,769,386	-	-	-	6,832,112	53,949,739	60,781,733	6,831,994	53,949,857	-	190,551,237	190,551,237	
<b>Current trade accounts receivable</b>		282,489,939	282,489,939	-	-	-	-	-	-	-	-	-	282,489,939	282,489,939	
Current trade and other accounts receivable	8-a	243,735,280	243,735,280	-	-	-	-	-	-	-	-	-	243,735,280	243,735,280	
Account receivable from relate entities	9-a	38,754,659	38,754,659	-	-	-	-	-	-	-	-	-	38,754,659	38,754,659	
Other non-trade accounts receivable	6-a	19,752,048	19,752,048	-	-	-	-	-	-	-	-	-	19,752,048	19,752,048	
<b>Current deposits and pledges</b>		414,098,995	414,098,995	-	-	-	-	-	-	-	-	-	414,098,995	414,098,995	
Current pledges and deposits	6-b/6-e	414,098,995	414,098,995	-	-	-	-	-	-	-	-	-	414,098,995	414,098,995	
<b>Derivative instrument of assets</b>		-	-	-	-	-	-	220,841,822	220,841,822	-	220,841,822	-	220,841,822	220,841,822	
Derivative instrument of assets	23-2	-	-	-	-	-	-	220,841,822	220,841,822	-	220,841,822	-	220,841,822	220,841,822	
<b>Cash and cash equivalents</b>		412,783,123	412,783,123	-	-	-	-	-	-	-	-	-	412,783,123	412,783,123	
Cash and cash equivalents	5	412,783,123	412,783,123	-	-	-	-	-	-	-	-	-	412,783,123	412,783,123	
<b>Current financial assets</b>		1,129,124,105	1,129,124,105	-	-	-	-	220,841,822	220,841,822	-	220,841,822	-	1,349,965,927	1,349,965,927	
<b>Total financial assets</b>		1,258,893,491	1,258,893,491	-	-	-	6,832,112	274,791,561	281,623,555	6,831,994	274,791,679	-	1,540,517,164	1,540,517,164	

## 23. Financial instruments, continued

### 1. Classification of financial instruments by nature and category, continued

The book value of financial assets such as cash and cash equivalents and the current portion of accounts receivable from related entities approximates their fair values, due to the short-term nature of their maturities,

The book value of the current portion of trade and other accounts receivable approximates their fair values, due to the short-term nature of their maturities.

Instruments recorded under other current and non-current financial assets classified as financial assets at fair value through profit or loss and hedge derivatives are presented at their fair value in the Statement of Financial Position.

Financial instruments recorded under other non-current financial assets mainly, include the investment in Telefonica Brazil which is recorded at fair value (Note 6a).

Instruments recorded under other current financial assets classified as held to maturity, mainly include time deposits maturing in more than 90 days.

## 23. Financial instruments, continued

### 1. Classification of financial instruments by nature and category, continued

c) Details of financial instruments of liabilities classified by nature and category as of December 31, 2022 is as follows:

Description of financial liabilities	Note	Financial liabilities at amortized cost		Financial liabilities booked at fair value = booked value						Total financial liabilities		
		Financial liabilities at amortized cost	Fair value of liabilities at amortized cost	With changes in the income statement		Hedges	SUBTOTAL FINANCIAL LIABILITIES AT FAIR VALUE	Fair value measurement hierarchy			Total Book Value of Financial Liabilities	Total Fair Value of Financial Liabilities
				Financial liabilities - Held for trading	Financial liabilities - Fair value option to PL			Level 1 (market prices)	Level 2 (observable inputs other than market prices)	Level 3 (inputs not based on observable market data)		
ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
Issuance of obligations and other non-current marketable securities	20-b	496,573,445	421,496,496	-	-	-	-	-	-	-	496,573,445	421,496,496
Non-current debts with loan entities	20-a	177,462,868	177,462,868	-	-	-	-	-	-	-	177,462,868	177,462,868
Long-term hedge derivative instrument of liabilities	23-2	-	-	-	-	85,742,450	85,742,450	-	85,742,450	-	85,742,450	85,742,450
Trade and other accounts payable	22-a	28,814	28,814	-	-	-	-	-	-	-	28,814	28,814
Accounts payable to related entities	9-d	5,548,164	5,548,164	-	-	-	-	-	-	-	5,548,164	5,548,164
Other non-current financial debts	21	245,120,945	245,120,945	-	-	-	-	-	-	-	245,120,945	245,120,945
<b>Non-current financial liabilities</b>		<b>924,734,236</b>	<b>849,657,287</b>	-	-	<b>85,742,450</b>	<b>85,742,450</b>	-	<b>85,742,450</b>	-	<b>1,010,476,686</b>	<b>935,399,737</b>
Issuance of short-term obligations and other marketable securities	20-b	126,045,430	121,684,665	-	-	-	-	-	-	-	126,045,430	121,684,665
Short-term debts with credit entities	20-a	181,285,768	181,285,768	-	-	-	-	-	-	-	181,285,768	181,285,768
Short-term derivative instrument of liabilities	23-2	-	-	-	-	35,789,094	35,789,094	-	35,789,094	-	35,789,094	35,789,094
Trade and other accounts payable	22-a	511,851,747	511,851,747	-	-	-	-	-	-	-	511,851,747	511,851,747
Accounts payable to related entities	9-c	121,121,862	121,121,862	-	-	-	-	-	-	-	121,121,862	121,121,862
Other non-current financial debts (1)	21	101,859,832	101,859,832	-	-	-	-	-	-	-	101,859,832	101,859,832
<b>Current financial liabilities</b>		<b>1,042,164,639</b>	<b>1,037,803,874</b>	-	-	<b>35,789,094</b>	<b>35,789,094</b>	-	<b>35,789,094</b>	-	<b>1,077,953,733</b>	<b>1,073,592,968</b>
<b>Total financial liabilities</b>		<b>1,965,368,256</b>	<b>1,885,930,542</b>	-	-	<b>121,531,544</b>	<b>121,531,544</b>	-	<b>121,531,544</b>	-	<b>2,088,430,419</b>	<b>2,008,992,705</b>

(1) Includes sale of portfolio to Banco Santander (See Note 20 Other financial debts).

## 23. Financial instruments, continued

### 1. Classification of financial instruments by nature and category, continued

b) Details of financial instruments of liabilities classified by nature and category as of December 31, 2021 is as follows:

Description of financial liabilities	Note	Financial liabilities at amortized cost		Financial liabilities booked at fair value = booked value							Total financial liabilities	
		Financial liabilities at amortized cost	Fair value of liabilities at amortized cost	With changes in the income statement		Hedges	SUBTOTAL FINANCIAL LIABILITIES AT FAIR VALUE	Fair value measurement hierarchy			Total Book Value of Financial Liabilities	Total Fair Value of Financial Liabilities
				Financial liabilities - Held for trading	Financial liabilities - Fair value option to PL			Level 1 (market prices)	Level 2 (observable inputs other than market prices)	Level 3 (inputs not based on observable market data)		
ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
Issuance of obligations and other non-current marketable securities	20-b	691,104,877	670,149,934	-	-	-	-	-	-	-	691,104,877	670,149,934
Non-current debts with loan entities	20-a	352,932,060	352,932,061	-	-	-	-	-	-	-	352,932,060	352,932,061
Long-term hedge derivative instrument of liabilities	20-a	-	-	-	-	1,044,730	1,044,730	-	1,044,730	-	1,044,730	1,044,730
Trade and other accounts payable	22-a	280,037	280,037	-	-	-	-	-	-	-	280,037	280,037
Accounts payable to related entities	9-d	1,529,371	1,529,371	-	-	-	-	-	-	-	1,529,371	1,529,371
Other non-current financial debts	21	193,160,081	193,160,081	-	-	-	-	-	-	-	193,160,081	193,160,081
<b>Non-current financial liabilities</b>		<b>1,239,006,426</b>	<b>1,218,051,484</b>	-	-	<b>1,044,730</b>	<b>1,044,730</b>	-	<b>1,044,730</b>	-	<b>1,240,051,156</b>	<b>1,219,096,214</b>
Issuance of short-term obligations and other marketable securities	20-b	436,772,648	444,423,200	-	-	-	-	-	-	-	436,772,648	444,423,200
Short-term debts with credit entities	20-a	1,088,844	1,088,843	-	-	-	-	-	-	-	1,088,844	1,088,843
Short-term derivative instrument of liabilities	23-2	-	-	-	-	5,149,880	5,149,880	-	5,149,880	-	5,149,880	5,149,880
Trade and other accounts payable	22-a	494,081,118	494,081,118	-	-	-	-	-	-	-	494,081,118	494,081,118
Accounts payable to related entities	9-c	190,308,580	190,308,580	-	-	-	-	-	-	-	190,308,580	190,308,580
Other non-current financial debts (1)	21	41,841,185	41,841,185	-	-	-	-	-	-	-	41,841,185	41,841,185
<b>Current financial liabilities</b>		<b>1,164,092,375</b>	<b>1,171,742,926</b>	-	-	<b>5,149,880</b>	<b>5,149,880</b>	-	<b>5,149,880</b>	-	<b>1,169,242,255</b>	<b>1,176,892,806</b>
<b>Total financial liabilities</b>		<b>2,403,098,801</b>	<b>2,389,794,410</b>	-	-	<b>6,194,610</b>	<b>6,194,610</b>	-	<b>6,194,610</b>	-	<b>2,409,293,411</b>	<b>2,395,989,020</b>

(1) Includes sale of portfolio to Banco Santander (See Note 20 Other financial debts).

## 23. Financial instruments, continued

### 1. Classification of financial instruments by nature and category, continued

The book value of the current portion of accounts payable to related entities and trade accounts receivable approximates their fair values, due to the short-term nature of their due dates.

Instruments recorded under other current and non-current financial liabilities classified as financial liabilities at fair value through profit or loss and hedge derivatives are presented at their fair value in the statement of financial position.

Financial instruments recorded under other current and non-current financial liabilities which correspond to interest bearing loans, are generally recorded for the cash received, net of costs incurred in the transaction, these obligations are valued at amortized cost, using the effective interest rate method, and mainly include bank loans and unguaranteed obligations (bonds) (see note 20).



## 23. Financial instruments, continued

### 2. Hedging instruments

As of December 31, 2022, hedging instruments are detailed as follows:

Type of hedge	Underlying	To Maturity							
		Current Assets		Current Liabilities		Non-current Assets		Non-current Assets	
		Up to 90 days ThCh\$	90 days to 1 year ThCh\$	Up to 90 days ThCh\$	90 days to 1 year ThCh\$	1 to 3 years ThCh\$	3 to 5 years ThCh\$	1 to 3 years ThCh\$	3 to 5 years ThCh\$
Exchange rate hedge – cash flow (1)	Suppliers Debt	238,024	28,548	(16,746,856)	(6,832,632)	5,773,064	-	(1,112,142)	(247)
Exchange rate hedge – fair value (2)	Suppliers Debt and customers	-	50,402,487	(5,695,011)	-	-	-	-	(4,509,830)
Interest rate hedge – cash flow (3)	Financial Debt	11,145,211	-	(1,749,380)	(267,845)	-	-	-	(80,120,231)
Exchange rate and interest rate hedge – fair value (4)	Financial Debt	-	-	(4,497,370)	-	-	-	-	-
<b>Total</b>		<b>11,383,235</b>	<b>50,431,035</b>	<b>(28,688,617)</b>	<b>(7,100,477)</b>	<b>5,773,064</b>	<b>-</b>	<b>(1,112,142)</b>	<b>(84,630,308)</b>

As of December 31, 2022 hedging instruments have generated an effect on period result of ThCh\$20,147,370, and an accumulated effect on equity, net of taxes, of ThCh\$3,630,329 (see note 27d).

As of December 31, 2021, hedging instruments are detailed as follows:

Type of hedge	Underlying	To Maturity							
		Current Assets		Current Liabilities		Non-current Assets		Non-current Assets	
		Up to 90 days ThCh\$	90 days to 1 year ThCh\$	Up to 90 days ThCh\$	90 days to 1 year ThCh\$	1 to 3 years ThCh\$	3 to 5 years ThCh\$	1 to 3 years ThCh\$	3 to 5 years ThCh\$
Exchange rate hedge – cash flow (1)	Suppliers Debt	6,036,831	3,621,584	(1,109,468)	(133,523)	505,386	-	(341,271)	-
Exchange rate hedge – fair value (2)	Suppliers Debt	2,168,668	14,082,341	(72,350)	(3,337,438)	-	-	-	-
Interest rate hedge – cash flows (3)	Financial Debt	9,774,582	-	(288,514)	-	9,926,328	-	(703,458)	-
Exchange rate and interest rate hedge – fair value (4)	Financial Debt	394,511	184,763,305	(208,587)	-	43,518,022	-	-	-
<b>Total</b>		<b>18,374,592</b>	<b>202,467,230</b>	<b>(1,678,919)</b>	<b>(3,470,961)</b>	<b>53,949,739</b>	<b>-</b>	<b>(1,044,730)</b>	<b>-</b>

Hedge instruments have generated an effect on result of ThCh\$117,575,925, as of December 31, 2021 and the accumulated effect on equity, net of taxes, is ThCh\$35,021,989 (see note 27d).

#### Description of hedge instruments:

1. Exchange rate hedge – cash flow: This category includes derivative instruments used to hedge highly probable future cash flows of trade debt.
2. Exchange rate hedge – fair value: This category includes derivative instruments entered into in order to hedge existing commercial debt.
3. Interest rate hedge – cash flows: This category includes, derivative instruments entered into in order to hedge debt instrument interest rate risk, whose interest cash flows payable are denominated at a variable interest rate.
4. Exchange rate and interest rate hedge – fair value: This category includes derivative instruments entered into in order to hedge foreign currency risk on capital of debt instrument.



## 23. Financial instruments, continued

### 3. Valuation of hedging instruments

The Company has financial derivative valuation models that use local and international financial market interest rate curves, both to determine cash flows associated to each derivative and to discount those cash flows to present value. Once this valuation is obtained, it is compared to the valuation certificates provided to us by the banks. Should there be material differences, a review of the internal model is carried out and it is verified if the bank is making a correct valuation,

The main assumptions used in the valuation models of derivative instruments are as follows:

- a) Market assumptions, such as spot prices and other price projections, credit risk (own and counterparty) and rates, using observable market information and through techniques commonly used among its participants,
- b) Discount rates like risk free rates and counterparty rates based on risk profiles and information available in the market.
- c) In addition, variables such as: volatility, correlation, regression formulas and market spread, are incorporated to the model.

The methodologies and assumptions used to determine the fair value of financial derivative instruments apply consistently from one period to another. The Company considers that what has been previously described is used in a fair manner, since it is in line with those used by the market and result in a measurement of fair value that is appropriate for the purposes of measuring the financial statements and disclosures. It should be noted that these disclosures are complete and adequate.

### 4. Hierarchy of financial instruments fair value

Financial instruments recognized at fair value in the Statement of financial position are classified according to the following hierarchies (note 23,1):

Level 1: Corresponds to methodologies of fair value measurement using market rates (without adjustments) in an active market considering the same assets and liabilities valued.

Level 2: Corresponds to methodologies of fair value measurement using data on market rates, not included in Level 1, that are observable for assets and liabilities valued, whether directly (that is, as a price) or indirectly (that is, derived from a price);

Level 3: Corresponds to methodologies of fair value measurement using valuation techniques that include information on assets and liabilities valued, which are not based on observable market information.

## 24. Other currents provisions

a) The balance of currents provisions is detailed as follows:

Concepts	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
Civil	69,019	5,693,026
Labor	470,200	665,552
Administrative litigation	532,330	894,463
Local police courts	1,169,520	709,507
Others	561,727	50,726
<b>Total</b>	<b>2,802,796</b>	<b>8,013,274</b>

Based on the progress of the proceedings, the Company's Management considers that the provisions recorded in the financial statements adequately cover the litigation risks described in Note 34a, therefore they do not foresee that they will result in liabilities other than those recorded,

Due to the characteristics of the risks that covered by these provisions, it is impossible to determine a reasonable payment date schedule.

As of December 31, 2022 and 2021, the movements in provisions are as follows:

Movements	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Beginning balance</b>	<b>8,013,274</b>	<b>5,494,711</b>
Increase in existing provisions	3,353,700	8,070,007
Provision application	(8,564,178)	(5,551,444)
<b>Movements subtotal</b>	<b>(5,210,478)</b>	<b>2,518,563</b>
<b>Ending balance</b>	<b>2,802,796</b>	<b>8,013,274</b>

## b) Other non-currents provisions:

As of December 31, 2022 and 2021, the balance of other non-current provisions are detailed as follows:

Concepts	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
Dismantling provision (1)	18,078,266	17,662,669
<b>Total</b>	<b>18,078,266</b>	<b>17,662,669</b>

(1) Movements of the dismantling provision as of December 31, 2022 and 2021 are detailed as follows:

Movements	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Beginning balance</b>	<b>17,662,669</b>	<b>17,175,350</b>
Financial update	156,929	140,145
Upward	258,668	434,844
Reverse of dismantling provision	-	(87,670)
<b>Movement subtotal</b>	<b>415,597</b>	<b>487,319</b>
<b>Ending balance</b>	<b>18,078,266</b>	<b>17,662,669</b>

## 25. Employee benefits accrual

### a) Post-employment benefits

The employee benefits provision corresponds to liabilities for future severance pay for years of service that are estimated to be accrued for employees, both in the general and private payroll, through collective or individual employee contracts, and are recorded at actuarial value determined using the projected credit unit method. Actuarial profits and losses on severance pay derived from changes in estimates in the turnover rates, mortality, salary increases or discount rate, are recorded in accordance with International Accounting Standard 19 R (IAS 19R), under Other comprehensive income, affecting Equity directly. This procedure has been applied by the Company since the beginning of the convergence to International Standard.

As of December 31, 2022 and 2021 current and non-current employee benefits accrual are as follows:

Concepts	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
Current amount of liability recognized for termination benefits	5,216,457	3,764,665
Non-current amount of liability recognized for termination benefits	31,235,592	28,518,971
<b>Total</b>	<b>36,452,049</b>	<b>32,283,636</b>

The Company currently presents the benefits of employees who will reach the legal age to retire within the next twelve months.

As of December 31, 2022 and 2021 the movements for current employee benefits provisions are detailed as follows:

Movements	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Beginning balance</b>	<b>32,283,636</b>	<b>36,490,513</b>
Service costs	247,476	236,353
Interest costs (see note 31a)	1,912,430	1,332,998
Actuarial gains (losses) from experience	3,736,290	(3,591,920)
Benefits paid	(1,812,178)	(2,283,603)
Others	84,395	99,295
<b>Movement subtotal</b>	<b>4,168,413</b>	<b>(4,206,877)</b>
<b>Ending balance</b>	<b>36,452,049</b>	<b>32,283,636</b>

## 25. Employee benefits accrual, continued

### a) Post-employment benefits, continued

#### Actuarial hypotheses

The hypotheses used for the actuarial calculation of employee benefits obligations are reviewed once a year and correspond to the following detail, as of December 31, 2022 and 2021:

- **Discount rate:** An annual nominal rate of 5.163% and 5.924% is used as of December 31, 2022 and 2021, respectively, This rate must be representative of the time value of money, for which a risk-free rate, represented by BCP financial instruments (Central Bank of Chile Bonds issued in Chilean pesos), is used for a relevant term of around 20 years.
- **Incremental Salary Rate:** for calculation, an increase table is used according to the inflation projection established by the Central Bank of Chile. The rate used for the periods to December 31, 2022 and 2021 was 3%.
- **Mortality:** The RV-2014 mortality tables are used, established by the Financial Market Commission to calculate the reserves of pension life insurance in Chile.
- **Turnover rate:** Based on the historical Company data, the rotation used for both periods are as follows:

Benefit group	Turnover rate for resignation	Turnover rate for dismissal
Frozen Compensation	0.05%	1.39%
Post-frozen Compensation	3.82%	7.39%
Quota system	2.73%	2.73%
Decease	2.73%	2.73%

- **Years of service:** The Company assumes that the employees will remain until their legal retirement age, (women, up to 60 years old, and men, up to 65 years old).

The model for calculating employee termination benefits has been prepared by a qualified external actuary. The model uses variables and market estimates in accordance with the methodology established by IAS 19 to determine this provision.

### b) Sensitivity of assumptions

Based on the actuarial calculation as of December 31, 2022, the sensitivity of the main assumptions has been reviewed, determining the following possible effects on Equity:

Description	Base	Plus 1% ThCh\$	Less 1% ThCh\$
Discount rate	5.163%	(1,710,307)	1,880,541

## 25. Employee benefits accrual, continued

## c) Expected cash flows

In accordance with the employee benefits obligation, future cash flows for the following periods are detailed as follows:

Description	1st year ThCh\$
Future payment cash flows	8,408,227

## d) Employee benefits expenses

Expenses recognized in the Comprehensive income statement for this concept are composed of payroll for personnel hired by subsidiaries Telefónica Investigación y Desarrollo SpA and Telefónica Chile Servicios Corporativos Ltda. detailed as follows:

Concepts	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Wages and salaries	143,949,873	134,236,050
Post employment benefit obligations expense	247,476	236,353
<b>Total</b>	<b>144,197,349</b>	<b>134,472,403</b>

## 26. Other current and non-current non-financial liabilities

a) Other non-financial liabilities are detailed as follows:

Concepts	12.31.2022		12.31.2021	
	Current ThCh\$	Non-current ThCh\$	Current ThCh\$	Non-current ThCh\$
<b>Contractual liabilities</b>	<b>15,170,520</b>	<b>74,683,401</b>	<b>23,340,151</b>	<b>78,037,451</b>
Optical fiber business sale exclusivity (1)	6,760,646	72,203,382	8,969,110	76,237,436
Handsets sold and not activated	1,278,944	-	5,819,342	-
Services charged and not rendered	6,609,169	-	5,468,223	-
IRUS rights of use	521,761	2,480,019	450,277	1,800,015
Others contractual liabilities (2)	-	-	2,633,199	-
<b>Deferred income</b>	<b>3,586,819</b>	<b>1,174,287</b>	<b>3,394,756</b>	<b>680,883</b>
Corporate projects to be undertaken (3)	2,331,168	682,956	1,183,969	203,175
Sale of telecommunications infrastructure	466,209	231,099	362,188	317,569
Other Deferred income (4)	789,442	260,232	1,848,599	160,139
<b>Subsidies</b>	<b>359,756</b>	<b>1,620,888</b>	<b>359,756</b>	<b>1,973,734</b>
Extreme zones	118,942	126,889	118,942	238,738
Subsidy for Tierra del Fuego base stations	70,355	562,843	70,355	633,198
Puerto Natales and Cerro Castillo Fiber Optics Network	52,623	245,575	52,623	298,198
Connectivity for service networks and telecentre	90,380	70,292	90,380	160,672
Juan Fernandez Island Satellite links	27,456	615,289	27,456	642,928
<b>Taxes</b>	<b>19,423,959</b>	<b>-</b>	<b>21,269,742</b>	<b>-</b>
VAT (5)	17,716,029	-	19,832,184	-
Other taxes (6)	1,707,930	-	1,437,558	-
<b>Others non-financial liabilities</b>	<b>38,541,054</b>	<b>77,478,576</b>	<b>48,364,405</b>	<b>80,692,068</b>

(1) As of December 31, 2022 and 2021, corresponds to deferral due to exclusivity on the sale of the optic fiber business (see Note 19b (iv)). The amortized amount for this concept is ThCh\$12,833,481 and ThCh\$4,484,555 respectively, recognized in revenue, plus a finance cost of ThCh\$7,117,394 (see Note 29b)).

(2) Includes connection instalments, electronic prepay top-up and unaccrued interest on sales paid in instalments.

(3) Corresponds to billing of projects of companies that are recorded in revenue to the extent of their degree of progress.

(4) Corresponds mainly to commissions for collection management, generated on the sale of the portfolio to BID.

(5) Corresponds to the net effect between VAT debit and tax credit.

(6) Includes withholding tax and other taxes.

## 26. Other current and non-current non-financial liabilities, continued

Movements of contractual liabilities, deferred income and subsidies as of December 31, 2022 and 2021 are as follows:

Movements	12.31.2022					
	Contractual liabilities		Deferred Income		Subsidies	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Beginning balance	23,340,151	78,037,451	3,394,756	680,883	359,756	1,973,734
Endowments	201,046,765	1,178,209	2,658,519	1,246,430	-	-
Reduction/applications	(213,748,655)	-	(3,219,482)	-	(352,846)	-
Transfers	4,532,259	(4,532,259)	753,026	(753,026)	352,846	(352,846)
<b>Movement subtotal</b>	<b>(8,169,631)</b>	<b>(3,354,050)</b>	<b>192,063</b>	<b>493,404</b>	<b>-</b>	<b>(352,846)</b>
<b>Ending balance</b>	<b>15,170,520</b>	<b>74,683,401</b>	<b>3,586,819</b>	<b>1,174,287</b>	<b>359,756</b>	<b>1,620,888</b>

Movements	12.31.2021					
	Contractual liabilities		Deferred Income		Subsidies	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Beginning balance	18,599,190	2,250,291	4,357,500	1,069,070	359,756	2,333,490
Endowments	242,106,081	80,721,991	44,211	150,544	-	-
Write downs/applications	(242,299,951)	-	(1,545,686)	-	(359,756)	-
Transfers	4,934,831	(4,934,831)	538,731	(538,731)	359,756	(359,756)
<b>Movements, subtotal</b>	<b>4,740,960</b>	<b>75,787,160</b>	<b>(962,744)</b>	<b>(388,187)</b>	<b>-</b>	<b>(359,756)</b>
<b>Ending balance</b>	<b>23,340,151</b>	<b>78,037,451</b>	<b>3,394,756</b>	<b>680,883</b>	<b>359,756</b>	<b>1,973,734</b>

b) The detail of the expirations of the current non-financial liabilities as of December 31, 2022 and 2021 is as follows:

Expirations			Total Current to 12.31.2022 ThCh\$	Expirations			Total non-current to 12.31.2022 ThCh\$
until 90 days ThCh\$	91 days to 1 year ThCh\$	1 to 3 years ThCh\$		3 to 5 years ThCh\$	5 years and more ThCh\$		
34,155,141	4,385,913	38,541,054	17,648,002	19,416,775	40,413,799	77,478,576	

Expirations			Total Current to 12.31.2021 ThCh\$	Expirations			Total non-current to 12.31.2021 ThCh\$
until 90 days ThCh\$	91 days to 1 year ThCh\$	1 to 3 years ThCh\$		3 to 5 years ThCh\$	5 years and more ThCh\$		
44,138,919	4,225,486	48,364,405	20,298,678	18,609,031	41,784,359	80,692,068	

## 27. Equity

The Company manages its capital for the purpose of safeguarding its capacity to continue as a going concern for the purpose of generating returns to its shareholders, as well with the objective of maintaining a strong credit rating and favorable capital ratios in order to support its businesses and guarantee ongoing and expedite access to the financial markets, maximizing the shareholders' value. The Company manages its capital structure and adjusts it, in accordance with changes in existing economic conditions.

No changes were introduced in the objectives, policies or processes during the periods ended as of December 31, 2022 and 2021.

### a) Capital

As of December 31, 2022 and 2021, the Company's paid-in capital is composed as follows:

#### Number of shares

Series	12.31.2022			12.31.2021		
	No, of shares subscribed	No, of shares paid	No, of shares with voting rights	No, of shares subscribed	No, of shares paid	No, of shares with voting rights
Unique	960,392,966,349	960,392,966,349	960,392,966,349	960,392,966,349	960,392,966,349	960,392,966,349
<b>Total</b>	<b>960,392,966,349</b>	<b>960,392,966,349</b>	<b>960,392,966,349</b>	<b>960,392,966,349</b>	<b>960,392,966,349</b>	<b>960,392,966,349</b>

#### Capital

Series	12.31.2022		12.31.2021	
	Subscribed capital ThCh\$	Paid-in capital ThCh\$	Subscribed capital ThCh\$	Paid-in capital ThCh\$
Unique	1,364,872,285	1,364,872,285	1,364,872,285	1,364,872,285
<b>Total</b>	<b>1,364,872,285</b>	<b>1,364,872,285</b>	<b>1,364,872,285</b>	<b>1,364,872,285</b>

At the Extraordinary Shareholders' Meeting held on March 13, 2019, the shareholders approved a Capital increase from ThCh\$1,294,872,285, that was divided into 911,784,715,847 ordinary shares, to ThCh\$1,329,872,285, divided into 936,165,609,040 ordinary shares.

At the Extraordinary Shareholders' Meeting held on February 26, 2020, the shareholders approved a Capital increase from ThCh\$1,329,872,285, that was divided into 936,165,609,040 ordinary shares, to ThCh\$1,364,872,285, divided into 960,392,966,349 ordinary shares.

**27. Equity, continued**

Based on the above, as of December 31, 2022, the Company's shareholder structure is detailed as follows:

Company	Shares
Inversiones Telefónica International Holding S,A, Telefónica S,A,	950,392,963,373 10,000,002,976
<b>Total</b>	<b>960,392,966,349</b>

On March 31, 2020, according to contract of purchase sale of shares, Telefónica S.A. transferred all its shareholding of 10,000,002,976 shares of Telefónica Móviles Chile S.A. to Latin América Cellular Holdings S.L. at a selling price of € 26,159,899,63.

**b) Distribution of shareholders**

As established in Circular No, 792 issued by the Financial Market Commission (CMF) (ex-Superintendency of Securities and Insurance) of Chile, the distribution of shareholders, based on their participation in the Company as of December 31, 2022, is as follows:

Type of Shareholder	Participation %	Number of shareholders
Participation of 10% or more	98.9588	1
Less than 10% participation:	1.0412	1
Investment equal to or exceeding UF 200	-	-
Investment under UF 200	-	-
<b>Total</b>	<b>100.0000</b>	<b>2</b>
Parent Company	98.9588%	1

**c) Dividends:****i) Dividend policy:**

In accordance with Law No, 18,046, unless a different agreement is adopted unanimously at the Shareholders' Meeting, when the Company makes profits, at least 30% of them must be distributed as dividends.

In April 2022, the Ordinary Shareholders' Meeting decided not to distribute dividends with a charge to 2021 profit, therefore the interim dividend recorded as of December 31, 2021 in the amount of ThCh\$98,820,761, corresponding to 30% of 2021 profits, was reversed.

The Company has distributed the following dividends during the reported periods:

Date	Dividend	Distributed amount ThCh\$	Value per share ThCh\$	Charge to utilities	Payment date
12.28.2022	Interim	28,887,000	0.0301	exercises	28.12.2022



## 27. Equity, continued

## d) Other reserves:

The balances, nature and purpose of Other reserves are detailed as follows:

Concepts	Balance as of 12,31,2021 ThCh\$	Net movement ThCh\$	Balance as of 12,31,2022 ThCh\$
Capital revaluation reserve (i)	(233,685,327)	-	(233,685,327)
Business combination reserve (ii)	(121,588,522)	-	(121,588,522)
Other miscellaneous reserves (iii)	(95,176,556)	-	(95,176,556)
Employee benefits reserve (iv)	(7,517,089)	(2,801,253)	(10,318,342)
Foreign currency translation difference reserve (v)	(58,310)	-	(58,310)
Cash flow hedges reserve (vi)	35,021,989	(31,391,660)	3,630,329
Reserve for financial assets (vii)	1,146,101	(997,897)	148,204
<b>Total</b>	<b>(421,857,714)</b>	<b>(35,190,810)</b>	<b>(457,048,524)</b>

## i) Capital revaluation

In accordance with Law No, 18,046, second paragraph of Article 10 and in accordance with Official Circular No, 456 issued by the Financial Market Commission (ex-Superintendency of Securities and Insurance), the revaluation of the Company's Capital as of December 31, 2008, date of application of international financial reporting standards, must be presented in this item.

## ii) Other miscellaneous reserves

Contains the difference between the valuation of the investments that Telefónica Móviles S.A. has in the consolidated subsidiaries and the capital of each one of these as of December 31, 2016, This effect is in the amount of ThCh\$53,430,874.

In September 2017 and in reference to the withdrawal of 1,072,813 minority shareholders described in the treasury shares reserves, Telefónica Móviles Chile S.A. increased its interest in subsidiary Telefónica Chile S.A. from 97,92% to 99,0281653%, which generated an increase of ThCh\$1,083,569 in the aforementioned effect.

During 2014, the Company made a Capital increase paid by Inversiones Telefónica Internacional Holding S.A. with the contribution in dominion of a group of assets and liabilities. This transaction generated a difference between the book value of those assets and liabilities and the contribution value of ThCh\$61,567,621 that were recognized in this item, since it corresponds to a corporate reorganization.

In July 2010, the Company purchased, from the Dutch company Telefónica Chile Holding B.V., the investment in Telefónica Internacional S.A. This transaction generated a 20% withholding tax that was assessed by the Chilean Internal Revenue Service in 2013 and which had to be paid by the Company for being jointly responsible. This tax, in the amount of ThCh\$3,722,259, was recognized as "Other reserves".

In addition, it is composed of the accumulated revaluation reserve and of the adjustment for first-time adoption of International Financial Reporting Standards (IFRS) assumed by subsidiary Telefónica Móviles Soluciones y Aplicaciones S.A. in the amount of ThCh\$2,365,462 (company absorbed by Telefónica Móviles Chile S.A.) and other negative concepts for ThCh\$70,619.

In 2021 includes the effect of recognizing the interest in the equity of associate HoldCo InfraCo SpA., which incorporates the concept of reserve for surcharge on the sale of shares in its records in the amount of ThCh\$625,482.

**27. Equity, continued****d) Other reserves, continued****iii) Business combination reserve**

Corresponds to corporate reorganizations performed in previous periods.

**iv) Employee benefits reserve**

Corresponds to the effect arising from changes in the actuarial hypotheses for the employee benefits provision, originated in subsidiaries Telefónica Chile Servicios Corporativos Ltda, and Telefónica Investigación y Desarrollo Chile SpA.

**v) Foreign currency translation difference reserve**

Corresponds to the differences generated by the conversion of the Company's financial statements.

**vi) Cash Flow hedges reserves**

Transactions designated as cash flow hedges for expected transactions are probable, and if the Company can carry out the transaction, the Company has the positive intention and ability to consummate the expected transaction. Expected transactions designated in our cash flow hedges remain probable of occurrence on the same date and amount as originally designated, otherwise, the ineffectiveness will be measured and recorded when appropriate. In addition, this includes fair value effects associated to interest rate insurance.

**vii) Reserves for financial assets**

Corresponds to the effect of market valuation of the investment of Telefónica Chile S.A. subsidiary in Telefónica Brazil.

**e) Non-controlling interest**

As of December 31, 2022 and 2021 recognition of the portion of Equity belonging to third parties is detailed as follows:

Subsidiaries	Percentage Non-controlling interest		Non-controlling interest Shareholders' Equity	
	2022	2021	12.31.2022	12.31.2021
	%	%	ThCh\$	ThCh\$
Telefonica Chile S.A.	0.6611207	0.8594402	9,078,482	8,443,820
<b>Total</b>			<b>9,078,482</b>	<b>8,443,820</b>

As of December 31, 2022 and 2021 recognition of the portion of Results belonging to third parties is detailed as follows:

Subsidiaries	Percentage Non-controlling interest		Non-controlling interest in result Profit (Loss)	
	2022	2021	12.31.2022	12.31.2021
	%	%	ThCh\$	ThCh\$
Telefonica Chile S.A.	0.6611207	0.8594402	357,989	2,700,570
<b>Total</b>			<b>357,989</b>	<b>2,700,570</b>

## 28. Earnings per Share

The detail of Earnings per share is as follows:

Basic earnings per share	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Earnings attributable to parent owners	62,506,242	332,859,272
<b>Resultado disponible para accionistas</b>	<b>62,506,242</b>	<b>332,859,272</b>
Weighted average number of shares	960,392,966,349	960,392,966,349
<b>Basic earnings per share in Ch\$</b>	<b>0.065</b>	<b>0.347</b>

Earnings per share have been calculated dividing income the Result for the period attributable to the Parent company, by the weighted average number of common shares outstanding during the period. The Company has not issued convertible debt or other equity securities. Consequently, there are no potentially diluting effects on earnings per share of the Company.

## 29. Incomes

a) The detail of incomes from ordinary operations, as of December 31, 2022 and 2021, is as follows:

Ordinary incomes	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Mobile Telecommunications	883,465,974	893,155,130
Fixed Telecommunications	443,373,952	376,972,622
Data services and technology solutions companies	188,996,845	179,464,446
Television services and equipment	149,028,217	136,264,087
Personal services (1)	10,255,875	-
<b>Total</b>	<b>1,675,120,863</b>	<b>1,585,856,285</b>

(1) Corresponds to the services provided to Telefónica Hispanoamérica S.L.

b) The detail of Other operating incomes, as of December 31, 2022 and 2021, is as follows:

Other incomes	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Profits from sale of fixed assets and other (1)	38,766,983	378,332,453
Surcharges due to default	5,901,535	3,218,388
Incomes from indemnities, complaints and others	1,441,817	1,375,025
Subsidies	364,594	359,756
Other current management income (2)	22,274,797	4,751,615
<b>Total</b>	<b>68,749,726</b>	<b>388,037,237</b>

(1) In 2022 includes the sale of the Data Center business for ThCh\$26,962,212, sale of telecommunications infrastructure on rooftops for ThCh\$9,629,459 and sale of the Manuel Montt building for ThCh\$2,214,511. In February 2021, the Cloud business was sold to related company Telefónica Cybersecurity & Cloud Tech Chile SpA for ThCh\$4,831,874. In April 2021, the IOT business was sold to related company Telefónica IoT & Big Data Tech Chile, SpA for ThCh\$3,095,943, spectrum was sold to Claro Chile S.A. for ThCh\$5,370,627, the Maimonides property was sold for ThCh\$5,897,492 and on July 1, 2021 the optic fiber business was sold to KKR Alameda Aggregator L.P. for ThCh\$358,254,176.

(2) Includes deferral for exclusivity in the sale of the optic fiber business in the amount of ThCh\$12,833,481 and ThCh\$4,484,555 for 2022 and 2021, respectively (see Note 26a (3)).

### 30. Expenses

#### a) Impairment loss, net:

Provision for impairment	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
Trade accounts receivable (see note 8c)	59,173,788	48,980,803
Inventories (see note 10)	(483,214)	(158,106)
<b>Total</b>	<b>58,690,574</b>	<b>48,822,697</b>

#### b) The detail of Other expenses, by nature, as of December 31, 2022 and 2021, is as follows:

Other expenses	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
Sale cost of inventory and commissions (1)	460,127,574	428,919,603
Media rental and other exterior services (2)	442,464,137	393,815,116
Fiber optic network connectivity (3)	110,929,355	45,156,729
Customer service	44,212,939	44,520,974
Interconnections and roaming (4)	35,313,254	30,773,216
Advertising	21,927,470	20,324,535
Expenses for compensation, lawsuits (5)	2,356,059	4,273,428
Others (6)	24,876,774	32,172,504
<b>Total</b>	<b>1,142,207,562</b>	<b>999,956,105</b>

- (1) The variance corresponds mainly to an increase in the amortized amount of fixed broadband and television equipment compliance costs in the amount of ThCh\$18,207,636, an increase in cost of sales associated to private services equipment in the amount of ThCh\$5,185,209 due to greater commercial activity, an increase in cost of sales of the deployment turnkey project sold to InfraCo SpA in the amount of ThCh\$7,940,604, an increase in amortized cost of commissions in relation to the previous year in the amount of ThCh\$3,900,964 and a decrease in the cost of sales of handsets in the amount of ThCh\$4,026,443.
- (2) This account includes media rental, external services, plant maintenance, information services, energy supply, TV content and property expenses. The variance is mainly explained by higher TV content expenses in the amount of ThCh\$5,464,731 associated to an increase in the commercial activity of the IPTV business, greater amount of amortized BAF and TV labor compliance costs in the amount of ThCh\$8,486,135, higher cost of equipment and data storage in the amount of ThCh\$3,951,618, higher mobile SVAS services in the amount of ThCh\$3,069,003, higher digital services expense in the amount of ThCh\$1,406,148, an increase in the brand and management fee expense in the amount of ThCh\$8,981,208 associated mainly to the Telefónica Empresas S.A. business, an increase in plant maintenance expenses in the amount of ThCh\$14,018,534 due to more maintenance work and theft of cable, an increase in expenses associated to property in the amount of ThCh\$4,816,864, information software services in the amount of ThCh\$1,100,643 and carrying capacity in the amount of ThCh\$2,314,860 and other cost of sales in the amount of ThCh\$1,101,015, offset by storage services in the amount of ThCh\$3,117,726, antenna support rental in the amount of ThCh\$752,496 and lower energy consumption in the amount of ThCh\$1,451,001.
- (3) The increase mainly corresponds to connectivity service on optic fiber networks provided by OnNet SPA as of July 1, 2021, in the amount of ThCh\$65,772,626.
- (4) Higher cost of roaming out and domestic roaming in the amount of ThCh\$5,183,807 associated to the commercial activity of this business.
- (5) The variance is mainly explained by lower fines and indemnity expenses in the amount of ThCh\$1,917,369.
- (6) This account includes transportation, insurance, consulting, events, security and surveillance, taxes and employee expenses, among other things.

### 31. Financial incomes and expenses

a) The detail of net financial incomes and expenses, as of December 31, 2022 and 2021, is as follows:

Financial expenses, net	12.31.2022 ThCh\$	12.31.2021 ThCh\$
<b>Financial incomes</b>		
Interest earned on deposits and others	38,227,453	5,812,978
Incomes on compliance with indicators (See note 6a)	15,444,008	-
Interest earned on subordinate promissory	12,612,740	4,397,607
Interest earned on projects	1,050,489	819,719
Interest earned on earn out (See note 6a)	240,194	103,004
Others financial incomes (1)	691,922	629,544
<b>Total financial incomes</b>	<b>68,266,806</b>	<b>11,762,852</b>
<b>Financial expenses</b>		
Interest on obligations (bonds) (2)	86,486,713	22,472,286
Interest on loans from bank institutions (2)	9,508,531	9,489,575
Financial expenses Portfolio sale / Factoring	14,875,698	8,369,271
Leasing costs	9,254,787	6,244,860
Financial expenses exclusivity (see note 26a)	6,590,964	-
Interest on update of employee termination benefits	1,912,430	1,332,990
Cost of remittances abroad	1,054,806	803,939
Interest on projects	960,361	995,246
Other financial expenses	1,013,774	960,625
<b>Total financial expenses</b>	<b>131,658,064</b>	<b>50,668,792</b>
<b>Total financial incomes and expenses, net</b>	<b>(63,391,258)</b>	<b>(38,905,940)</b>

(1) Includes dividends accrued from Telefonica Brasil for ThCh\$456,979 and ThCh\$421.303 as of December 2022 and 2021, respectively.

(2) This item is presented net of interest rate hedge and forward points for ThCh\$41,558,727.

b) The detail of the differences and units of currency exchange readjustments as of December 31, 2022 and 2021 is as follows:

Differences exchange	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Cash and cash equivalents	501,391	856,100
Current accounts receivable from related entities	2,600,783	5,142,304
Current trade and other accounts receivable	(449,408)	(187,233)
Trade and other accounts payable	(4,566,777)	(6,455,761)
Current accounts payable to related entities	(201,734)	(4,515,834)
Financial debt	(51,950,443)	(106,352,265)
Hedge instruments	51,861,387	106,751,178
<b>Total</b>	<b>(2,204,801)</b>	<b>(4,761,511)</b>

Units readjustments	12.31.2022 ThCh\$	12.31.2021 ThCh\$
Trade and other payables	184,538	695,326
Current trade and other accounts receivable	569,880	(74,541)
Current accounts receivable from related entities	95,427	7,578
Current accounts payable to related entities	(77,970)	7,892
Current tax assets	2,024,177	260,393
Financial debt	(12,319,829)	(5,737,428)
Hedge instruments	11,092,560	5,764,230
<b>Total</b>	<b>1,568,783</b>	<b>923,450</b>

### 32. Leases

The main low value, short-term (less than 12 months) and variable payments lease contracts, that were not considered under IFRS 16, are directly associated with the business line, such as leases for commercial offices and spaces for technical telecommunications facilities. These items are presented in the Income Statement as “Other expenses by nature”.

The Company has operating lease contracts that contain various clauses referred to dates and terms of renewal and readjustments. Should a decision be made for early termination of a contract, the payments stipulated in those clauses must be made.

As of December 31, 2022, lease expenses amount to ThCh\$679,425.

Future lease obligations, as of December 31, 2022 and 2021 are detailed as follows:

Concept	12.31.2022			Total ThCh\$
	Up to 1 year ThCh\$	From 1 to 5 years ThCh\$	More than 5 years ThCh\$	
Minimum operating lease payments payable	797,462	276,200	32,113	1,150,775

Concept	12.31.2021			Total ThCh\$
	Up to 1 year ThCh\$	From 1 to 5 years ThCh\$	More than 5 years ThCh\$	
Minimum operating lease payments payable	2,867,959	8,542,302	9,982,624	21,392,886

### 33. Local and Foreign Currency

Currency breakdown of current assets and non-currents assets is as follows:

Currents assets	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Cash and cash equivalents</b>	<b>466.972.364</b>	<b>412.783.123</b>
Chilean Pesos	463.035.790	409.566.269
Euros	2.473.197	152.420
US Dollars	1.410.926	3.006.635
Other currencies	52.451	57.799
<b>Other current financial assets</b>	<b>89.268.915</b>	<b>654.692.865</b>
Chilean Pesos	33.101.803	435.042.437
U.F.	32.309.908	-
US Dollars	18.359.151	219.360.126
Other currencies	5.498.053	-
Euros	-	290.302
<b>Current trade and other accounts receivable</b>	<b>225.384.045</b>	<b>243.735.280</b>
Chilean Pesos	224.762.689	243.261.377
U.F.	549.231	429.913
Euros	72.125	43.990
<b>Current receivables from related companies</b>	<b>44.894.759</b>	<b>38.754.659</b>
Chilean Pesos	31.538.099	37.103.209
Euros	10.037.501	-
US Dollars	2.247.938	199.730
U.F.	813.388	717.961
Other currencies	257.833	733.759
<b>Other current assets (1)</b>	<b>276.955.588</b>	<b>219.732.250</b>
Chilean Pesos	276.955.588	219.732.250
<b>Total current assets</b>	<b>1.103.475.671</b>	<b>1.569.698.177</b>
<b>Chilean Pesos</b>	<b>1.029.393.969</b>	<b>1.344.705.542</b>
<b>U.F.</b>	<b>33.672.527</b>	<b>1.147.874</b>
<b>US Dollars</b>	<b>22.018.015</b>	<b>222.566.491</b>
<b>Euros</b>	<b>12.582.823</b>	<b>486.712</b>
<b>Other currencies</b>	<b>5.808.337</b>	<b>791.558</b>

- (1) Includes: Other current non-financial assets, current tax assets, current inventory and non-current assets or groups of assets for disposal classified as held for sale or as held for distribution to the owners.

Non-currents assets	12.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Other non-current financial assets</b>	<b>11,600,641</b>	<b>82,183,532</b>
Chilean Pesos	5,827,577	38,160,121
US Dollars	5,773,064	20,267,380
U.F.	-	23,756,031
<b>Right of use</b>	<b>304,785,725</b>	<b>209,297,210</b>
Chilean Pesos	304,177,655	209,065,446
U.F.	608,070	231,764
<b>Other non-current assets (2)</b>	<b>2,299,287,495</b>	<b>2,172,107,357</b>
Chilean Pesos	2,299,287,495	2,172,107,357
<b>Total non-current assets</b>	<b>2,615,673,861</b>	<b>2,463,588,099</b>
<b>Chilean Pesos</b>	<b>2,609,292,727</b>	<b>2,419,332,924</b>
<b>US Dollars</b>	<b>5,773,064</b>	<b>20,267,380</b>
<b>U.F.</b>	<b>608,070</b>	<b>23,987,795</b>

- (2) Includes: Non-current trade and other accounts receivable, non-current receivables from related companies, other non-currents non-financial assets, intangible assets other than goodwill, goodwill, property, plant and equipment, deferred tax assets and Investment properties.

## 33. Local and Foreign Currency, continued

Currency breakdown of current liabilities is as follows:

Currents liabilities	Up to 90 days		From 91 days to 1 year	
	12.31.2022	12.31.2021	12.31.2022	12.31.2021
	ThCh\$		ThCh\$	
<b>Other current financial liabilities</b>	<b>43,998,635</b>	<b>4,436,398</b>	<b>302,454,638</b>	<b>438,574,974</b>
Chilean Pesos	22,262,689	2,939,852	10,191,084	3,610,134
US Dollars	19,215,435	1,496,546	188,589,847	434,322,375
Euros	2,520,511	-	-	29,923
U.F.	-	-	103,673,707	612,542
<b>Finance leases</b>	<b>38,140,123</b>	<b>22,275,189</b>	<b>60,386,728</b>	<b>19,565,996</b>
U.F.	27,871,203	13,440,948	30,859,267	10,793,494
Chilean Pesos	10,106,092	8,726,932	29,045,849	8,665,789
US Dollars	162,828	107,309	481,612	106,713
<b>Trade and other payables</b>	<b>511,913,858</b>	<b>493,947,029</b>	-	-
Chilean Pesos	461,326,952	404,307,673	-	-
US Dollars	32,386,889	57,937,791	-	-
U.F.	10,621,533	9,309,364	-	-
Euros	7,558,420	22,373,408	-	-
Other currencies	20,064	18,793	-	-
<b>Current payables to related companies</b>	<b>121,121,862</b>	<b>190,308,580</b>	-	-
Chilean Pesos	81,385,365	152,909,738	-	-
US Dollars	30,917,198	32,105,880	-	-
Euros	8,187,401	4,294,789	-	-
U.F.	631,898	998,173	-	-
<b>Other current liabilities (1)</b>	<b>42,930,622</b>	<b>152,863,385</b>	<b>4,385,913</b>	<b>4,225,486</b>
Chilean Pesos	42,930,622	152,863,385	4,385,913	4,225,486
<b>Total current liabilities</b>	<b>758,105,100</b>	<b>863,964,670</b>	<b>367,227,279</b>	<b>462,366,456</b>
<b>Chilean Pesos</b>	<b>618,011,720</b>	<b>721,881,669</b>	<b>43,622,846</b>	<b>16,501,409</b>
<b>US Dollars</b>	<b>82,682,350</b>	<b>91,647,526</b>	<b>189,071,459</b>	<b>434,429,088</b>
<b>U.F.</b>	<b>39,124,634</b>	<b>23,748,485</b>	<b>134,532,974</b>	<b>11,406,036</b>
<b>Euros</b>	<b>18,266,332</b>	<b>26,668,197</b>	-	<b>29,923</b>
<b>Other currencies</b>	<b>20,064</b>	<b>18,793</b>	-	-

(1) Includes: Other current provisions, current income tax liabilities, current provisions employee benefits and other current non-financial liabilities.



### 33. Local and Foreign Currency, continued

Currency breakdown of non-current liabilities is as follows:

Non-current liabilities	1 to 3 years		3 to 5 years		5 years and over	
	12.31.2022	12.31.2021	12.31.2022	12.31.2021	12.31.2022	12.31.2021
	ThCh\$		ThCh\$		ThCh\$	
<b>Other non-current financial liabilities</b>	<b>248,754,287</b>	<b>338,664,041</b>	<b>90,440,543</b>	<b>258,244,800</b>	<b>420,583,933</b>	<b>448,172,826</b>
Chilean Pesos	247,642,145	69,457,630	90,440,543	258,244,800	80,120,231	30,182,543
US Dollars	1,112,142	176,202,168	-	-	340,463,702	417,990,283
U.F.	-	93,004,243	-	-	-	-
<b>Finance leases</b>	<b>163,137,476</b>	<b>140,440,778</b>	<b>49,998,913</b>	<b>36,572,713</b>	<b>31,984,556</b>	<b>16,146,590</b>
U.F.	110,296,705	77,204,961	32,805,914	17,005,845	22,610,223	9,222,286
Chilean Pesos	51,920,334	63,235,817	16,919,731	19,566,868	9,361,814	6,924,304
US Dollars	920,437	-	273,268	-	12,519	-
<b>Other non-current liabilities (1)</b>	<b>130,748,847</b>	<b>114,322,745</b>	<b>28,331,429</b>	<b>19,236,552</b>	<b>88,926,274</b>	<b>92,127,067</b>
Chilean Pesos	130,748,847	114,322,745	28,331,429	19,236,552	88,926,274	92,127,067
<b>Total Non-current liabilities</b>	<b>542,640,610</b>	<b>593,427,564</b>	<b>168,770,885</b>	<b>314,054,065</b>	<b>541,494,763</b>	<b>556,446,483</b>
Chilean Pesos	430,311,326	247,016,192	135,691,703	297,048,220	178,408,319	129,233,914
U.F.	110,296,705	170,209,204	32,805,914	17,005,845	22,610,223	9,222,286
US Dollars	2,032,579	176,202,168	273,268	-	340,476,221	417,990,283

(1) Includes: Other non-current provisions, Non-current liabilities, non-current income tax liabilities and other current non-financial liabilities and non-current payables to related companies.

### 34. Contingencies and restrictions

#### a) Legal proceedings

In the normal development of its line of business, the company and its subsidiaries are part of certain proceedings, involving civil, labor, special and penal matters, for different concepts and amounts. In general, Management and its legal counsel, both internal and external, periodically monitor the evolution of those lawsuits and contingencies affecting the company in the normal course of its operations, analyzing in each case the possible effect on the financial statements. Taking into consideration the legal and factual arguments exposed in those proceedings, especially those in which the Company is the defendant party, and historical results obtained by the company in proceedings with similar characteristics in the opinion of the legal advisors, the risk that it will be condemned to pay the amounts claimed in the mentioned lawsuits is remote.

Notwithstanding, there are certain processes in which, due to the aforementioned considerations, it has been considered that there is a probable risk of loss. This has led to the provisions at a parent company level, for the amount of the estimated loss as of December 31, 2022, which altogether amounts to ThCh\$2,802,795, of which ThCh\$1,735,686 correspond to subsidiaries.

In respect to these figures, it is estimated that Telefónica Móviles Chile S.A. will have to pay the amount of ThCh\$591,191 on its part, during the first quarter of 2023 and the rest during the third quarter of 2023.

On the other hand, there are several proceedings for which the estimated risk of loss is qualified as possible, for a total amount of ThCh\$5,014,289 in the Parent company and the amount of ThCh\$2,846,664 in the subsidiaries.

## 34. Contingencies and restrictions, continued

## b) Financial restrictions:

As of December 31, 2022, the Company has no financial restrictions.

## c) Guarantee deposits:

The detail of guaranteed deposits is as follows:

Guarantee creditor	Debtor			Current guaranteed deposits ThCh\$	Liberated guarantees		
	Name	Relationship	Type of guarantee		2023	2024	2025 and more
					ThCh\$	ThCh\$	ThCh\$
<b>Public and Private Organisms</b>				<b>1,169,064</b>	<b>1,129,099</b>	<b>31,456</b>	<b>8,509</b>
Public Organisms - Others	TCH	Subsidiary	Deposit	379,261	374,485	4,776	-
Public Organisms - Undersecretaries and Ministries	TCH	Subsidiary	Deposit	360,295	345,956	7,180	7,159
Public Organisms - Municipalities	TCH	Subsidiary	Deposit	284,008	282,658	-	1,350
Private Organisms - Others	TCH	Subsidiary	Deposit	145,500	126,000	19,500	-
<b>Public and Private Organisms</b>				<b>42,352,159</b>	<b>20,237,906</b>	<b>18,276,964</b>	<b>3,837,289</b>
Public Organisms - Undersecretaries and Ministries	TEM	Subsidiary	Deposit	23,558,742	7,573,431	15,907,083	78,228
Public Organisms - Others	TEM	Subsidiary	Deposit	10,805,552	8,100,717	1,520,123	1,184,712
Private Organisms - Others	TEM	Subsidiary	Deposit	5,538,546	3,390,051	460,894	1,687,601
Public Organisms - Municipalities	TEM	Subsidiary	Deposit	1,242,055	365,860	279,369	596,826
Banks	TEM	Subsidiary	Deposit	945,609	760,719	98,242	86,648
Universities	TEM	Subsidiary	Deposit	261,655	47,128	11,253	203,274
<b>Public and Private Organisms</b>				<b>19,852,306</b>	<b>2,391,540</b>	<b>16,513,399</b>	<b>947,367</b>
Public Organisms - Undersecretaries and Ministries	TMCH	Parent	Deposit	16,586,788	870,429	15,684,859	31,500
Private Organisms - Others	TMCH	Parent	Deposit	2,227,537	1,169,178	388,646	669,713
Public Organisms - Others	TMCH	Parent	Deposit	503,227	115,361	292,085	95,781
Public Organisms - Municipalities	TMCH	Parent	Deposit	436,291	227,587	86,731	121,973
Banks	TMCH	Parent	Deposit	85,608	-	57,208	28,400
Universities	TMCH	Parent	Deposit	12,855	8,985	3,870	-
<b>Total</b>				<b>63,373,529</b>	<b>23,758,545</b>	<b>34,821,819</b>	<b>4,793,165</b>

TMCH: Telefónica Móviles Chile S.A.

TCH: Telefónica Chile S.A.

TEM: Telefónica Empresas Chile S.A.

### 35. Environment

Law No. 20,599 was published in 2012 regulating the installation of emitting and transmitting antennas of telecommunication services. The provisions adopted include: i) restrictions and new regulations for the installation of new sites based on the height of the tower, its location and its closeness to sensitive entities and to other previously installed towers; new and stricter approval conditions are imposed for these new sites; ii) there is retroactive regulation of the height of towers installed before the law was enacted, which are close to the sensitive places determined by the Telecommunications Undersecretary (schools, hospitals, playschools, preschool, old age homes and others); and iii) also in a retroactive manner, there is regulation of tower concentration in denominated "Saturated Zones", for which solutions are based on reducing the number of structures or, failing that, compensations related to tasks for improving the community, which must be agreed by the Neighborhood Groups and the Municipal Council, and that correspond to a 20% of the total cost of the tower in case that some type of camouflage be used in the structure and to 50% in case that no camouflage is used.

In compliance with this law, there are site dismantling activities or reduction of the height of existing structures, which implies responsible handling of the waste produced. For this purpose, we have a current contract with companies responsible for recycling and have the certificates of recycling and final disposal of the residues. The Company bases itself on what is required in the environmental assessment in reference to emission levels of electromagnetic waves and also in the urbanistic and environmental area. In this context, certain information requirements have been presented by the competent authorities (Municipalities, Superintendency of the Environment, among others), to measure noise and take mitigating measures if necessary.

The 2020-2024 environmental investment plan was activated nationwide, for comprehensive management of dangerous residues generated from production processes involving the implementation and operation of Telefónica's technical sites. This plan addresses from the generation of residues to their segregation, transitory storage, transportation and final disposal, with adequate infrastructure and with the corresponding environmental authorizations. Additionally, the regularization of fuel tanks at critical operating sites began in 2021.

The regime established by Law No. 20,920 framework for Waste Management, the Extended Responsibility of the Producer and Encouragement of Recycling, pays special attention to the wording of the Regulations that are in process of being dictated and which will implement its content, especially the regime of extended producer responsibility (which is applicable only to a group of priority products), as well as the control procedures for cross-border movements of dangerous and non-dangerous waste. In March 2021, the new regulation on containers and packaging came into effect, establishing 12 recollection and waste valuation goals as of 2023. In addition, the basis for the beginning of a work plan for electrical and electronic waste, which will allow us to work in advance on the new regulation. We are already working on the qualitative and quantitative impacts that this new regulation may have on the operations of Telefónica Chile and, in particular, on its waste management, which has been taken into account in various processes related to suppliers and incorporated in new corporate purchasing processes.

### 35. Environment, continued

In the context of Supreme Decree 1/2013 issued by the Ministry of the Environment, that approves the Regulation of Pollutant Emissions and Transfers, PRTR, and Res. Ex.144/2020 issued by the Ministry of the Environment, that approves the basic standard for the implementation of amendment to the regulation for the pollutant release and transfer registry, PRTR; Telefónica Chile has complied with its environmental declaration obligations for fiscal year 2022, which culminates with the Annual Sworn Declaration which is in the declaration process.

The Company currently is ISO 14001:2015 certified until 2024, in conformity with the implementation of the Environmental Management System at Telefónica Chile, which is followed-up annually, in accordance with the system's commitment for continuous improvement. This is a full-scope certification, which provides us with coverage from the design, deployment and maintenance of the mobile network, plus commercialization of telecommunications services to our end customers, we continue progressing in the deployment plan for the environmental management system nationwide, complemented with the environmental mitigation plan which allows Telefónica to evaluate and address environmental risks in all its technical facilities.

With certification of the Energy Management System under the ISO 50001:2018 standard in two of the most relevant technical buildings of the Network, we will continue to work on expanding this scope in 2023. This energy management system ("SGE" its acronym in Spanish) certifies that we work with a policy of continuous improvement in safety and energy performance in all our production processes. Specifically, this standard will certify that we adequately manage all energy aspects derived from the Company's activities, i.e., from delivery of our services to the operation of our infrastructure. In addition, it challenges us to activate a plan with measures to minimize energy consumption at our facilities. With this Energy Efficiency Plan, in 2022 we became a 100% renewable energy Company.

After launching the Movistar Environmental Plan in July of this year, one of the activities carried out at the end of August was the Corporate Building recycling and circular economy project, under the 3Rs rule: "Reduce, Reuse and Recycle". Communicating to our collaborators, with the support of Foundation volunteers, the correct way to recycle in the Company's internal containers. Through a workshop in which different areas of the company participate, we have continued with this great work to be able to comply with both the internal and external environmental objectives. We continue to make progress in terms of communicational issues, sending our customers a powerful message that "Choosing digitalization to take care of the planet, is advantageous" through the "Movistar Circle" (<https://ww2.movistar.cl/circulomovistar/>).

## 36. Risk management

### a) Characterization of the market and competition

The Company faces strong competition in all its business areas and believes that this high level of competitiveness will be maintained. In order to confront this situation, the Company permanently adapts its business strategies and products, seeking to satisfy the demand of its current and potential customers, innovating and developing excellence in its customer service.

### b) Tariff system for mobile telephones:

According to General Telecommunications Law No. 18.168, mobile service tariffs are free and established by the market. Interconnection tariffs between operators are established by the Ministry of Economy and the Ministry of Transportation and Telecommunications.

In the case of mobile telephone service, the current Decree applies from January 26, 2019, for a 5-year term. In the case of fixed telephone service, the current Decree applies from May 9, 2019, for a 5-year term.

### c) Radio electric spectrum assignation:

The Company owns telecommunications concessions that allow it to operate in the 850 MHz, 1.900 MHz, 2.600 and 700 MHz and 3500 MHz band frequencies granted by the Ministry of Transportation and Telecommunications.

#### 5G Public tenders

On September 27, 2021, Subtel notified Telefónica Móviles Chile S.A. of the license granted by the concession, for a 30-year term as of its publication in the Official Gazette, which occurred on October 2, 2021. That date is the beginning of the maximum deadline of 12 months by which all the base stations committed in Phase 1 of the technical project must be deployed and operating. While Phase 2 has a term of 24 months from the same date.

On December 16, 2021, the Government, together with different operators in the industry carried out the official public ceremony to kick-off deployment of the new 5G technology in Chile.

After this joint communicational milestone was achieved, operators were able to begin the commercial launching of the new 5G technology, as soon as Subtel grants the respective project reception approvals for the base stations of each operator.

On September 30, 2022, Telefónica Móviles Chile S.A. complied with delivery of all the documentation and the technical deployment of all the 5G sites corresponding to the first phase of the project, leaving all the information in the hands of the authority in order to culminate with the normal process of reception of the project.

### 36. Risk management, continued

#### c) Radio electric spectrum assignation, continued

Stages 2 and 3 of the 5G Project have a maximum deployment deadline of October 2, 2023 and October 2, 2024, respectively.

Subtel consultation to the TDLC on 3.5GHz band spectrum

On November 24, 2022, Subtel filed a petition for clarification with TDLC on Resolution No. 62/2020 issued by that Tribunal, in order for them to clarify whether the current concessionaries of fixed wireless telephone services in the 3.4 – 3.6 GHz band may incorporate mobile service to their concessions using an administrative concession modification mechanism, that is, without a tender.

On December 7, 2022, the TDLC rejected the petition for clarification. On December 14, 2022, Subtel filed an appeal against this resolution which was partially accepted through resolutions issued on January 6, 2023. However, this does not change in any way what we have argued, i.e., that in order for SUBTEL to be able to modify the current fixed-wireless service concessions (to mobile) a prior Public Tender is required. The regulator cannot modify the type of service in an administrative manner, since if that were the case, it would be a violation of the telecommunications regulations and free competition.

#### d) New Law: Internet access minimum guaranteed speed

Law No. 21.046 was published in the Official Gazette on November 25, 2017.

This Law No. 21.046 also establishes the dictation of a Regulation that regulates the implementation of those obligations.

On July 27, 2020, the Official Gazette published the regulation that “ESTABLISHES THE ORGANIZATION, OPERATION AND PUBLIC TENDER MECHANISM OF THE INDEPENDENT TECHNICAL ORGANIZATION” which is the entity in charge of implementing and managing an Internet speed measurement system in the country, by virtue of Law No. 21,046 dated in 2017.

Additionally, on Monday, August 3, 2020, Subtel published Exempt Resolution No. 1251 in the Official Gazette, which “SETS THE TECHNICAL STANDARD OF LAW No. 21.046, WHICH ESTABLISHES THE OBLIGATION OF A GUARANTEED MINIMUM SPEED OF INTERNET ACCESS”, by means of which establishes the characteristics of the Internet speed measurement systems and other parameters. The foregoing is notwithstanding the amendments that will subsequently be made to Resolution No. 3729 of 2011 in reference to network neutrality measurements.

A new tender was called for the Independent Technical Organization, which concluded in October 2022 when the Representative Committee awarded the 5-year tender to Medux, a Spanish company that bid in consortium with Microsystem. The deadline for the implementation stage is September 2023.

**36. Risk management, continued****e) Bill on the use of facilities to provide Virtual Mobile Operation and Automatic National Roaming**

On December 2, 2021, the Official Gazette published the Regulation on Automatic Domestic Roaming ("RAN" its acronym in Spanish) and OMV's.

Based on the deadlines established in the regulation itself, it is in force as of January 31, 2022 and the maximum deadline for network operators to present the RAN and OMV Facilities Offer to Subtel is March 14, 2022. Subtel has a deadline of 90 business days to approve the offers process. After that deadline, Subtel issued observations, which were all duly answered by Telefónica Móviles Chile S.A.. To date the Regulator has not completed the approval process for the mentioned Bids.

However, in the case of locations, routes or zones that are isolated, or with low density, benefitting from FDT or with the presence of a single operator, the agreement between the parties and the beginning of the service must not exceed a period of 60 days from the date of publication of the new Law, deadline that expires on October 9, 2020.

**f) International Roaming at a local price between Chile-Brasil**

Regarding the case of Brazil, the Congress of that country approved the new free trade agreement with Chile, which also establishes international roaming at local price between both nations. This new commercial treaty, which in Chile was approved by Congress in August 2020, was notified to ALADI, therefore it is in force as of January 2022. This means that the chapter on international roaming at local prices between both countries begins one year after, in January 2023.

**g) Bill declaring Internet as a Public Service**

The approval process of this Bill, presented on March 9, 2018, continues and is currently at the second stage of the legislative process in the Public Works, Transportation and Telecommunications Commission of the Chamber of Deputies.

On April 29, 2022, the Executive presented to the Chamber of Deputies a set of indications to the bill, which were subsequently complemented with other new indications incorporated to the project.

On June 17, 2022 the Transportation and Telecommunications Commission of the Chamber approved the analyzed project. The most relevant aspects included indications to define the definition of the mandatory service area in the urban radius, limiting it to the census zone defined by the INE (Institute of National Statistics) and, on the other hand, establish a deadline of 6 months to attend to a service requirement. In the case of zones where there is no infrastructure, this deadline is extended to 12 months from the date of the request.

The project continues in the second legislative process in the Chamber's Treasury Commission.

**36. Risk management, continued****h) Bill to facilitate the Internet for education**

The bill seeks to introduce amendments to the General Telecommunications Law (LGT) and additionally to the Public Education Law. The LGT seeks to force ISPs to provide Internet at discounted prices to all public educational establishments and to provide free service to more vulnerable families or students that cannot pay for it, based on specific socioeconomic conditions.

The Public Education Law seeks for the State to guarantee connectivity to educational establishments, and to family homes of vulnerable students that are not able to pay. It also seeks to guarantee connectivity to all students of public establishments when they cannot operate in person due to an exceptional circumstance. On September 13, 2022, the Chamber of Deputies finally approved the wording which was dispatched to the Senate for the second stage, eliminating the proposed changes to the LGT.

**i) Bill to block signal in jails**

On June 15, 2022, a group of deputies introduced a bill to establish the obligation of telecommunication companies to establish systems to inhibit the operation of cell phones and similar devices, in order to “put an end to the scams and criminal gangs that operate from these premises”.

The bill continue in first legislative process.

**j) VTR/Claro concentration operation**

On December 30, 2021, the National Economic Prosecutor’s Office (“FNE” its acronym in Spanish) formally began an investigation in reference to the notification of the concentration operation between VTR (controlled by Liberty) and Claro (controlled by América Móvil).

The FNE has up to February 10, 2022 to i) approve the operation pure and simple; ii) approve with conditions, or iii) extend the investigation for an additional 90 days.

Given the nature of the Operation (form an independent economic agent, that will carry out its duties in an ongoing manner), the conversations about mitigation measures, possible suspensions by common agreement with the FNE, contribution of information by third-parties, it is presumed that the FNE will extend the investigation by 90 days, and it is estimated that its pronouncement will be made during the last quarter of 2022.

Telefónica was summoned to declare in this investigation due to the effects of the transaction on the fixed and mobile markets as well as it has been required to provide information on five opportunities, information that has been provided on time.

On February 10, 2022, the “FNE” extended the investigation period by 90 days, giving the interested parties until March 31, 2022 to provide information, specifically, to make a pronouncement regarding possible mitigation measures (remedies) in respect to that transaction. Telefónica provided information within the deadline.



**36. Risk management, continued****j) VTR/Claro concentration operation, continued**

On October 5, 2022, the FNE approved, subject to compliance with structural mitigation measures, the concentration transaction between the controlling companies of VTR and Claro Chile in respect to their activities in the telecommunications business at a local level. The measures are to return to the State the 10MHz spectrum in the macro medium band (3.5 MHz band) and other 10MHz spectrum in the macro low band (AWS band), in addition to updating the plan for effective and efficient use of the spectrum that Claro currently owns. In addition, the FNE represented to VTR and Claro that the joint venture might infringe on a resolution pronounced by the Tribunal of Defense of Free Competition (Resolution 1/2004), in which it prohibited VTR and its controller from participating in the ownership of companies operating satellite television in Chile. Due to this, the parties committed to the FNE to comply with that resolution, transferring the assets of Claro's satellite television business to a fiduciary agent, outside the management area of the joint venture, before it materialized, who will be in charge of disinvesting them to a third party independent of VTR and Claro, within a specified period of time.

**k) Level of Chilean economic activity**

Since the Company's operations are located in Chile, these are sensitive to and dependent on the country's level of economic activity. In periods of low economic growth, high unemployment rates and reduced internal demand, there has been a negative impact on the local and long distance telephone traffic, as well as on the level of customer default.

On January 30, 2020, the World Health Organization designated the outbreak of coronavirus 2019 ("COVID-19") as a public health emergency of international significance. In Chile, on March 16, 2020, the Ministry of Health declared COVID-19 at stage 4, which implied a series of measures to contain its spreading and, on March 18, 2020, a State of Constitutional Exception and Catastrophe was declared throughout the national territory. The health measures adopted to address this situation, both at local and international levels, include, among other things, restricting the circulation of persons and closing of borders, which is expected to significantly affect the economic activity and the markets in general. In addition, the Government has launched the so-called "Solidarity Connectivity Plan" ("Plan Solidario de Conectividad" in Spanish) which grants access to basic services for 60 days and the Company at the same time has offered its customers an "Unemployment Benefit", which consists of a reduction of 50% in their invoice for 3 months. To date we still have current clients with this plan.

## 36. Risk management, continued

### I) Financial risk management objectives and policies

The Company's main financial liabilities, in addition to derivatives, comprise bank loans and bond obligations, payables and other payables. The main purpose of those financial liabilities is to obtain financing for the Company's operations. The Company has trade receivables, cash and short-term deposits, which arise directly from its operations.

The Company also has investments held for sale and derivative transactions. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's Management supervises that financial risks are identified, measured and managed in accordance with defined policies. All activities derived from risk management are carried out by specialist teams with adequate skills, experience and supervision. It is the Company's policy that there is no commercialization of derivatives for speculative purposes.

The policies for managing such risks, which are reviewed and ratified by the Board of Directors, are summarized below:

#### Market Risk

Market risk is the risk of fluctuation in the fair value of future cash flows of a financial instrument due to changes in market prices. Market prices comprise three types of risks: interest rate risk, exchange rate risk and other price risks, such as equity risk. Financial instruments affected by market risk include loans, deposits, investments held for sale and derivative financial instruments.

#### Interest rate risk

Interest rate risk is the risk of fluctuation in the fair value of future cash flows of a financial derivative due to changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is mainly related to the Company's long-term debt obligations with variable interest rates.

The Company manages its interest rate risk maintaining a balanced portfolio of loans and debts at variable and fixed interest rates. The Company has interest rate swaps in which it agrees to exchange, at certain intervals, the difference between the amounts of fixed and variable interest rates, calculated in reference to a notional agreed upon capital amount. These swaps are intended to hedge underlying debt obligations.

The Company periodically determines the efficient exposure to short and long-term debt due to changes in interest rates, considering its own expectations regarding future evolution of rates.

As of December 31, 2022 the Company had 58% of its short and long-term financial debt bearing a fixed interest rate and 42% with exposure to a variable rate.

### 36. Risk management, continued

#### I) Financial risk management objectives and policies, continued

##### Interest rate risk, continued

The Company believes it is reasonable to measure the risk associated to the interest rate of the financial debt as the sensitivity of the monthly finance cost of accrual in case of a change in 25 basis points in the debt's benchmark interest rate, which, as of December 31, 2022, corresponds to the "Tasa Promedio de Cámara Nominal" (TCPN). In this manner, an increase of 25 basis points in the monthly TCPN would mean an increase in the accrual monthly financial cost, for 2022, of approximately ThCh\$88,488; whereas a drop in the TCPN would mean a reduction of ThCh\$88,488 in the accrual monthly financial cost for 2022.

When the time comes for a benchmark rate reform such as the LIBOR rate, where the Company maintains outstanding debt at the aforementioned rate, the changes would be as follows:

1. Provide the use of a replacement benchmark in relation to (or in addition to) the affected currency instead of this reformed benchmark rate.
2. Align all provisions of the contract affected by the use of the replacement benchmark.
3. Allow the replacement benchmark to be used to calculate the interest of the affected contract (including without limitation, any consequential changes required to allow that replacement benchmark to be used for the purpose of the agreement).
4. Implement the market conditions applicable to that replacement benchmark.
5. Adjust the price to reduce or eliminate, to the to the extent reasonably feasible, any transfer of economic value from one party to another as a result of the application of the replacement benchmark (or if any adjustment or method to calculate the adjustment recommended by the relevant organization has been formally designated, the adjustment shall be determined on the basis of that designation).

All the aforementioned under the mutual agreement of both parties.

As of December 31, 2022, the Company had loans and derivatives associated to the LIBOR benchmark rate. Changes will be made in loans and derivatives simultaneously, in order not to alter the hedging. To date, no substantial change in finance costs is expected due to the change in the variable rate in USD.

##### Foreign currency risk

Foreign currency risk is the risk that the future fair values or cash flows of a financial instrument may fluctuate due to exchange rate. The Company's exposure to exchange rate variation risks is mainly related to obtaining short and long-term financial debt in foreign currency and, to a lesser extent, to its operating activities. The Company's policy is to negotiate derivative financial instruments to help to minimize this risk.

The Company has a systematic hedging program that uses balancing hedges to cover 100% of the exchange risk of items in foreign currency for Opex and Capex, which are controlled and managed monthly for exchange rate exposure risks.

### 36. Risk management, continued

#### I) Financial risk management objectives and policies, continued

##### Foreign currency risk, continued

As of December 31, 2022 the financial debt in foreign currency amounted to US\$ 708.8 million, which is all directly exposed to variations in the dollar exchange rate. Simultaneously, the Company has cross currency swaps, USD/CLP exchange insurance and assets denominated in US dollars, which as of December 2022 closing date, resulted in an average exposure of 0% to financial debt in foreign currency.

Likewise, the Company assesses hedging the exchange risk using hedges on expected cash flow for the next year, based on budgeting guidelines. The counterparties with which the company negotiates hedging instruments have a high credit rating.

##### Credit risk

Credit risk is the risk that a counterpart may not fulfill its obligations under a financial instrument or customer contract, which leads to a financial loss. The Company is exposed to credit risk from its operating activities (mainly due to receivables and credit notes) and from its financial activities, including bank deposits, transactions in foreign currency and other financial instruments.

Credit risks related to customer loans is managed in accordance with the policies, procedures and controls established by the Company to manage customer credit risk. Customer credit quality is evaluated in an ongoing manner. Outstanding customer charges are supervised. (see Note 8b).

The maximum exposure to credit risk as of the report presentation date is the value of each class of financial asset.

Credit risk related to balances with banks, financial instruments and negotiable values is managed by the Finance Management Department in conformity with the Company's policies. Surplus funds are only invested with an approved counterpart and within the credit limits assigned to each entity. Counterpart limits are reviewed annually, and can be updated during the year. The limits are established to reduce counterpart risk concentration.

##### Liquidity risk

The Company monitors its risk of lack of funds using a recurrent liquidity planning tool. The Company's objective is to anticipate the financing needs and to maintain an investment profile that allows it to cover its obligations.

**36. Risk management, continued****l) Financial risk management objectives and policies, continued****Capital management**

The Capital includes shares and equity attributable to the equity of the Parent company less unearned income reserves.

The Company's main objective in respect to capital management is to ensure that it has a strong credit rating and prosperous capital ratios to support its businesses and maximize shareholders' value. Equity return on investment (income/equity), as of December 31, 2022, is 4.70%, 22.30 p.p. of decrease in comparison to December 2021, when it reached 27.00%. This is mainly due to a lower result in 2022 compared to 2021.

The Company manages its Capital structure and adjusts it, according to changes in economic conditions.

No changes were introduced in the objectives, policies or processes during the periods ended as of December 31, 2022 and 2021.

**37. Subsequent events**

The consolidated financial statements of Telefónica Móviles Chile S.A. and subsidiaries, for the period ended as of December 31, 2022, were approved and authorized for issuance at the Board of Directors Meeting held on February 10, 2023.

At the Extraordinary Shareholders' Meeting of Telefónica Chile S.A. held on January 4, 2023, the shareholders agreed to increase share capital by ThCh\$65,000,000, through the issuance of 76,201,642 new single series, registered cash shares with no par value. This capital increase amounts to the sum of ThCh\$874,772,775, divided into 1,305,263,877 single series, registered shares with no par value.

In the period from January 1, 2023 and February 10, 2023, there have been no other significant subsequent events that affect these consolidated financial statements.

**Francisco Cancino Vera**  
Accounting Manager

**Rafael Zamora Sanhueza**  
Finance, Strategy and Management control Director

**Roberto Muñoz Laporte**  
General Manager