



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

**REPORT ON THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2022 (not audited), December 31, 2021 and March 31, 2021 (not audited)

(A free translation of the original interim consolidated financial statements issued in Spanish – See Note 2c)

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ThCh\$ : Thousands of Chilean Pesos

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of March 31, 2022 (not audited) and December 31, 2021



	Notes	03.31.2022	12.31.2021
		ThCh\$	ThCh\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	(5)	257,041,642	412,783,123
Other current financial assets	(6)	601,765,672	654,692,865
Other current non-financial assets	(7)	98,761,586	103,376,808
Current trade and other accounts receivable	(8a)	303,338,956	243,735,280
Current receivables from related companies	(9a)	31,673,923	38,754,659
Inventory	(10a)	131,402,380	99,897,490
Current tax assets	(11b)	15,661,768	11,064,336
Current assets or disposal groups classified as held for sale	(18)	5,393,616	5,393,616
<b>TOTAL CURRENT ASSETS</b>		<b>1,445,039,543</b>	<b>1,569,698,177</b>
<b>NON-CURRENT ASSETS</b>			
Other non-current financial assets	(6)	74,501,950	82,183,532
Other non-current non-financial assets	(7)	160,484,427	139,855,385
Non-current trade and other accounts receivable	(12a)	36,360,901	25,107,034
Non-current receivables from related companies	(9b)	85,595,363	83,260,671
Investments in associates and joint ventures	(19)	74,261,711	72,428,057
Intangible assets other than goodwill, net	(13a)	260,255,135	253,356,060
Goodwill	(14)	504,774,872	504,774,872
Property, plant and equipment, net	(15a)	974,001,442	987,881,420
Investment properties	(16)	4,635,711	4,701,161
Right of-use assets	(17)	231,293,334	209,297,210
Deferred tax assets	(11c)	109,658,344	100,742,697
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,515,823,190</b>	<b>2,463,588,099</b>
<b>TOTAL ASSETS</b>		<b>3,960,862,733</b>	<b>4,033,286,276</b>

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

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of March 31, 2022 (not audited) and December 31, 2021



	Notes	03.31.2022	12.31.2021
		ThCh\$	ThCh\$
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Other current financial liabilities	(20)	456,684,638	443,011,372
Current leases liabilities	(21)	97,740,669	41,841,185
Trade and other payables	(22a)	429,206,216	493,947,029
Current payables to related companies	(9c)	183,843,406	190,308,580
Other current provisions	(24a)	8,510,145	8,013,274
Current tax liabilities	(11f)	95,526,700	96,946,527
Current employee benefits accrual	(25a)	4,135,400	3,764,665
Other current non-financial liabilities	(26)	34,866,309	48,364,405
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,310,513,483</b>	<b>1,326,197,037</b>
<b>NON-CURRENT LIABILITIES</b>			
Other non-current financial liabilities	(20)	1,000,646,595	1,045,081,667
Non current leases liabilities	(21)	172,234,655	193,160,081
Trade and other payables non-current	(22a)	181,557	280,037
Current payables to related companies non-current	(9d)	1,704,223	1,529,371
Other non-current provisions	(24b)	17,859,295	17,796,759
Deferred tax liabilities	(11c)	103,236,919	97,003,247
Non-current employee benefits accrual	(25a)	28,334,395	28,518,971
Other non-current non-financial liabilities	(26)	78,242,865	80,692,068
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,402,440,504</b>	<b>1,464,062,201</b>
<b>TOTAL LIABILITIES</b>		<b>2,712,953,987</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		307,266,354	291,568,647
Other reserves	(27d)	(432,793,492)	(421,857,714)
Shareholders' equity attributable to owners of the parent		1,239,345,147	1,234,583,218
Non-controlling interest	(27e)	8,563,599	8,443,820
<b>TOTAL NET SHAREHOLDERS' EQUITY</b>		<b>1,247,908,746</b>	<b>1,243,027,038</b>
<b>TOTAL NET LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		<b>3,960,862,733</b>	<b>4,033,286,276</b>

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

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

As of March 31, 2022 and 2021 (not audited)



For periods ended March 31,

	Notes	2022 ThCh\$	2021 ThCh\$
<b>STATEMENTS OF COMPREHENSIVE INCOME</b>			
Income from ordinary operations	(29a)	403,194,881	369,553,754
Other income	(29b)	14,298,502	11,285,072
Employee benefits expenses	(25d)	(34,641,900)	(32,782,475)
Depreciation and amortization expense	(13b)(15b)(16)(17)	(68,014,216)	(73,434,019)
Impairment losses (reversal of impairment losses)	(3a)	(13,231,608)	(12,568,933)
Other expenses, by nature	(30b)	(272,098,099)	(225,017,718)
<b>Profit from operating activities</b>		<b>29,507,560</b>	<b>37,035,681</b>
Finance income	(31a)	10,009,170	644,602
Finance costs	(31a)	(22,687,402)	(10,174,781)
Share in earnings (losses) of associates and joint ventures		27,197	-
Foreign exchange differences	(31b)	(398,448)	(1,283,447)
Income from indexation units	(31b)	2,041,824	(80,223)
<b>Profits before tax from continuing operations</b>		<b>18,499,901</b>	<b>26,141,832</b>
Income tax expense	(11e)	(2,739,438)	(4,924,207)
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>		<b>15,760,463</b>	<b>21,217,625</b>
<b>Profit attributable to holders of equity instruments of the controller and minority interest:</b>			
Profit attributable to parent owners	(28)	15,697,708	21,154,076
Profit attributable to non-controlling interest	(27e)	62,755	63,549
<b>PROFIT (LOSS)</b>		<b>15,760,463</b>	<b>21,217,625</b>
<b>EARNINGS PER SHARE</b>			
<b>Earnings per basic share</b>			
Earnings per basic share for continuing operations	(27)	0.016	0.022
Earnings per basic share for discontinuing operations			
Earnings per basic share		0.016	0.022
<b>Diluted earnings per share</b>			
Diluted earnings per share from continuing operations		0.016	0.022
Diluted earnings per share from discontinuing operations			
Diluted earnings per share		0.016	0.022

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

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

As of March 31, 2022 and 2021 (not audited)



For periods ended March 31,

	2022	2021
	ThCh\$	ThCh\$
<b>STATEMENTS OF OTHER COMPREHENSIVE INCOME</b>		
<b>PROFIT (LOSS)</b>	<b>15,760,463</b>	<b>21,217,625</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Components of other comprehensive income that will not be reclassified to income for the period</b>		
Other comprehensive income, before taxes, profits (losses) on new measurements of defined benefits plans	6,584	1,153,701
Other comprehensive income, before taxes, profits (losses) from investment in equity instruments	1,790,933	(701,439)
Other comprehensive income, before taxes, profits (losses) on investments in equity instruments	1,511,807	-
<b>Total other comprehensive income that will not be reclassified to income for the period</b>	<b>3,309,324</b>	<b>452,262</b>
<b>Components of other comprehensive income that will be reclassified to income for the period</b>		
Profit (loss) on cash flow hedges	(19,511,376)	11,304,767
<b>Total Components of other comprehensive income that will be reclassified to income for the period</b>	<b>(19,511,376)</b>	<b>11,304,767</b>
<b>Total other components of other comprehensive income, before taxes</b>	<b>(16,202,052)</b>	<b>11,757,029</b>
<b>Income taxes associated to components of other comprehensive income which will not be reclassified to income for the period</b>		
Income taxes associated to new measurements of defined benefits plans of other comprehensive income	(1,772)	(311,499)
<b>Total income taxes associated to components of other comprehensive income which will not be reclassified to income for the period</b>	<b>(1,772)</b>	<b>(311,499)</b>
<b>Income taxes associated to components of other comprehensive income which will be reclassified to income for the period</b>		
Income tax related to hedging cash flows from other comprehensive income	5,325,069	(3,052,287)
<b>Total income taxes associated to components of other comprehensive income</b>	<b>5,325,069</b>	<b>(3,052,287)</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>(10,878,755)</b>	<b>8,393,243</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>4,881,708</b>	<b>29,610,868</b>
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>		
Comprehensive income attributable to parent owners	4,761,929	29,527,282
Comprehensive income attributable to non-controlling interest	119,779	83,586
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>4,881,708</b>	<b>29,610,868</b>

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

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

As of March 31, 2022 and 2021 (not audited)



	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 period</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	-	-	-	-	-	-	15,697,707	15,697,707	62,756	15,760,463
Other comprehensive income	-	(12,439,386)	4,790	1,498,818	-	(10,935,778)	-	(10,935,778)	57,023	(10,878,755)
<b>Comprehensive income</b>	-	(12,439,386)	4,790	1,498,818	-	(10,935,778)	15,697,707	4,761,929	119,779	4,881,708
Reversal of interim dividends	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
<b>Total changes in shareholders' equity</b>	-	(12,439,386)	4,790	1,498,818	-	(10,935,778)	15,697,707	4,761,929	119,779	4,881,708
<b>Ending balance as of 03.31.2022</b>	1,364,872,285	22,582,603	(7,512,301)	2,644,919	(450,508,713)	(432,793,492)	307,266,354	1,239,345,147	8,563,599	1,247,908,746
<b>Balance at the beginning of the period</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	-	-	-	-	-	-	21,154,076	21,154,076	63,549	21,217,625
Other comprehensive income	-	8,230,104	838,511	(695,409)	-	8,373,206	-	8,373,206	20,037	8,393,243
<b>Comprehensive income</b>	-	8,230,104	838,511	(695,409)	-	8,373,206	21,154,076	29,527,282	83,586	29,610,868
Dividends	-	-	-	-	-	-	(105,124,000)	(105,124,000)	4,181	(105,119,819)
<b>Total changes in shareholders' equity</b>	-	8,230,104	838,511	(695,409)	-	8,373,206	(83,969,924)	(75,596,718)	87,767	(75,508,951)
<b>Ending balance as of 03.31.2021</b>	1,364,872,285	(6,275,431)	(9,289,191)	(401,993)	(451,134,197)	(467,100,812)	410,616,490	1,308,387,963	5,747,650	1,314,135,613

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

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

As of March 31, 2022 and 2021 (not audited)



For periods ended March 31,

	Notes	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>			
Proceeds from sales and services		479,744,214	435,978,858
Proceeds from related entities		1,497,317	2,423,961
<b>Types of payments</b>			
Payments to suppliers for supplying goods and services		(367,518,414)	(315,615,366)
Payments to and on account of employees		(51,574,287)	(48,472,530)
Payments from related entities		(19,947,920)	(11,932,781)
Other operating activities payments (1)		(113,630,464)	(118,136,591)
<b>Net cash flows provided by (used in) operating activities</b>		<b>(71,429,554)</b>	<b>(55,754,448)</b>
Income taxes paid		(3,770,325)	(9,135,667)
<b>Cash flows provided by (used in) operating activities</b>		<b>(75,199,879)</b>	<b>(64,890,115)</b>
<b>CASH FLOWS PROVIDED BY (USED IN) INVESTMENT ACTIVITIES</b>			
Amounts from sales of property, plant and equipment		25,178,998	25,306,703
Additions to property, plant and equipment		(82,449,350)	(178,881,219)
Interest received		3,119,960	323,053
<b>Net cash flows provided by (used in) investment activities</b>		<b>(54,150,392)</b>	<b>(153,251,463)</b>
<b>CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>			
(Payments) collections loans to related entities		256,660	(400,000)
Proceeds from loans		-	148,893,000
Reimbursement of loans, classified as financing activities		-	(9,600,000)
Lease obligation payments in accordance with IFRS 16		(19,668,888)	(17,567,393)
Interest paid (2)		(4,969,416)	(6,134,396)
(Payments) dividends		-	(104,839,834)
Other cash inputs (outputs)		(2,009,564)	(8,250,807)
<b>Net cash flows provided by (used in) financing activities</b>		<b>(26,391,208)</b>	<b>2,100,570</b>
<b>Increase (decrease) in cash and cash equivalents, before the effects of changes in the exchange rate</b>		<b>(155,741,479)</b>	<b>(216,041,008)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(155,741,479)</b>	<b>(216,041,008)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	(note 5)	<b>412,783,121</b>	<b>465,809,329</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	(note 5)	<b>257,041,642</b>	<b>249,768,321</b>

(1) Corresponds to the net amount of factoring transactions, portfolio sales.

(2) Corresponds to payment of the principal installment of the "T" Bond made in January 2021 (see Note 20).

The accompanying notes 1 to 37 form an integral part of these interim 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)	
			03.31.2022 %	12.31.2021 %
Telefónica Chile S.A.	90.635.000-9	009	99.1405597	99.1405597

## 2. Significant accounting principles:

### a) Accounting period

The interim consolidated financial statements (hereinafter, the “financial statements”) cover the following periods: Interim Consolidated Statements of Financial Position, ended as of March 31, 2022 and December 31, 2021; Interim Consolidated Comprehensive Income Statements for the three and three-month periods ended as of March 31, 2022 and 2021 and the corresponding Interim Statement of Changes in Equity, and interim Statements of Cash Flows for the three-month periods ended as of March 31, 2022 and 2021.

### b) Basis of presentation

The interim consolidated financial statements for March 31, 2022 and December 31, 2021 and their corresponding notes are shown in a comparative manner in accordance with Note 2a). Furthermore, for comparison purposes, a reclassification has been made between trade and other accounts payable and accounts payable to related parties in the financial statements for 2021, for better comparison with the financial statements as of March 31, 2022.

### c) Basis of preparation

The consolidated financial statements as of March 31, 2022, and the Interim Consolidated Comprehensive Income Statements, Interim Statement of Changes in Equity, and interim Statements of Cash Flows for the three-month periods ended as of March 31, 2022 and 2021 have been prepared in accordance with International Accounting Standard 34 (IAS 34) “Interim Financial Reporting”, incorporated in International Financial Reporting Standards.

## 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
				03.31.2022		Total	
			Direct	Indirect			
76.378.279-4	Telefónica Investigación y Desarrollo Chile SpA	Chile	CLP	100.0000000	-	100.0000000	100.0000000
90.635.000-9	Telefónica Chile S.A.	Chile	CLP	99.1405597	-	99.1405597	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



### 3. Significant accounting principles, continued

#### e) Basis of consolidation, continued

The summarized financial information at March 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\$
76,378,279-4	Telefónica Investigación y Desarrollo Chile SpA	100.0000000	1,523,000	423,710	1,946,710	227,678	1,298	228,976	1,717,734	126,948	21,094
78,703,410-1	Telefónica Empresas Chile S.A.	99.9999973	196,053,877	115,897,325	311,951,202	206,043,653	8,134,624	214,178,277	97,772,925	78,134,566	(3,362,345)
90,635,000-9	Telefónica Chile S.A.	99.1405597	618,329,542	1,183,560,966	1,801,890,508	795,960,327	241,204,577	1,037,164,904	764,725,604	143,825,200	7,426,530
76,086,148-0	Telefónica Chile Servicios Corporativos Ltda.	100.0000000	128,691,420	31,097,350	159,788,770	51,437,467	30,777,822	82,215,289	77,573,481	51,365,509	2,611,914

(\*) 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 period through the “Foreign currency translation differences account and differences resulting from valuation of the UF are recognize in income for the period 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 period, any foreign currency translation difference, included in this loss or profit, will also be recognized in income for the period.

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 period, detailed as follows:

FECHA	USD	EURO	REAL	UF
03.31.2022	787.98	873.69	166.52	31,727.74
12.12.2021	844.69	955.64	151.68	30,991.74
03.31.2021	721.82	847.60	127.32	29,394.77

### 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 assesment 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 period comprises current and deferred income taxes.

Tax assets and liabilities for the current and prior periods 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 period, being 27% as of March 31, 2022 and December 31, 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 period 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 period.

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 period 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, periods 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 8.05% and 9.02% at March 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 period 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 6.155% and 5.924% at March 31, 2022 and December 31, 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.

#### ii) 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

#### iii) 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.

#### iv) 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 March 31, 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 (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 period, 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.

## 2. Significant accounting principles, continued

### 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 period, 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:

	New Standard	Mandatory application date
IFRS 17	Insurance Contracts	January 1, 2023

#### 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 periods 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 period 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	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
NIC 16	Property, plant and equipment	January 1, 2022
NIC 37	Provisions, contingent liabilities and contingent assets	January 1, 2022
NIIF 3	Business Combinations, implementation guide review	January 1, 2022
NIIF 10 y NIC 8	Consolidated financial statements and Investments in Associates and Joint Ventures	To determinate

#### 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 IAS 8. The effective date of initial application is January 1, 2022, however, that date was deferred to January 1, 2024.

## 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

##### **Amendment to IAS 1 “Presentation of Financial Statements” and IAS 8 “Accounting Policies”**

Practice Statement 2 and IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, published in February 2021. The purpose of the amendments is to improve accounting policy disclosures 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.

##### **Amendment to IAS 16, “Property, Plant and Equipment”**

Prohibits a company from deducting the cost of property, plant and equipment received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss for the period.

##### **Amendment to IAS 37, “Provisions, Contingent Liabilities and Contingent Assets”**

Clarifies, for onerous contracts, which inevitable costs a company must include to assess whether a contract will generate losses.

##### **Amendment to IFRS 3, “Business Combinations”**

Minor modifications were made to IFRS 3 to update references to the Conceptual Framework for financial information, without changing business combination requirements.

##### **Amendment to IFRS 10, “Business Combinations” and IAS 28 “Investments in Associates and Joint Ventures”.**

Published in September 2014. This amendment addresses an inconsistency between the requirements of IFRS 10 and those of IAS 28 in the treatment of the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full profit or loss is recognized when the transaction involves a business (whether in a subsidiary or not) and a partial profit or loss when the transaction involves assets that do not constitute a business, even if those assets are in a subsidiary.

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.

## 2. Significant accounting principles, continued

### v) Statement of cash flows

The statement of cash flows includes movements of cash performed during the period, 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 period 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 these 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.



Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



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 March 31, 2022, December 31, 2021 and March 31, 2021 is detailed as follows:

For the exercise ended as of March 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	217,910,545	110,575,608	38,349,791	36,358,937	-	-	403,194,881
Income from ordinary activities arising from transactions with other operating segments of the same entity	1,790,776	33,249,592	3,425,838	-	51,365,509	(89,831,715)	-
<b>Total income from operating activities from external customers and transactions with other operating segments of the same entity</b>	<b>219,701,321</b>	<b>143,825,200</b>	<b>41,775,629</b>	<b>36,358,937</b>	<b>51,365,509</b>	<b>(89,831,715)</b>	<b>403,194,881</b>
Cost of sales	86,733,281	52,334,010	37,211,469	21,278,170	1,549	(47,025,930)	150,532,549
Impairment losses (reversal of impairment losses)	11,099,650	1,784,482	244,863	102,613	-	-	13,231,608
Administrative expenses	74,675,474	54,766,889	8,751,597	11,388,556	9,959,759	(37,976,725)	121,565,550
Employee benefits expenses	69,330	-	-	-	38,410,990	(3,838,420)	34,641,900
Cost of interest	15,651,338	6,879,246	690,528	15,286	427,896	(976,892)	22,687,402
Interest income	7,794,471	3,014,697	160,312	-	16,582	(976,892)	10,009,170
Depreciation and amortization	41,194,655	24,750,342	2,298,927	633,120	98,053	(960,881)	68,014,216
Share in earnings (losses) of associates and joint ventures	8,642,583	(2,037,027)	33,955	-	-	(6,612,314)	27,197
Income tax expense	952,960	1,976,430	2,615,326	(2,743,773)	(61,505)	-	2,739,438
Other significant non-cash items	9,964,894	5,115,059	700,172	95,331	66,565	(143)	15,941,878
<b>Profits(loss) before tax</b>	<b>16,679,541</b>	<b>9,402,960</b>	<b>(6,527,316)</b>	<b>3,036,523</b>	<b>2,550,409</b>	<b>(6,642,216)</b>	<b>18,499,901</b>
<b>Profit (loss) for the period from continuing operations</b>	<b>15,726,581</b>	<b>7,426,530</b>	<b>(9,142,642)</b>	<b>5,780,296</b>	<b>2,611,914</b>	<b>(6,642,216)</b>	<b>15,760,463</b>
<b>Profit (loss) for the period from discontinuing operations</b>							
<b>Profit (loss) for the period</b>	<b>15,726,581</b>	<b>7,426,530</b>	<b>(9,142,642)</b>	<b>5,780,296</b>	<b>2,611,914</b>	<b>(6,642,216)</b>	<b>15,760,463</b>
Assets	2,976,101,162	1,801,890,508	184,051,209	127,899,993	159,788,770	(1,288,868,909)	3,960,862,733
Investments in associates accounted for using the equity method	796,164,292	210,588,643	1,008,456	-	-	(933,499,679)	74,261,712
Increases in non-current assets	19,081,899	11,542,591	1,702,176	-	-	-	32,326,666
Liabilities	1,731,06,446	1,037,164,904	126,365,183	87,813,094	82,215,289	(351,666,929)	2,712,953,987
Shareholders' equity	1,245,038,716	764,725,604	57,686,026	40,086,899	77,573,481	(937,201,980)	1,247,908,746
Liabilities & Shareholders' equity	2,976,101,162	1,801,890,508	184,051,209	127,899,993	159,788,770	(1,288,868,909)	3,960,862,733
Cash flows provided by (used in) operating activities	(58,345,064)	(3,034,097)	(10,617,919)	(9,241,184)	(31,824,993)	37,863,378	(75,199,879)
Cash flows provided by (used in) investment activities	(21,712,659)	(32,248,633)	-	-	-	(189,100)	(54,150,392)
Cash flows provided by (used in) financing activities	(55,940,330)	(55,679,052)	10,706,351	9,318,149	31,590,000	33,613,674	(26,391,208)

Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 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 period 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 period from discontinuing operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit (loss) for the period</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)

Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



4. Financial information by segment, continued

For the exercise ended as of march 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	218,044,411	78,609,989	42,203,338	30,696,016	-	-	369,553,754
Income from ordinary activities arising from transactions with other operating segments of the same entity	1,568,169	27,958,873	2,943,031	-	44,142,954	(76,613,027)	-
<b>Total income from operating activities from external customers and transactions with other operating segments of the same entity</b>	<b>219,612,580</b>	<b>106,568,862</b>	<b>45,146,369</b>	<b>30,696,016</b>	<b>44,142,954</b>	<b>(76,613,027)</b>	<b>369,553,754</b>
Cost of sales	86,657,068	11,328,075	39,852,977	19,444,538	-	(37,885,176)	119,397,482
Impairment losses (reversal of impairment losses)	11,207,851	1,036,499	275,647	48,936	-	-	12,568,933
Administrative expenses	69,509,903	48,190,996	10,439,427	6,596,109	4,397,417	(33,513,616)	105,620,236
Employee benefits expenses	348,751	-	-	-	37,210,798	(4,777,074)	32,782,475
Cost of interest	7,093,408	5,659,605	30,687	293,339	351,403	(3,253,661)	10,174,781
Interest income	1,360,308	2,272,784	265,015	-	155	(3,253,660)	644,602
Depreciation and amortization	37,869,955	32,221,849	2,213,824	789,216	461,644	(122,469)	73,434,019
Participation in profit of associated companies accounted for using the equity method	8,900,616	870,802	23,117	-	-	(9,794,535)	-
Income tax expense	1,347,657	3,539,557	(1,891,951)	1,910,828	18,116	-	4,924,207
Other significant non-cash items	5,623,801	363,031	3,860,092	-	74,480	(2)	9,921,402
<b>Profits(loss) before tax</b>	<b>22,810,369</b>	<b>11,638,455</b>	<b>(3,517,969)</b>	<b>3,523,878</b>	<b>1,796,327</b>	<b>(10,109,228)</b>	<b>26,141,832</b>
<b>Profit (loss) for the period from continuing operations</b>	<b>21,462,712</b>	<b>8,098,898</b>	<b>(1,626,018)</b>	<b>1,613,050</b>	<b>1,778,211</b>	<b>(10,109,228)</b>	<b>21,217,625</b>
<b>Profit (loss) for the period from discontinuing operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit (loss) for the period</b>	<b>21,462,712</b>	<b>8,098,898</b>	<b>(1,626,018)</b>	<b>1,613,050</b>	<b>1,778,211</b>	<b>(10,109,228)</b>	<b>21,217,625</b>
Assets	2,511,488,606	1,529,040,766	124,137,265	157,992,882	151,851,714	(1,252,403,380)	3,222,107,853
Investments in associates accounted for using the equity method	700,225,203	128,935,550	881,691	-	-	(830,042,444)	-
Increases in non-current assets	12,715,040	21,923,680	1,559,878	-	-	-	36,198,598
Liabilities	1,193,653,730	856,266,438	104,665,859	82,237,460	84,028,331	(412,879,578)	1,907,972,240
Shareholders' equity	1,317,834,876	672,774,328	19,471,406	75,755,422	67,823,383	(839,523,802)	1,314,135,613
Liabilities & Shareholders' equity	2,511,488,606	1,529,040,766	124,137,265	157,992,882	151,851,714	(1,252,403,380)	3,222,107,853
Cash flows provided by (used in) operating activities	(14,730,016)	(45,860,761)	(34,626,660)	(23,543,433)	(33,053,185)	86,923,940	(64,890,115)
Cash flows provided by (used in) investment activities	(120,795,689)	(54,793,309)	4,353,895	2,960,309	-	15,023,331	(153,251,463)
Cash flows provided by (used in) financing activities	(17,753,390)	(81,036,933)	29,931,942	20,351,390	33,760,000	16,847,561	2,100,570

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	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Cash (a)		<b>154,896</b>	<b>159,275</b>
	CLP	154,196	158,510
	EUR	700	765
Banks (b)		<b>146,865,646</b>	<b>192,574,781</b>
	CLP	143,898,858	189,358,692
	USD	2,760,720	3,006,635
	EUR	153,532	151,655
	Others currencies	52,536	57,799
Time deposits (c)		<b>110,021,100</b>	<b>220,049,067</b>
	CLP	110,021,100	220,049,067
<b>Total cash and cash equivalents</b>		<b>257,041,642</b>	<b>412,783,123</b>
Sub-total by currency	CLP	<b>254,074,154</b>	<b>409,566,269</b>
	USD	<b>2,760,720</b>	<b>3,006,635</b>
	EUR	<b>154,232</b>	<b>152,420</b>
	Other currencies	<b>52,536</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 March 31, 2022 and December 31, 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\$	03.31.2022 ThCh\$
Time deposits	CLP	110,000,000	3.04%	8	110,000,000	21,100	110,021,100
<b>Total</b>					<b>110,000,000</b>	<b>21,100</b>	<b>110,021,100</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%	4	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		03.31.2022		12.31.2021	
		Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Hedging instruments	(See Note 23,2)	163,724,541	46,148,222	220,841,822	53,949,739
Other non-trade accounts receivable	(a)	18,453,613	20,009,806	19,752,048	21,401,681
Other investments	(b)(c)	419,507,074	8,343,922	413,857,571	6,832,112
Guarantees established	(d)	80,444	-	241,424	-
<b>Total</b>		<b>601,765,672</b>	<b>74,501,950</b>	<b>654,692,865</b>	<b>82,183,532</b>

a) Corresponds to recognition of the earn-out agreed for optic fiber sales transactions. Includes accumulated interest in the amount of ThCh\$57,733 and ThCh\$93,830 in current and non-current; and foreign currency translation in the amount of ThCh\$(560,326) and ThCh\$(607,656) in current and non-current as of March 31, 2022 and December 31, 2021, respectively (see Note 19 b(iii)).

b) Other investments are detailed as follows.

Type of Investments	Currency	Capital in original currency (thousands)	Effective rate anual	Average days to maturity	Capital in local currency ThCh\$	Accrued interest ThCh\$	03.31.2022 ThCh\$
Time deposits (1)	CLP	411,243,750	6.66%	11	411,243,750	8,263,324	419,507,074
<b>Total</b>		<b>411,243,750</b>			<b>411,243,750</b>	<b>8,263,324</b>	<b>419,50,074</b>

(1) In November 2021, the Company issued and placed a bond in the international market (see Note 20). The funds obtained were invested in time deposits longer than 90 days.

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

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

Participation	Country	Investment currency	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Telefónica Brasil (1)	Brazil	REAL	8,343,804	6,831,994
Other participation (2)	Chile	CLP	118	118
<b>Total</b>			<b>8,343,922</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 of March 31, 2022, no dividends have been received for this participation. As of December 31, 2021, dividends in the amount of ThCh\$421,303 that have been recognized as finance income.

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

d) Guarantees are those established for clients, 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	03.31.2022		12.31.2021	
	Current ThCh\$	Non-current ThCh\$	Current ThCh\$	Non-current ThCh\$
Contract compliance costs (1)	55,238,875	105,909,150	49,847,177	94,433,572
Costs of obtaining contracts (2)	27,994,552	53,652,740	27,399,483	45,092,018
Support and repair services (3)	6,601,013	154,287	4,751,800	4,948
Deferred cost of handsets	1,382,913	-	5,694,029	-
Insurance	182,311	-	1,505,023	-
Advance leases (4)	888,551	432,347	1,704,906	274,284
Amortizable expenses (5)	3,071,365	335,903	8,022,921	50,563
Other Taxes (6)	3,402,006	-	4,451,469	-
<b>Total</b>	<b>98,761,586</b>	<b>160,484,427</b>	<b>103,376,808</b>	<b>139,855,385</b>

(1) As of March 31, 2022 this item includes capitalization of compliance costs associated with television equipment, broadband equipment and project management in the amount to ThCh\$21,608,508, ThCh\$32,727,673 and ThCh\$902,791 in current, and ThCh\$39,661,892 ThCh\$65,645,406 and ThCh\$601,755 in non-current. As of December 31, 2021 this item included capitalization of compliance costs associated to television equipment, broadband equipment and project management in the amount of ThCh\$20,536,640, ThCh\$28,379,744 and ThCh\$930,791 in current, and ThCh\$33,615,710, ThCh\$60,219,227 and ThCh\$598,635 in non-current. Quarterly, the Company reviews the behavior of the average life of the client to calculate the amortizable expense.

(2) As of March 31, 2022 and December 31, 2021 this item includes capitalization of the commissions paid to obtain new mobile service, basic service, broadband and television customers. The Company reviews the average life of the customer quarterly to calculate the amortizable expense.

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

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

(5) As of March 31, 2022 and December 31, 2021 this item includes amortizable finance expenses for hedging derivatives in the amount of ThCh\$3,268,449 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	03.31.2022			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>472,109,607</b>	<b>(186,752,467)</b>	<b>285,357,140</b>	<b>416,349,391</b>	<b>(190,304,456)</b>	<b>226,044,935</b>
Invoiced services (1)	298,383,280	(184,506,044)	113,877,236	266,896,462	(187,933,159)	78,963,303
Services provided and not invoiced	161,224,140	(2,004,127)	159,220,013	135,038,172	(2,098,853)	132,939,319
Contractual asset (2)	12,502,187	(242,296)	12,259,891	14,414,757	(272,444)	14,142,313
<b>Miscellaneous receivables (3)</b>	<b>17,981,816</b>	<b>-</b>	<b>17,981,816</b>	<b>17,690,345</b>	<b>-</b>	<b>17,690,345</b>
<b>Total</b>	<b>490,091,423</b>	<b>(186,752,467)</b>	<b>303,338,956</b>	<b>434,039,736</b>	<b>(190,304,456)</b>	<b>243,735,280</b>

(1) As of March 2022 and December, 2021 closing dates, large company portfolio sales were carried out, massive services and mobile handset installments for a total amount of ThCh\$25,460,579 and ThCh\$106,857,311, respectively, The Company has become the collection agent for massive service transactions.

(2) Under IFRS 15, contractual assets correspond to the difference between revenue from the sale of post-payment handsets and the amount received from the customer at the beginning of the contract.

(3) As of March 2022 and December, 2021 reporting dates, this item mainly includes loans and advances to employees in the amount of ThCh\$8,452,139 and ThCh\$6,142,605, advances to suppliers in the amount of ThCh\$5,720,038 and ThCh\$1,208,634, miscellaneous receivables from non-core business transactions and others in the amount of ThCh\$3,809,639 and ThCh\$10,339,106, respectively.

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	03.31.2022					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	34,875,680	7,662,026	923,608	-	43,461,314	31,558,909	6,302,612	938,252	-	38,799,773
<b>Total</b>	<b>34,875,680</b>	<b>7,662,026</b>	<b>923,608</b>	<b>-</b>	<b>43,461,314</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	03.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Beginning balance</b>	<b>192,239,498</b>	<b>218,699,345</b>
Increases	12,936,332	48,980,803
Eliminations/ Additions	(14,774,598)	(75,440,650)
<b>Movements, subtotal</b>	<b>(1,838,266)</b>	<b>(26,459,847)</b>
<b>Ending balance</b>	<b>190,401,232</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 March 31, 2022 and December 31, 2021 are detailed as follows:

Provisions and write-offs	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Provision for non renegotiated portfolio	12,890,718	49,809,686
Provision for renegotiated portfolio	45,614	(828,883)
Write-offs for the period	(14,774,598)	(75,440,650)
<b>Total</b>	<b>(1,838,266)</b>	<b>(26,459,847)</b>

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

Portfolio of returned documents and judicial collection as of 03.31.2022	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	175	-	-	-
Portfolio of returned documents or those in judicial collection (ThCh\$)	5,699,222	-	-	-

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	249	-	-	-
Portfolio of returned documents or those in judicial collection (ThCh\$)	8,940,618	-	-	-



Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



8. Current trade and other accounts receivable, continued

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

Stratification of portfolio by segment As of March 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)	562,043	262,675	49,704	52,295	42,180	36,833	35,528	33,996	34,744	3,021,644	4,131,642
Net portfolio w/o renegotiation	40,010,005	5,521,964	270,318	491,288	642,311	408,208	193,895	-	-	-	47,537,989
Debt	41,658,189	7,747,205	1,527,147	3,368,480	2,469,147	2,113,645	1,536,797	1,471,114	2,064,231	71,988,992	135,944,947
Accrual	(1,648,184)	(2,225,241)	(1,256,829)	(2,877,192)	(1,826,836)	(1,705,437)	(1,342,902)	(1,471,114)	(2,064,231)	(71,988,992)	(88,406,958)
Number of clients w/renegotiation	-	-	2	24	53	47	42	53	48	90,633	90,902
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	8	395	1,014	922	635	918	808	833,194	837,894
Accrual	-	-	(8)	(395)	(1,014)	(922)	(635)	(918)	(808)	(833,194)	(837,894)
<b>Total number of clients</b>	562,043	262,675	49,706	52,319	42,233	36,880	35,570	34,049	34,792	3,112,277	4,222,544
<b>Total Fixed Telephone Portfolio</b>	40,010,005	5,521,964	270,318	491,288	642,311	408,208	193,895	-	-	-	47,537,989
<b>Debt</b>	41,658,189	7,747,205	1,527,155	3,368,875	2,470,161	2,114,567	1,537,432	1,472,032	2,065,039	72,822,186	136,782,841
<b>Accrual</b>	(1,648,184)	(2,225,241)	(1,256,837)	(2,877,587)	(1,827,850)	(1,706,359)	(1,343,537)	(1,472,032)	(2,065,039)	(72,822,186)	(89,244,852)
<b>Corporate Communication and Data</b>											
Number of clients w/o renegotiation (1)	2,342	1,353	1,108	774	747	15	529	463	516	4,938	12,785
Net portfolio w/o renegotiation	51,546,757	5,493,144	2,524,080	1,528,162	1,457,437	63,651	723,966	280,644	212,278	430,686	64,260,805
Debt	51,975,436	6,000,811	2,947,657	1,944,721	2,069,046	102,680	1,318,218	608,112	519,017	11,420,623	78,906,321
Accrual	(428,679)	(507,667)	(423,577)	(416,559)	(611,609)	(39,029)	(594,252)	(327,468)	(306,739)	(10,989,937)	(14,645,516)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	-	-
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-	-
Accrual	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of clients</b>	2,342	1,353	1,108	774	747	15	529	463	516	4,938	12,785
<b>Total Corporate Communication and Data Portfolio</b>	51,546,757	5,493,144	2,524,080	1,528,162	1,457,437	63,651	723,966	280,644	212,278	430,686	64,260,805
<b>Debt</b>	51,975,436	6,000,811	2,947,657	1,944,721	2,069,046	102,680	1,318,218	608,112	519,017	11,420,623	78,906,321
<b>Accrual</b>	(428,679)	(507,667)	(423,577)	(416,559)	(611,609)	(39,029)	(594,252)	(327,468)	(306,739)	(10,989,937)	(14,645,516)
<b>Television</b>											
Number of clients w/o renegotiation (1)	261,967	110,126	17,573	19,885	16,300	13,702	12,514	11,415	11,714	199,434	674,630
Net portfolio w/o renegotiation	17,628,698	367,469	86,005	16,470	6,647	3,056	1,804	-	-	-	18,110,149
Debt	17,782,088	731,490	467,822	208,758	240,815	269,030	133,508	219,862	206,425	5,388,519	25,648,317
Accrual	(153,390)	(364,021)	(381,817)	(192,288)	(234,168)	(265,974)	(131,704)	(219,862)	(206,425)	(5,388,519)	(7,538,168)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	-	-
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-	-
Accrual	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of clients</b>	261,967	110,126	17,573	19,885	16,300	13,702	12,514	11,415	11,714	199,434	674,630
<b>Total Television Portfolio</b>	17,628,698	367,469	86,005	16,470	6,647	3,056	1,804	-	-	-	18,110,149
<b>Debt</b>	17,782,088	731,490	467,822	208,758	240,815	269,030	133,508	219,862	206,425	5,388,519	25,648,317
<b>Accrual</b>	(153,390)	(364,021)	(381,817)	(192,288)	(234,168)	(265,974)	(131,704)	(219,862)	(206,425)	(5,388,519)	(7,538,168)

(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 March 31, 2022 (not audited) and December 31, 2021



8. Current trade and other accounts receivable, continued

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

Stratification of portfolio by segment As of March 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)	940,142	346,594	60,119	55,591	45,883	40,959	42,658	31,777	49,005	1,634,066	3,246,794
Net portfolio w/o renegotiation	120,450,475	14,363,778	1,705,041	2,507,961	2,740,907	1,048,360	371,784	-	-	-	143,188,306
Debt	121,522,586	17,882,253	4,563,768	4,533,354	5,693,482	3,037,696	2,293,742	2,276,676	1,911,925	53,786,263	217,501,745
Accrual	(1,072,111)	(3,518,475)	(2,858,727)	(2,025,393)	(2,952,575)	(1,989,336)	(1,921,958)	(2,276,676)	(1,911,925)	(53,786,263)	(74,313,439)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	8,766	8,766
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	768,196	768,196
Accrual	-	-	-	-	-	-	-	-	-	(768,196)	(768,196)
<b>Total number of clients</b>	940,142	346,594	60,119	55,591	45,883	40,959	42,658	31,777	49,005	1,642,832	3,255,560
<b>Total Other Portfolio</b>	120,450,475	14,363,778	1,705,041	2,507,961	2,740,907	1,048,360	371,784	-	-	0	143,188,306
Debt	121,522,586	17,882,253	4,563,768	4,533,354	5,693,482	3,037,696	2,293,742	2,276,676	1,911,925	54,554,459	218,269,941
Accrual	(1,072,111)	(3,518,475)	(2,858,727)	(2,025,393)	(2,952,575)	(1,989,336)	(1,921,958)	(2,276,676)	(1,911,925)	(54,554,459)	(75,081,635)
<b>Contractual Asset and Others</b>											
Number of clients w/o renegotiation (1)	-	-	-	-	-	-	-	-	-	-	-
Net portfolio w/o renegotiation	30,241,707	-	-	-	-	-	-	-	-	-	30,241,707
Debt	30,484,003	-	-	-	-	-	-	-	-	-	30,484,003
Accrual	(242,296)	-	-	-	-	-	-	-	-	-	(242,296)
Number of clients w/renegotiation	-	-	-	-	-	-	-	-	-	-	-
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-	-	-
Accrual	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of clients</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Portfolio</b>	30,241,707	-	-	-	-	-	-	-	-	-	30,241,707
Debt	30,484,003	-	-	-	-	-	-	-	-	-	30,484,003
Accrual	(242,296)	-	-	-	-	-	-	-	-	-	(242,296)
<b>Consolidated Portfolio</b>											
Number of clients w/o renegotiation (1)	1,766,494	720,748	128,504	128,545	105,110	91,509	91,229	77,651	95,979	4,860,082	8,065,851
Net portfolio w/o renegotiation	259,877,642	25,746,355	4,585,444	4,543,881	4,847,302	1,523,275	1,291,449	280,644	212,278	430,686	303,338,956
Debt	263,422,302	32,361,759	9,506,394	10,055,313	10,472,490	5,523,051	5,282,265	4,575,764	4,701,598	142,584,397	488,485,333
Accrual	(3,544,660)	(6,615,404)	(4,920,950)	(5,511,432)	(5,625,188)	(3,999,776)	(3,990,816)	(4,295,120)	(4,489,320)	(142,153,711)	(185,146,377)
Number of clients w/renegotiation	-	-	2	24	53	47	42	53	48	99,399	99,668
Net renegotiated portfolio	-	-	-	-	-	-	-	-	-	-	-
Debt	-	-	8	395	1,014	922	635	918	808	1,601,390	1,606,090
Accrual	-	-	(8)	(395)	(1,014)	(922)	(635)	(918)	(808)	(1,601,390)	(1,606,090)
<b>Total number of clients</b>	1,766,494	720,748	128,506	128,569	105,163	91,556	91,271	77,704	96,027	4,959,481	8,165,519
<b>Total Consolidated Portfolio</b>	259,877,642	25,746,355	4,585,444	4,543,881	4,847,302	1,523,275	1,291,449	280,644	212,278	430,686	303,338,956
Debt	263,422,302	32,361,759	9,506,402	10,055,708	10,473,504	5,523,973	5,282,900	4,576,682	4,702,406	144,185,787	490,091,423
Accrual	(3,544,660)	(6,615,404)	(4,920,958)	(5,511,827)	(5,626,202)	(4,000,698)	(3,991,451)	(4,296,038)	(4,490,128)	(143,755,101)	(186,752,467)

(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 March 31, 2022 (not audited) and December 31, 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>
Debt	30,219,936	7,168,386	1,413,049	3,116,810	2,284,670	1,955,728	1,421,978	1,523,379	2,137,567	74,546,560	125,788,063
	(1,706,739)	(2,304,297)	(1,301,481)	(2,979,411)	(1,891,739)	(1,766,027)	(1,390,612)	(1,523,379)	(2,137,567)	(74,546,560)	(91,547,812)
<b>Accrual</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>
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)
<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>
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)

(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 March 31, 2022 (not audited) and December 31, 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, 2020	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>
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	2,680,164	55,217,698	166,972,075
Accrual	(335,256)	(2,109,757)	(2,623,928)	(2,685,953)	(3,326,988)	(2,971,733)	(2,804,198)	(2,336,259)	(2,680,164)	(55,217,698)	(77,091,934)
<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>
Debt	32,105,102	-	-	-	-	-	-	-	-	-	32,105,102
Accrual	(272,444)	-	-	-	-	-	-	-	-	-	(272,444)
<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>
Debt	207,753,013	30,698,492	6,126,528	10,433,537	9,233,754	6,981,630	5,994,438	4,798,809	5,721,602	146,297,933	434,039,736
Accrual	(2,817,506)	(5,142,193)	(4,243,820)	(6,313,635)	(5,878,851)	(5,331,610)	(4,696,749)	(4,465,560)	(5,449,675)	(145,964,857)	(190,304,456)

(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 March 31, 2022 (not audited) and December 31, 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	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Infraco SpA	77,122,635-3	Chile	Associate	<b>Subtotal</b>	<b>CLP</b>		<b>23,384,820</b>	<b>27,231,071</b>
				Deployment services	CLP	60 days	15,248,806	20,489,250
				Wholesale and other services	CLP	60 days	7,456,481	6,062,288
				Accounts receivable	CLP	60 days	679,533	679,533
Telefónica Cybersecurity & Cloud Tech Chile SpA	77,145,256-6	Chile	Common end controller	Serv, Provided	CLP	60 days	2,836,479	2,585,644
Telefónica IoT & Big Data Tech Chile SpA	76,338,291-5	Chile	Common end controller	Serv, Provided	CLP	60 days	1,648,790	122,347
Telefónica Global Solutions	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	928,377	578,297
Telefónica Global Solutions Chile, S.p.A.	76,540,944,6	Chile	Common end controller	Serv, Provided	CLP	60 days	846,935	1,213,370
Telefónica Brasil	Foreign	Brazil	Common end controller	Serv, Provided	USD	90 days	432,930	343,192
Telefónica S.A.	Foreign	Spain	End controller	Serv, Provided	EUR	90 days	345,070	419,233
Telefónica de Argentina S.A.	Foreign	Argentina	Common end controller	Serv, Provided	USD	90 days	316,182	261,429
Telxius Cable Chile	96,910,730-9	Chile	Common end controller	Serv, Provided	CLP	60 days	204,132	5,244,859
Telefónica Móviles Argentina S.A.	Foreign	Argentina	Common end controller	Serv, Provided	USD	90 days	188,673	212,558
Telefónica Digital España	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	162,000	199,634
Telefónica Ingeniería de Seguridad S.A.	59,083,900-0	Chile	Common end controller	Serv, Provided	CLP	60 days	149,675	74,807
Telefónica Venezolana C.A.	Foreign	Venezuela	Common end controller	Serv, Provided	USD	90 days	52,298	52,298
Telefónica Móviles España	Foreign	Spain	Common end controller	Serv, Provided	EUR	90 days	50,606	65,806
Wayra Chile Tecnología e Innovación Ltda.	96,672,150-2	Chile	Common end controller	Serv, Provided	CLP	60 days	50,040	31,642
Terra Networks Chile S.A.	96,834,230-4	Chile	Common end controller	Serv, Provided	CLP	60 days	34,327	34,327
Colombia Telecomunicaciones S.A.E.S.P	Foreign	Colombia	Common end controller	Serv, Provided	USD	60 days	19,226	46,526
Pegaso PCS, S.A. de C.V.	Foreign	México	Common end controller	Serv, Provided	USD	90 days	19,139	9,042
Telefónica Móviles del Uruguay	Foreign	Uruguay	Common end controller	Serv, Provided	USD	90 days	2,466	17,754
Inversiones Telefónica Internacional Holding SpA	77,363,730-K	Chile	Common end controller	Serv, Provided	CLP	60 days	1.758	5,262
Terra Networks Brasil	Foreign	Brazil	Common end controller	Serv, Provided	USD	90 days	-	5,148
Telefónica Móviles El Salvador	Foreign	El Salvador	Common end controller	Serv, Provided	USD	90 days	-	413
<b>Total</b>							<b>31,673,923</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.

Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



9. Receivables from and payable to related companies, continued

a) Non-current receivables from related companies

Company	Taxpayer No,	Country of origin	Nature of the relationship	Transaction origin	Currency	Term	03.31.2022 ThCh\$	12.31.2021 ThCh\$
HoldCo Infraco SpA (1)	77,374,961-2	Chile	Associate	Sale of Fiber Optic business.	CLP	-	85,595,363	83,260,671
<b>Total</b>							<b>85,595,363</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\$2,334,690 and ThCh\$4,397,607 as of March 31, 2022 and December 31, 2021, respectively (See Note 19 b(ii)).

c) Current payables to related companies:

Company	Taxpayer No,	Country of origin	Nature of the relationship	Transaction origin	Currency	Term	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Inversiones Telefónica Internacional Holding SpA	77,363,730-K	Chile	Common end controller	Dividendos provisorios	CLP	60 days	97,791,799	97,791,799
Infraco SpA (1)	77,122,635-3	Chile	Associate	Serv, Provided	CLP	60 days	28,827,509	27,063,783
Telefónica Cybersecurity & Cloud Tech Chile SpA	77,145,256-6	Chile	Common end controller	Serv, Provided	CLP	60 days	15,228,157	18,770,492
Telefónica Argentina S.A.	Foreign	Argentina	Common end controller	Serv, Provided	USD	60 days	10,447,791	10,809,568
Telefónica S.A.	Foreign	Spain	End controller	<b>Subtotal</b>			<b>6,437,961</b>	<b>11,952,652</b>
				Brand Fee	EUR/CLP	60 days	6,346,360	11,493,901
				Others	EUR	60 days	91,601	458,751
Telefónica Digital España	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	4,091,386	5,855,486
Telxius Cable Chile (Ex Telefónica International Wholesale Services Chile S.A.)	96,910,730-9	Chile	Common end controller	<b>Subtotal</b>			<b>3,819,301</b>	<b>3,764,212</b>
				Ip voice traffic	CLP	60 days	2,046,030	2,023,354
				Data and links	CLP	60 days	1,682,806	1,651,518
				Mandate	CLP	60 days	90,465	89,340
Telefónica Global Solutions	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	3,508,126	3,005,502
Telefónica Hispanoamérica, S.L (antes LACH)	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	3,209,976	2,937,250
Telefónica IoT & Big Data Tech Chile SpA	76,338,291-5	Chile	Common end controller	Serv, Provided	CLP	60 days	2,985,877	615,056
Telefónica Global Technology S.A.U.	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	2,307,521	387,436
Telefónica Global Solutions Chile, S.p.A.	76,540,944-6	Chile	Common end controller	Serv, Provided	CLP	60 days	1,943,766	2,704,861
Telefónica Compras Electrónicas	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	992,926	1,332,800

Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 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	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Telefónica lot & Big Data Tech	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	548,290	849,680
Telefónica Cybersecurity & Cloud Tech España	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	323,587	346,876
Telefónica Global Roaming Gmbh	Foreign	Germany	Common end controller	Serv, Provided	EUR	60 days	294,765	343,540
Telefónica del Perú S.A.	Foreign	Perú	Common end controller	Serv, Provided	USD	60 days	278,144	268,083
Telefónica Móviles Argentina S.A.	Foreign	Germany	Common end controller	Serv, Provided	USD	60 days	146,207	-
Terra México	Foreign	México	Common end controller	Serv, Provided	USD	60 days	141,411	124,099
Media Networks Perú	Foreign	Perú	Common end controller	Satellite Space	USD	60 days	94,046	250,687
Telefónica O2 Germany Gmbh & Co Ohg	Foreign	Germany	Common end controller	Serv, Provided	EUR	60 days	91,516	101,013
Telefónica Venezolana C.A.	Foreign	Venezuela	Common end controller	Serv, Provided	USD	60 days	76,293	69,168
Telefónica Móviles España S.A.	Foreign	España	Common end controller	Serv, Provided	EUR	60 days	59,928	59,928
Telefónica Servicios Audiovisuales	Foreign	España	Common end controller	Serv, Provided	EUR	60 days	54,917	50,032
Telefónica Brasil	Foreign	Brazil	Common end controller	Serv, Provided	USD	60 days	39,888	-
Telefónica Ingeniería de Seguridad S.A.	59.083.900-0	Chile	Common end controller	Serv, Provided	CLP	60 days	28,356	704,424
Colombia Telecomunicaciones	Foreign	Colombia	Common end controller	Serv, Provided	CLP	60 days	24,974	54,431
Pegaso PCS, S.A. de C.V.	Foreign	México	Common end controller	Serv, Provided	USD	60 days	21,027	-
Telefónica Global Technology Chile	59,165,120-k	Chile	Common end controller	Computer services	CLP	60 days	16,105	16,105
Otecel S.A.	Foreign	Ecuador	Common end controller	Serv, Provided	USD	60 days	11,855	10,335
Telefónica Móviles del Uruguay S.A.	Foreign	Uruguay	Common end controller	Serv, Provided	USD	60 days	-	46,904
Telefónica Learning Services	Foreign	Spain	Common end controller	Serv, Provided	EUR	60 days	-	22,378
<b>Total</b>							<b>183,843,406</b>	<b>190,308,580</b>

(1) This company began operating on July 1, 2021.

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.

**Notes to the interim consolidated financial statements, continued**  
As of March 31, 2022 (not audited) and December 31, 2021



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

d) Non-current payables to related companies:

Company	Taxpayer No,	Country of origin	Nature of the relationship	Transaction origin	Currency	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Telefónica S.A.	Foreign	Spain	End controller	HR obligation	CLP	1,704,223	1,529,371
<b>Total</b>						<b>1,704,223</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\$	03.31.2022 Effect on income (charge)/credit	ThCh\$	03.31.2021 Effect on income (charge)/credit
Infraco SpA (1)	77,122,635-3	Chile	Associate	Deployment service	CLP	19,728,287	19,728,287	-	-
				Optic Fiber Connectivity.	CLP	25,118,496	(25,118,496)	-	-
HoldCo InfraCo SpA	77,374,961-2	Chile	Associate	interest and adjustments subordinated debt	CLP	2,334,692	2,334,692	-	-
Telefónica Global Technology S.A.U.	Foreign	Spain	Common end controller	Costs	CLP	1,180,901	(1,180,901)	1,120,286	(1,120,286)
Telefónica S.A.	Foreign	Spain	End controller	Brand Fee	EUR	6,072,764	(6,072,764)	4,582,145	(4,582,145)
Telefónica Digital España	Foreign	Spain	Common end controller	Costs	CLP	2,315,539	(2,315,539)	-	-
Telxius Cable Chile	96,910,730-9	Chile	Common end controller	Sales	CLP	3,140,543	(3,140,543)	-	-
Telefónica Cybersecurity & Cloud Tech Chile SpA	77,145,256-6	Chile	Common end controller	Costs	CLP	6,090,258	(6,090,258)	4,055,232	(4,055,232)

(1) Fiber optic deployment operations began as of July 1, 2021

As of December 31, 2021, 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 March 31, 2022 and December 31, 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 5 members and its key employees are 68 and 67 for March 31, 2022 and 2021, respectively.

Concepts	03.31.2022	03.31.2021
	ThCh\$	ThCh\$
Salaries	5,117,971	4,890,496
Post employment benefits	426,215	602,066
<b>Total</b>	<b>5,604,186</b>	<b>5,492,562</b>

## 10. Inventory

a) The detail of inventory is as follows:

Concepts	03.31.2022			12.31.2021		
	Gross value ThCh\$	Allowance for obsolescence ThCh\$	Net value	Gross value ThCh\$	Allowance for obsolescence ThCh\$	Net value ThCh\$
Mobile equipment (1)	65,552,524	(387,575)	65,164,949	35,085,700	(241,310)	34,844,390
Modems and Router	21,894,422	(1,024,158)	20,870,264	22,423,379	(905,886)	21,517,493
Optic fiber	27,356,214	(236,765)	27,119,449	29,407,601	(66,073)	29,341,528
IP Solutions Projects	4,046,911	-	4,046,911	4,374,333	-	4,374,333
Decoders and TV equipment (2)	5,918,063	(129,230)	5,788,833	2,723,062	(230,628)	2,492,434
Basic telephony, public telephony and switchboard ("centralitas")	5,652,013	(76,357)	5,575,656	5,318,687	(181,151)	5,137,536
Mobile accessory	2,783,096	(167,891)	2,615,205	2,181,339	(81,712)	2,099,627
Other	221,320	(207)	221,113	110,296	(20,147)	90,149
<b>Total</b>	<b>133,424,563</b>	<b>(2,022,183)</b>	<b>131,402,380</b>	<b>101,624,397</b>	<b>(1,726,907)</b>	<b>99,897,490</b>

(1) The increase is due to the greater supply of handsets in respect to the scarce market offer in 20/21 due to production restrictions of our suppliers during the pandemic (20/21).

(2) The increase in comparison to December is mainly due to IPTV equipment.

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

b) The movement of inventory is as follows:

Movements	03.31.2022 ThCh\$	12.31.2021 ThCh\$
<b>Beginning balance</b>	<b>99,897,490</b>	<b>67,436,585</b>
Purchases	138,695,247	455,503,245
Sales	(106,371,832)	(431,909,186)
Allowance for obsolescence	(295,276)	270,255
Transfer (1)	(523,249)	8,596,591
<b>Movement, subtotal</b>	<b>31,504,890</b>	<b>32,460,905</b>
<b>Ending balance</b>	<b>131,402,380</b>	<b>99,897,490</b>

(1) Corresponds to transfer from property, plant and equipment to inventory in the amount of ThCh\$(523,549) (Note 15b) and ThCh\$ 8,596,591 (Note 15c) for 2021 and 2022. For 2021 include materials destined to investment which were transferred due to the sale of the fiber network and are composed of fiber cables in the amount of ThCh\$ 3,719,112, optical fiber terminal boxes in the amount of ThCh\$ 2,864,863, steel cable "Crucetas" and "Mufas" in the amount of ThCh\$ 1,768,236, splitters, jumpers and optical cable boxes in the amount of ThCh\$ 244,380.

## 11. Income Taxes

### a) Income Taxes:

As of March 31, 2022, both the parent company, Telefónica Móviles Chile S.A. and subsidiaries Telefónica Chile S.A., Telefónica Servicios Corporativos Ltda., Telefónica Empresas and Telefónica Investigación y Desarrollo Spa, are in a tax loss situation therefore no first category income tax provision has been established.

parent company Telefónica Móviles Chile S.A., has established a first category income tax provision, therefore it determined a positive taxable base of ThCh\$14,078,401. The subsidiaries present tax losses.

The following are first category tax losses as of March 31, 2022 and 2021, as applicable:

- Telefónica Móviles Chile S.A. ThCh\$10,061,140
- Telefónica Chile S.A. ThCh\$8,950,448 and ThCh\$32,822,577 at March 31, 2022 and 2021, respectively.
- Telefónica Empresas S.A. ThCh\$81,082,216 and ThCh\$63,479,747 at March 31, 2022 and 2021, respectively.
- Telefónica Servicios Corporativos Ltda. ThCh\$11,778,329 and ThCh\$15,452,348 at March 31, 2022 and 2021, respectively.
- Telefónica Investigación y Desarrollo SpA. ThCh\$1,363,756 and ThCh\$1,169,777 March 31, 2022 and 2021, respectively.

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 March 31, 2022 (not audited) and December 31, 2021



11. Income Taxes, continued

a) Income Taxes, continued

As of March 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.	-	-	-	-	2,209,131	-	-	-	-	
Telefónica Chile S.A.	-	-	-	-	12,856,556	-	-	188,775,807	833,089,437	
Telefónica Empresas Chile S.A.	3,217,933	-	-	3,217,933	(311,691)	-	-	-	-	
Telefónica Chile Servicios Corporativos Ltda.	88,255,986	88,255,986	-	-	17,478,680	-	-	19,387,924	72,206,714	
Telefónica Investigación y Desarrollo SPA	1,385,535	1,385,535	-	-	727,470	-	-	-	-	
<b>Total</b>	<b>92,859,454</b>	<b>89,641,521</b>	<b>-</b>	<b>3,217,933</b>	<b>32,960,117</b>	<b>-</b>	<b>-</b>	<b>208,163,731</b>	<b>905,296,151</b>	

b) Current tax assets

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

Concepts	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Taxes for recovering previous years (1)	7,567,186	2,969,754
Monthly prepaid tax installments (2)	4,605,082	4,605,082
Provisional payment on absorbed profits (3)	2,718,729	2,718,729
Sence	770,771	770,771
<b>Total</b>	<b>15,661,768</b>	<b>11,064,336</b>

(1) Corresponds to Telefónica Chile S.A. in the amount of ThCh\$44,486 (FY 2019 income tax return), in the amount of ThCh\$2,360,911 (FY2021 income tax return), and Telefónica Chile Servicios Corporativos Ltda. in the amount of ThCh\$2,199,685 (income tax return for FY2020 and prior years).

(2) Corresponds to the net amount of monthly provisional payments and the FY2022 and FY2023 income tax provision.

(3) Income tax refunds from Inversiones Telefónica Móviles Holding S.A. in the amount of ThCh\$ 2,718,729 for FY2015 and 2016.

Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



11. Income Taxes, continued

c) Deferred tax assets and liabilities

As of March 31, 2022, December 31, 2021, and March 31, 2021, accumulated balances of temporary differences originated net deferred tax assets in the amount of ThCh\$6,421,425, ThCh\$3,739,451 and ThCh\$16,755,594, respectively and which are detailed as follows:

Disclosure of temporary differences, losses and unused tax credits March 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	26,129,702	468,583	25,653,198	63,281,099	5,160,887	-	12,910,074	14,225,896	30,404,392	13,190,976	(2,496,266)	(79,270,197)	109,658,344	109,658,344
Deferred tax liabilities	-	-	3,827,012	-	-	11,568,994	11,258,495	132,840,309	-	9,969,069	13,043,237	(79,270,197)	103,236,919	103,236,919
<b>Deferred tax liabilities (assets)</b>	<b>(26,129,702)</b>	<b>(468,583)</b>	<b>(21,826,186)</b>	<b>(63,281,099)</b>	<b>(5,160,887)</b>	<b>11,568,994</b>	<b>(1,651,579)</b>	<b>118,614,413</b>	<b>(30,404,392)</b>	<b>(3,221,907)</b>	<b>15,539,503</b>	<b>-</b>	<b>(6,421,425)</b>	<b>(6,421,425)</b>
<b>Deferred tax assets and liabilities, net</b>														
Deferred tax assets, net	(26,129,702)	(468,583)	(21,826,186)	(63,281,099)	(5,160,887)	-	(1,651,579)	-	(30,404,392)	(3,221,907)	-	-	(152,144,335)	(152,144,335)
Deferred tax liabilities, net	-	-	-	-	-	11,568,994	-	118,614,413	-	-	15,539,503	-	145,722,910	145,722,910
<b>Deferred tax expense (benefit)</b>														
Deferred tax expense (benefit)	496,332	(79,724)	1,596,148	3,779,668	(9,460)	(37,881)	4,302,762	(713,187)	(8,025,203)	(609,238)	282,776	-	982,993	982,993
Deferred tax expense (benefit) recognized in income	496,332	(79,724)	1,596,148	3,779,668	(9,460)	(37,881)	4,302,762	(713,187)	(8,025,203)	(609,238)	282,776	-	982,993	982,993
<b>Changes in deferred tax liabilities (assets)</b>														
Deferred tax liabilities (assets) – Beginning balance Dec, 2020	(26,626,034)	(388,859)	(23,422,334)	(67,060,767)	(5,151,427)	11,606,875	(5,956,120)	119,327,600	(18,712,443)	(2,612,669)	15,256,727	-	(3,739,451)	(3,739,451)
<b>Changes in deferred tax liabilities (assets)</b>														
Deferred tax expense (benefit) recognized in income	496,332	(79,724)	1,596,148	3,779,668	(9,460)	(37,881)	4,302,762	(713,187)	(8,025,203)	(609,238)	282,776	-	982,993	982,993
Deferred taxes related to items credited (charged) directly to equity	-	-	-	-	-	-	-	-	(3,666,746)	-	-	-	(3,666,746)	(3,666,746)
Income taxes related to components of other comprehensive income	-	-	-	-	-	-	1,779	-	-	-	-	-	1,779	1,779
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>496,332</b>	<b>(79,724)</b>	<b>1,596,148</b>	<b>3,779,668</b>	<b>(9,460)</b>	<b>(37,881)</b>	<b>4,304,541</b>	<b>(713,187)</b>	<b>(11,691,949)</b>	<b>(609,238)</b>	<b>282,776</b>	<b>-</b>	<b>(2,681,974)</b>	<b>(2,681,974)</b>
<b>Deferred tax liabilities (assets)</b>	<b>(26,129,702)</b>	<b>(468,583)</b>	<b>(21,826,186)</b>	<b>(63,281,099)</b>	<b>(5,160,887)</b>	<b>11,568,994</b>	<b>(1,651,579)</b>	<b>118,614,413</b>	<b>(30,404,392)</b>	<b>(3,221,907)</b>	<b>15,539,503</b>	<b>-</b>	<b>(6,421,425)</b>	<b>(6,421,425)</b>

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

Notes to the interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 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, 2019	(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>

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

Notes to the interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 2021



11. Income Taxes, continued

c) Assets and Liability by Deferred taxes, continued

Disclosure of temporary differences, losses and unused tax credits March 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	37,905,652	434,436	1,743,425	87,326,608	5,072,050	-	13,370,717	9,644,897	30,444,817	9,647,057	4,628,436	(83,846,643)	116,371,452	116,371,452
Deferred tax liabilities	-	-	6,378,298	-	-	8,708,885	11,237,706	148,331,345	-	9,587,032	(780,765)	(83,846,643)	99,615,858	99,615,858
<b>Deferred tax liabilities (assets)</b>	<b>(37,905,652)</b>	<b>(434,436)</b>	<b>4,634,873</b>	<b>(87,326,608)</b>	<b>(5,072,050)</b>	<b>8,708,885</b>	<b>(2,133,011)</b>	<b>138,686,448</b>	<b>(30,444,817)</b>	<b>(60,025)</b>	<b>(5,409,201)</b>	-	<b>(16,755,594)</b>	<b>(16,755,594)</b>
<b>Deferred tax assets and liabilities, net</b>														
Deferred tax assets, net	(37,905,652)	(434,436)	-	(87,326,608)	(5,072,050)	-	(2,133,011)	-	(30,444,817)	(60,025)	(5,409,201)	-	(168,785,800)	(168,785,800)
Deferred tax liabilities, net	-	-	4,634,873	-	-	8,708,885	-	138,686,448	-	-	-	-	152,030,206	152,030,206
<b>Deferred tax expense (benefit)</b>														
Deferred tax expense (benefit)	(1,969,036)	(2,887)	1,657,745	1,000,023	(52,199)	1,277,163	4,187,729	2,844,305	(6,410,530)	255,403	1,943,560	-	4,731,276	4,731,276
Deferred tax expense (benefit) recognized in income	(1,969,036)	(2,887)	1,657,745	1,000,023	(52,199)	1,277,163	4,187,729	2,844,305	(6,410,530)	255,403	1,943,560	-	4,731,276	4,731,276
<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	(1,969,036)	(2,887)	1,657,745	1,000,023	(52,199)	1,277,163	4,187,729	2,844,305	(6,410,530)	255,403	1,943,560	-	4,731,276	4,731,276
Deferred taxes related to items credited (charged) directly to equity	-	-	-	-	-	-	-	-	46,361	-	-	-	46,361	46,361
Income taxes related to components of other comprehensive income	-	-	-	-	-	-	311,328	-	-	-	-	-	311,328	311,328
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>(1,969,036)</b>	<b>(2,887)</b>	<b>1,657,745</b>	<b>1,000,023</b>	<b>(52,199)</b>	<b>1,277,163</b>	<b>4,499,057</b>	<b>2,844,305</b>	<b>(6,364,169)</b>	<b>255,403</b>	<b>1,943,560</b>	-	<b>5,088,965</b>	<b>5,088,965</b>
<b>Deferred tax liabilities (assets)</b>	<b>(37,905,652)</b>	<b>(434,436)</b>	<b>4,634,873</b>	<b>(87,326,608)</b>	<b>(5,072,050)</b>	<b>8,708,885</b>	<b>(2,133,011)</b>	<b>138,686,448</b>	<b>(30,444,817)</b>	<b>(60,025)</b>	<b>(5,409,201)</b>	-	<b>(16,755,594)</b>	<b>(16,755,594)</b>

## 11. Income Taxes, continued

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

#### i. 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 in the amount of ThCh \$140,423,552. That amount came from allocation of taxable goodwill generated in the merger, the non-monetary assets of the absorbed entity, which ultimately was reflected in the recording of a deferred tax asset under IFRS. This allocation required management to determine the fair values of those assets using their best estimate. As of March 31, 2018, the Company finished the process of estimating the fair values of the non-monetary assets involved in the merger and determined a deferred tax which was audited by the Chilean Internal Revenue Service in FY 2018. On September 23, 2021, the audit was concluded determining final deferred taxes in the amount of ThCh\$139,353,817. The difference generated in function of the recognition of beginning deferred taxes in 2017 was recorded with a credit to income, under income taxes.

As of March 31, 2022 and December 31, 2021, the balance of this deferred tax asset amounted to ThCh\$63,281,099 and ThCh\$67,060,767, respectively.

### d) Taxable Income

As of March 31, 2022 and 2021, no first category income tax provision has been established, since both the parent company and subsidiaries present tax losses. As of March 31, 2021, a first category income tax provision was recorded, therefore a positive taxable base was determined in the amount of ThCh\$14,078,401 detailed as follows:

Concepts	Taxable Net Income	
	03.31.2022 ThCh\$	03.31.2021 ThCh\$
Finance income	15,760,463	21,217,625
Recorded tax expense	2,739,438	4,924,207
Additions	289,248,743	271,123,140
Deductions	(307,748,645)	(283,186,571)
Taxable net income	-	14,078,401
<b>First category tax rate 27%</b>	-	3,801,168
Art, 21 rejected expenses tax base	354,684	123,895
<b>First category tax rate 40%</b>	141,874	49,557
<b>Total tax provision</b>	<b>141,874</b>	<b>3,850,725</b>
Provision contingencies (1)	5,730	(651,696)
Provision for hedging instruments to equity (2)	-	(1,603,263)
Hedging liquidation of previous periods (3)	1,608,841	(1,402,835)
<b>Total first category taxes</b>	<b>1,756,445</b>	<b>192,931</b>

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

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

(3) Corresponds to the tax expense (benefit) calculated on 2020 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 period.



Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



11. Income Taxes, continued

e) Income tax reconciliation

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

Items	03.31.2022		03.31.2021	
	Taxable Base ThCh\$	27% Tax Rate ThCh\$	Taxable Base ThCh \$	27% Tax Rate ThCh\$
<b>Based on accounting income before taxes:</b>				
Finance income	15,760,463		21,217,625	
Recorded tax expense	2,739,438		4,924,207	
<b>Income before taxes</b>	<b>18,499,901</b>	<b>4,994,973</b>	<b>26,141,832</b>	<b>7,058,295</b>
<b>Permanent differences</b>				
Price-level restatement of taxable equity	(8,353,836)	(2,255,535)	(7,904,031)	(2,134,088)
Price-level restatement of taxable value of investments in related companies	(50,177,443)	(13,547,910)	(27,089,227)	(7,314,091)
Income from investment in related parties	27,145,566	7,329,303	13,867,447	3,744,211
Contingency provision	2,706	731	317,298	85,670
Adjustment on deferred tax balances	21,222	5,730	(2,413,689)	(651,696)
Losses previous period (surplus)	1,534,786	414,392	-	-
Art. 21 non-deductible expenses	-	-	-	-
IFRS16 adjustment	525,459	141,874	183,548	49,558
Adjustment for BAF and DECOS components	(1,015,319)	(274,136)	1,606,181	433,669
Price-level restatement of non-monetary assets associated to merger intangibles	14,310,936	3,863,953	1,937,395	523,097
Others (1)	2,694,819	727,601	1,319,957	356,388
<b>Total corporate tax expense</b>	<b>10,146,065</b>	<b>2,739,438</b>	<b>18,237,801</b>	<b>4,924,207</b>
<b>Based on taxable net income and deferred taxes calculated on the basis of temporary differences</b>				
27% income tax		-		2,197,904
40% income tax		141,874		49,558
Contingency provision		5,730		(651,696)
Settlement of derivatives of previous periods		1,608,841		(1,402,835)
<b>Income tax expense</b>		<b>1,756,445</b>		<b>192,931</b>
<b>Total deferred tax expense (income)</b>		<b>982,993</b>		<b>4,731,276</b>
<b>Total corporate tax expense (income)</b>		<b>2,739,438</b>		<b>4,924,207</b>
<b>Effective income tax rate (2)</b>		<b>14.81%</b>		<b>18.84%</b>

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

(2) Effective rate determined considering the tax expense accounted for in result with respect to the financial result before tax amounts to 14.81%.

## 11. Income Taxes, continued

### f) Current income tax liabilities

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

Concepts	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Income tax accrual (1)	94,326,319	95,893,746
Unic income tax	872,248	730,377
Contingency provision	201,205	195,475
Others	126,928	126,929
<b>Total</b>	<b>95,526,700</b>	<b>96,946,527</b>

(1) Annual income taxes as of March 31, 2022 and December 31, 2021 are presented net of monthly provisional payments which amount to ThCh\$15,031,599 and ThCh\$ 13,999.222, respectively.

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

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

Concepts	03.31.2022			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>30,159,507</b>	<b>(3,648,765)</b>	<b>26,510,742</b>	<b>17,135,102</b>	<b>(1,935,042)</b>	<b>15,200,060</b>
Trade receivables	28,487,576	(3,616,485)	24,871,091	15,589,761	(1,907,973)	13,681,788
Contractual asset (1)	1,671,931	(32,280)	1,639,651	1,545,341	(27,069)	1,518,272
<b>Miscellaneous receivables (2)</b>	<b>9,850,159</b>	<b>-</b>	<b>9,850,159</b>	<b>9,906,974</b>	<b>-</b>	<b>9,906,974</b>
<b>Total</b>	<b>40,009,666</b>	<b>(3,648,765)</b>	<b>36,360,901</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 March 31, 2022 and as of December 31, 2021, are detailed as follows:

Concepts	As of March 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	30,015,647	128,972	14,888	30,159,507	(3,645,895)	(2,573)	(297)	(3,648,765)	26,510,742
Miscellaneous receivables	223,570	983,493	8,643,096	9,850,159	-	-	-	-	9,850,159
<b>Total</b>	<b>30,239,217</b>	<b>1,112,465</b>	<b>8,657,984</b>	<b>40,009,666</b>	<b>(3,645,895)</b>	<b>(2,573)</b>	<b>(297)</b>	<b>(3,648,765)</b>	<b>36,360,901</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 March 31, 2022 and as of December 31, 2021 are detailed as follows:

Concepts	03.31.2022			12.31.2021		
	Intangible, gross ThCh\$	Accumulated amortization ThCh\$	Intangible, net ThCh\$	Intangible, gross ThCh\$	Accumulated amortization ThCh\$	Intangible, net ThCh\$
Administrative granting's (1)	213,643,943	(81,368,100)	132,275,843	213,643,943	(80,046,427)	133,597,516
Licenses and franchises (2)	633,590,396	(548,639,734)	84,950,662	617,054,105	(534,316,589)	82,737,516
Intangible assets in development (3)	43,028,630	-	43,028,630	37,021,028	-	37,021,028
Other intangible assets (4)	21,689,821	(21,689,821)	-	21,689,823	(21,689,823)	-
<b>Total</b>	<b>911,952,792</b>	<b>(651,697,657)</b>	<b>260,255,135</b>	<b>889,408,899</b>	<b>(636,052,839)</b>	<b>253,356,060</b>

(1) Contains 5G spectrum tender.

(2) As of March 2022, the net value mainly includes data switching and transmission software in the amount of ThCh\$41,985,479, office automation application software in the amount ThCh\$7,671,658, corporate systems software in the amount of ThCh\$31,762,653 and other network software in the amount of ThCh\$3,530,873.

(3) As of March 2022, the net value corresponds to IBM and Microsoft licenses in the amount of ThCh\$ 2,505,404, switching and administrative software in the amount of ThCh\$ 22,051,499, Believe commercial management and operating system in the amount of ThCh\$ 15,447,219 and other licenses and franchises in the amount of ThCh\$ 3,024,508.

(4) Corresponds to submarine cable right of use.

- b) As of March 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)	-	-	10,942,055	10,942,055
Transfer from costs of developing to service	-	16,536,291	(16,536,291)	-
Amortization	(1,321,673)	(14,323,145)	-	(15,644,818)
Transfer from work in progress (Note 15b)	-	-	11,601,838	11,601,838
<b>Movement, subtotal</b>	<b>(1,321,673)</b>	<b>2,213,146</b>	<b>6,007,602</b>	<b>6,899,075</b>
<b>Ending balance as of 03.31.2022</b>	<b>132,275,843</b>	<b>84,950,662</b>	<b>43,028,630</b>	<b>260,255,135</b>
<b>Remaining average useful life</b>	<b>25 years</b>	<b>1,48 years</b>	<b>-</b>	<b>-</b>

(1) Mainly includes Operating continuity in the amount of ThCh\$1,282,021, Platforms and services (Development, licenses and others) in the amount of ThCh\$6,933,931, Core – Transportation and Optimization in the amount of ThCh\$2,726,103.

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 15b)	-	-	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>-</b>	<b>253,356,060</b>
<b>Remaining average useful life</b>	<b>-</b>	<b>25.3 years</b>	<b>1,35 years</b>	<b>-</b>	<b>-</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, 2021, impairment testing did not result in loss of value of intangible assets.

The main additions to intangible assets, other than goodwill, as of March 31, 2022 and December 31, 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\$447,666,645 and ThCh\$445,965,660, as of March 31, 2022 and December 31, 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 March 31, 2022, the value recorded as of that date remains the same.

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

Taxpayer No.	Company	01.01.2022 ThCh\$	Additions ThCh\$	Eliminations ThCh\$	03.31.2022 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.

(2) On April 30, 2016 Telefónica Larga Distancia S.A. was merged by incorporation with Telefónica Chile S.A. with the latter absorbing the former and acquiring its assets and liabilities and succeeding it in all its rights and obligations.

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

Impairment testing carried out as of March 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 years as of March 31, 2022 and December 31, 2021 and their corresponding accumulated depreciation, is as follows:

Concepts	03.31.2022		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	21,721,856	-	21,721,856	21,844,513	-	21,844,513
Buildings	912,239,291	(653,320,516)	258,918,775	911,997,733	(650,259,853)	261,737,880
Supplies and accessories	34,790,435	(33,373,864)	1,416,571	34,790,435	(33,256,474)	1,533,961
Office equipment	4,226,390	(3,288,422)	937,968	4,226,390	(3,238,322)	988,068
Construction in progress	163,748,996	-	163,748,996	161,422,658	-	161,422,658
Information equipment	63,693,887	(55,989,700)	7,704,187	63,387,321	(55,474,355)	7,912,966
Network and communication Equipment	3,292,668,188	(2,784,544,291)	508,123,897	3,280,997,276	(2,762,175,289)	518,821,987
Other property, plant & equipment (1)	343,181,813	(331,752,621)	11,429,192	345,345,100	(331,725,713)	13,619,387
<b>Total</b>	<b>4,836,336,307</b>	<b>(3,862,334,865)</b>	<b>974,001,442</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 devices for customers.

Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



15. Property, plant and equipment, continued

b) As of March 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)	-	-	-	-	32,326,666	-	-	-	32,326,666
Withdrawals	(122,657)	(4,415,586)	-	-	-	(104,075)	(1,434,113)	(2,703,251)	(8,779,682)
Withdrawals depreciation	-	2,684,174	-	-	-	102,808	1,365,651	2,703,251	6,855,884
Depreciation expense	-	(5,744,837)	(117,390)	(50,100)	-	(618,153)	(23,734,653)	(2,730,159)	(32,995,292)
Transfer to intangible assets (2)	-	-	-	-	(11,601,838)	-	-	-	(11,601,838)
Other Increase (decrease) (3)	-	4,657,144	-	-	(18,398,490)	410,641	13,105,025	539,964	314,284
<b>Movements, subtotal</b>	<b>(122,657)</b>	<b>(2,819,105)</b>	<b>(117,390)</b>	<b>(50,100)</b>	<b>2,326,338</b>	<b>(208,779)</b>	<b>(10,698,090)</b>	<b>(2,190,195)</b>	<b>(13,879,978)</b>
<b>Ending balance as of 03.31.2022</b>	<b>21,721,856</b>	<b>258,918,775</b>	<b>1,416,571</b>	<b>937,968</b>	<b>163,748,996</b>	<b>7,704,187</b>	<b>508,123,897</b>	<b>11,429,192</b>	<b>974,001,442</b>

(1) Additions for the March 22 period correspond mainly to new investments in Operational business Continuity in the amount of ThCh\$3,843,423, Core, Transportation and Optimization in the amount of ThCh\$14,130,266, customer equipment in the amount of ThCh\$1,510,072, Civil works in the amount of ThCh\$195,997, Platforms and services in the amount of ThCh\$2,038,762, Network and others in the amount of ThCh\$10,338,144.

(2) Includes movement of net transfers of property, plant and equipment to intangible assets (see Note 13b).

(3) Includes transfer from inventory in the amount of ThCh\$523,249 (see Note 10).

As of March 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>	-	320,223,040	30,524,908	2,946,517	-	60,362,983	2,249,003,786	-	315,996,685	2,979,057,919

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.

Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 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.

## 15. Property, plant and equipment, continued

In the normal course of its operations, the Company monitors both new and existing assets, and their depreciation rates, standardizing them to the technological evolution and development of the markets in which it competes. The company has no assets provided as guarantees.

Regarding real estate lease contracts, the Company has considered it necessary to establish a provision for dismantling costs that is presented under Other non-current provisions.

## 16. Investment properties

a) The composition of this item corresponds to fourteen rental floors in the Corporate Building and its related

a

Concepts	03.31.2022			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	(6,149,637)	4,617,756	10,767,393	(6,085,397)	4,681,996
Network and communications equipment	1,936,845	(1,923,624)	13,221	1,936,845	(1,922,880)	13,965
Office equipment	18,632	(13,898)	4,734	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>(8,090,685)</b>	<b>4,635,711</b>	<b>12,726,396</b>	<b>(8,025,235)</b>	<b>4,701,161</b>

d the detail is as follows:

As of March 2020, the Company has recognized rentals from investment properties in operating income. As of March 31, 2022, and December 31, 2021 this concept amounts to ThCh\$486,997 and ThCh\$1,023,566, respectively.

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

b) The movements as of March 31, 2022 and December 31, 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	(64,240)	(744)	(466)	-	(65,450)
<b>Movements, subtotal</b>	<b>(64,240)</b>	<b>(744)</b>	<b>(466)</b>	-	<b>(65,450)</b>
<b>Ending balance as of 03.31.2022</b>	<b>4,617,756</b>	<b>13,221</b>	<b>4,734</b>	-	<b>4,635,711</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>



## 17. Right of use assets

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

Concepts	03.31.2022			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 (1)	145,420,766	(80,643,485)	64,777,281	117,009,875	(73,878,986)	43,130,889
Constructions (2)	245,682,468	(125,720,976)	119,961,492	218,850,496	(110,561,572)	108,288,924
Plant and machinery	18,289,658	(6,848,395)	11,441,263	18,289,658	(6,064,662)	12,224,996
Other Rights of use (3)	48,363,064	(13,249,766)	35,113,298	62,301,147	(16,648,746)	45,652,401
<b>Total</b>	<b>457,755,956</b>	<b>(226,462,622)</b>	<b>231,293,334</b>	<b>416,451,176</b>	<b>(207,153,966)</b>	<b>209,297,210</b>

- (1) Gross assets consider changes in the valuation of site contracts due to extension of the term.  
(2) Gross assets consider changes in the contracts of tower keepers in the amount of ThCh\$24,610,235.  
(3) This item presents all contracts that as of the closing date were in the process of being modified or added. In gross assets the variation corresponds mainly to contracts that had already been updated, from variable income to IFRS 16 in the amount of ThCh\$-9,283,517, due to modification of the term in the amount of MCh\$-9,041,865, and due to variation in the UF in the amount of MCh\$4,625,436.

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

Movements	Rights of use on land and natural properties, net ThCh\$	Rights of use on buildings, net ThCh\$	Rights of use on plant and machinery, net ThCh\$	Other rights of use, net ThCh\$	Rights of use, net ThCh\$
<b>Beginning balance as of 01.01.2022</b>	<b>43,130,889</b>	<b>108,288,924</b>	<b>12,224,996</b>	<b>45,652,401</b>	<b>209,297,210</b>
Additions (1)	28,308,864	26,776,821	-	-	55,085,685
Amortization expense	(6,764,499)	(15,159,404)	(783,733)	3,398,980	(19,308,656)
Other increases (decreases) (2)	102,027	55,151	-	(13,938,083)	(13,780,905)
<b>Movements, subtotal</b>	<b>21,646,392</b>	<b>11,672,568</b>	<b>(783,733)</b>	<b>(10,539,103)</b>	<b>21,996,124</b>
<b>Ending balance as of 03.31.2022</b>	<b>64,777,281</b>	<b>119,961,492</b>	<b>11,441,263</b>	<b>35,113,298</b>	<b>231,293,334</b>

- (1) Considera principalmente altas por ThCh\$2.166.586 y modificaciones de contratos por ThCh\$52.919.098 que incluye modificaciones de renta, contratos, reajustes por IPC anuales y extensiones de vigencia.  
(2) Considera principalmente menores provisiones contratos de renta variable que pasan a NIIF16 por -ThCh\$9.283.517, provisión de contratos de Claro por - ThCh\$9.041.865, adicionalmente considera provisión de postcapitalización de contratos en UF por ThCh\$4.625.436.

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 ThCh\$	Rights of use on buildings, net ThCh\$	Rights of use on plant and machinery, net ThCh\$	Other rights of use, net ThCh\$	Rights of use, net ThCh\$
<b>Beginning balance as of 01.01.2021</b>	<b>33,567,480</b>	<b>123,565,617</b>	<b>6,420,306</b>	<b>23,764,440</b>	<b>187,317,843</b>
Additions (1)	43,952,726	19,523,604	8,138,488	31,646,579	103,261,397
Withdrawals	(329,843)	-	-	-	(329,843)
Amortization withdrawals	264,278	-	-	-	264,278
Amortization expense	(34,829,561)	(35,347,543)	(2,363,151)	(10,630,675)	(83,170,930)
Other increases (decreases)	505,809	547,246	29,353	872,057	1,954,465
<b>Movements, subtotal</b>	<b>9,563,409</b>	<b>(15,276,693)</b>	<b>5,804,690</b>	<b>21,887,961</b>	<b>21,979,367</b>
<b>Ending balance as of 12.31.2021</b>	<b>43,130,889</b>	<b>108,288,924</b>	<b>12,224,996</b>	<b>45,652,401</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. As of March 31, 2022, this account includes assets of the optic fiber business and the data center, detailed as follows:

Conceptos	03.31.2022		12.31.2021			
	Gross value	Accumulated amortization	Net value	Gross value	Accumulated amortization	Net value
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Land (1)	1,246,178	-	1,246,178	1,246,178	-	1,246,178
Buildings (1)	8,321,416	(6,564,174)	1,757,242	8,321,416	(6,564,174)	1,757,242
Network and communication Equipment (1)	14,895,697	(12,505,501)	2,390,196	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>24,463,291</b>	<b>(19,069,675)</b>	<b>5,393,616</b>

- b) There has been no movement in this heading in 2022.

As of December 31, 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 01.01.2021</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 March 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 03.31.2022 ThCh\$
HoldCo InfraCo SpA	40%	72,428,057	-	587,682	1,245,973	74,261,711

(1) Corresponds to calculation of the share in equity and amortization of the PPA (Purchase Price Allocation) in the amount of ThCh\$560,486.

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	4,360,396	72,428,057

(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 March 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%	4	259,459,729	259,459,733	2,061	214,017,073	214,019,134	45,440,599	1,469,207

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 03.31.2022
		ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
77,374,961-2	HoldCo InfraCo SpA	(8,534)	-	8,515	(19)	23	4

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		03.31.2022		12.31.2021	
		Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
Bank loans	(a)	356,496	340,822,716	1.088.844	352.932.060
Unguaranteed obligations (Bonds) (1)	(b)	418,048,336	657,634,709	436.772.648	691.104.877
Hedge instruments	(see Note 23,2)	38,279,806	2,189,170	5.149.880	1.044.730
<b>Total</b>		<b>456,684,638</b>	<b>1,000,646,595</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\$79,833 and ThCh\$6,891,249 and non-current includes ThCh\$2,855,128 and ThCh\$1,392,395 as of March 31, 2022 and December 31, 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 interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 2021



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

a) As of March 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	1,73%	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	1,99%	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	-	-	-	-	-	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>					-	-	<b>216.103.554</b>	<b>110,000,000</b>	<b>326.103.554</b>	<b>17,911,000</b>	-	<b>17,911,000</b>	-	-	<b>344,014,554</b>

**Notes to the interim consolidated financial statements, continued**  
As of March 31, 2022 (not audited) and December 31, 2021



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

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

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Current			Non-current					Total Non-current as of 03.31.2022 ThCh\$		
					To Maturity		Total current as of 03.31.2022 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	98,556	-	98,556	53,844,226	-	53,844,226	-	-	-	-	53,844,226
Bilateral Loan (2)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Bank of Nova Scotia	-	5,179	5,179	110,032,427	-	110,032,427	-	-	-	-	110,032,427
Bilateral Loan (3)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Banco de Chile	218,273	-	218,273	-	29,908,492	29,908,492	-	-	-	-	29,908,492
Bilateral Loan (4)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Banco Itaú	-	15,000	15,000	-	-	-	17,799,430	-	17,799,430	-	17,799,430
Bilateral Loan (5)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Banco Santander	13,417	-	13,417	-	49,687,617	29,908,492	-	-	-	-	49,687,617
Bilateral Loan (6)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Banco Estado	-	3,661	3,661	49,732,566	-	49,732,566	-	-	-	-	49,732,566
Bilateral Loan (7)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Banco BCI	-	2,410	2,410	-	29,817,958	29,817,958	-	-	-	-	29,817,958
<b>Total</b>					<b>330,245</b>	<b>26,250</b>	<b>356,496</b>	<b>213,609,219</b>	<b>109,414,067</b>	<b>323,023,286</b>	<b>17,799,430</b>	<b>-</b>	<b>17,799,430</b>	<b>-</b>	<b>340,822,716</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.

Notes to the interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 2021



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	1,463%	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)								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	-	-	-	-	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>					-	-	<b>166,103,554</b>	<b>80,000,000</b>	<b>246,103,554</b>	<b>97,911,000</b>	-	<b>97,911,000</b>	-	<b>344,014,554</b>



Notes to the interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 2021



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	Current			Non-current							
					To Maturity		Total current as of 12.31.2021 ThCh\$	To Maturity							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\$	5 years and over 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 interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



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

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

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	Foreign	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	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 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 (2)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Banco Santander	-	-	69,392,760	-	69,392,760	-	-	-	-	-	69.392.760
Bono Serie T (3)	90,635,000-9	Telefónica Chile S,A,	Chile	Banco de Chile	-	9,600,000	9,600,000	-	9,600,000	-	-	-	-	-	19.200.000
Bono Serie O (4)	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>					-	246.000.000	78.992.760	-	78.992.760	160.000.000	-	160.000.000	409.780.000	-	894.772.760

Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



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

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

Types	Debtor taxpayer No,	Debtor	Debtor country	Creditor	Current			Non-current					Total Non-current as of 03.31.2022 ThCh\$		
					To Maturity		Total current as of 03.31.2022 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 144A (1)	90,635,000-9	Telefónica Chile S,A,	Chile	The Bank of New York Mellon	-	400,733,584	400,733,584	-	-	-	-	-	-	-	-
Bono Serie F (2)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Banco Santander	1,467,199	-	1,467,199	95,989,939	-	95,989,939	-	-	-	-	95,989,939
Bono Serie T (3) (5) (6)(8)	90,635,000-9	Telefónica Chile S,A,	Chile	Banco Chile	-	9,847,294	9,847,294	9,604,435	-	9,604,435	-	-	-	-	9,604,435
Bono Serie O(4)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Banco de Chile	887,625	-	887,625	-	-	-	70,246,539	-	70,246,539	-	70,246,539
Bono Serie Q (7)	76,124,890-1	Telefónica Móviles Chile S,A,	Chile	Banco de Santander	-	449,996	449,996	-	-	-	90,586,075	-	90,586,075	-	90,586,075
Bond Serie 144A II (9)	90,635,000-9	Telefónica Chile S,A,	Chile	The Bank of New York Mellon	-	4,662,638	4,662,638	-	-	-	-	-	-	391,207,721	391,207,721
<b>Total</b>					<b>2,354,824</b>	<b>415,693,512</b>	<b>418,048,336</b>	<b>105,594,374</b>	<b>-</b>	<b>105,594,374</b>	<b>160,832,614</b>	<b>-</b>	<b>160,832,614</b>	<b>391,207,721</b>	<b>657,634,709</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.

Notes to the interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 2021



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, continued:

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)									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 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	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 interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



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

c) 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\$	To Maturity							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\$	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 March 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			03.31.2022
	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>74,624</b>	<b>(26,722,492)</b>	<b>(8,561,535)</b>	<b>20,241,528</b>	<b>77,334,004</b>	<b>7,206,621</b>	<b>554,425,307</b>
Banks loans (1)	1,088,844	-	(3,899,072)	18,812	1,634,946	-	1,512,966	356,496
Unguaranteed obligations (Bonds) (2)	436,772,648	-	(2,070,463)	(28,318,806)	9,363,134	9,600,000	(7,298,177)	418,048,336
Hedge instruments (3)	5,149,880	74,624	(842,169)	31,353,591	3,840,702	-	(1,296,822)	38,279,806
Leases (4)	41,841,185	-	(19,668,887)	(11,615,132)	5,402,746	67,734,004	14,046,752	97,740,669
Other Debts - Financial Payments (5)	-	-	(241,902)	-	-	-	241,902	-
<b>Related companies commercial mandate (6)</b>	<b>88,215</b>	<b>506,660</b>	<b>(250,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(255,535)</b>	<b>89,340</b>
<b>Total</b>	<b>484,940,772</b>	<b>581,284</b>	<b>(26,972,492)</b>	<b>(8,561,535)</b>	<b>20,241,528</b>	<b>77,334,004</b>	<b>6,951,086</b>	<b>554,514,647</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\$(6,971,084) and amortized cost in the amount of ThCh\$(327,093).
- (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 portfolio sales settlement.
- (6) Corresponds to movements of related-party transactions with Telxius Cable.

Conciliation of financing activities, Non-current	Cash flows				Items other than cash flows			03.31.2022
	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>1,197,268,172</b>	<b>-</b>	<b>-</b>	<b>(27,397,399)</b>	<b>-</b>	<b>(77,334,004)</b>	<b>80,344,481</b>	<b>1,172,881,250</b>
Banks loans (1)	352,932,060	-	-	(11,821,435)	-	-	(287,909)	340,822,716
Unguaranteed obligations (Bonds) (2)	691,104,877	-	-	(26,004,705)	-	(9,600,000)	2,134,537	657,634,709
Hedge instruments (3)	1,044,730	-	-	10,428,741	-	-	(9,284,301)	2,189,170
Leases (4)	152,186,505	-	-	-	-	(67,734,004)	87,782,154	172,234,655
<b>Total</b>	<b>1,197,268,172</b>	<b>-</b>	<b>-</b>	<b>(27,397,399)</b>	<b>-</b>	<b>(77,334,004)</b>	<b>80,344,481</b>	<b>1,172,881,250</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\$(1,462,732) and amortized cost in the amount of ThCh\$671,805.
- (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.

Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



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

c) As of March 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			03.31.2021
	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>323,826,778</b>	<b>1,291,341</b>	<b>(39,624,860)</b>	<b>(10,429,797)</b>	<b>8,486,065</b>	<b>6,900,222</b>	<b>7,442,360</b>	<b>297,892,110</b>
Banks loans (1)	107,005,217	-	(3,099,895)	1,604,644	1,063,607	169,955	1,899,770	108,643,298
Unguaranteed obligations (Bonds) (1)	119,223,234	-	(14,389,168)	(6,228)	6,412,896	34,502	127,310	111,402,546
Hedge instruments (2)	28,697,814	309,341	(2,932,509)	(9,224,779)	545,376	-	234,862	17,630,106
Leases (3)	66,977,988	-	(15,330,317)	(2,803,434)	464,186	6,695,765	1,805,110	57,809,298
Other financial debts (4)	1,922,525	982,000	(3,872,971)	-	-	-	3,375,308	2,406,862
<b>Related companies commercial mandate (5)</b>	<b>88,368</b>	<b>-</b>	<b>(400,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400,069</b>	<b>88,437</b>
<b>Related companies leases (3)</b>	<b>2,560,600</b>	<b>-</b>	<b>(2,237,076)</b>	<b>-</b>	<b>-</b>	<b>5,869,731</b>	<b>(3,483,167)</b>	<b>2,710,088</b>
<b>Dividends pending of payment (6)</b>	<b>9,971,466</b>	<b>-</b>	<b>(104,839,834)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>104,839,834</b>	<b>9,971,466</b>
<b>Total</b>	<b>336,447,212</b>	<b>1,291,341</b>	<b>(147,101,770)</b>	<b>(10,429,797)</b>	<b>8,486,065</b>	<b>12,769,953</b>	<b>109,199,096</b>	<b>310,662,101</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 portfolio sales settlement.
- (5) Corresponds to movements of related-party transactions with Fundación Telefónica Chile.
- (6) Corresponds to dividends paid in February 2021.

Conciliation of financing activities, Non-current	Cash flows				Items other than cash flows			03.31.2021
	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>147,911,000</b>	<b>-</b>	<b>6,227,508</b>	<b>-</b>	<b>(12,769,953)</b>	<b>(1,405,334)</b>	<b>994,004,644</b>
Banks loans (1)	177,503,803	147,911,000	-	2,214,338	-	(169,955)	(1,121,906)	326,337,280
Unguaranteed obligations (Bonds) (2)	553,244,197	-	-	6,403,277	-	(34,502)	(4,834,171)	554,778,801
Hedge instruments (3)	24,855,039	-	-	(2,390,107)	-	-	(2,211,286)	20,253,646
Leases (4)	98,438,384	-	-	-	-	(12,565,496)	6,762,029	92,634,917
<b>Related companies leases (4)</b>	<b>39,447,038</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>821,929</b>	<b>40,268,967</b>
<b>Total</b>	<b>893,488,461</b>	<b>147,911,000</b>	<b>-</b>	<b>6,227,508</b>	<b>-</b>	<b>(12,769,953)</b>	<b>(583,405)</b>	<b>1,034,273,611</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\$(4,835,714) and amortized cost in the amount of ThCh\$1,543.
- (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	03.31.2022		12.31.2021	
	Current M\$	Non-current M\$	Current M\$	Non-current M\$
Lease obligations (1)	97,740,669	172,234,655	41,841,185	193,160,081
<b>Total</b>	<b>97,740,669</b>	<b>172,234,655</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 March 31, 2022 and December 31, 2021 is as follows:

Due date		Total current 03.31.2022 ThCh\$	1 to 3 years ThCh\$	Due dates		Total non-current as of 03.31.2022 ThCh\$
Up to 90 days ThCh\$	91 days to 1 year ThCh\$			3 to 5 years ThCh\$	Over 5 years ThCh\$	
50,996,952	46,743,717	<b>97,740,669</b>	140,334,568	22,347,521	9,552,566	<b>172,234,655</b>

Due date		Total current 12.31.2021 ThCh\$	1 to 3 years ThCh\$	Due dates		Total non-current as of 12.31.2021 ThCh\$
Up to 90 days ThCh\$	91 days to 1 year ThCh\$			3 to 5 years ThCh\$	Over 5 years ThCh\$	
22,275,189	19,565,996	<b>41,841,185</b>	140,440,778	36,572,713	16,146,590	<b>193,160,081</b>

## 22. Trade and other payables

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

Description	03.31.2022		12.31.2021	
	Current ThCh\$	No-current ThCh\$	Current ThCh\$	No-current ThCh\$
Debts due to purchases or services provided, invoiced (1)	174,581,127	-	183,956,374	-
Debts due to purchases or services provided, provisioned (1) (2)	176,746,926	181,557	182,026,017	280,037
Real property providers, invoiced	37,827,796	-	63,663,843	-
Real property providers, provisioned	16,081,119	-	29,224,226	-
Payables to employees	23,462,911	-	34,521,366	-
Dividends pending of payment	506,337	-	555,203	-
<b>Total</b>	<b>429,206,216</b>	<b>181,557</b>	<b>493,947,029</b>	<b>280,037</b>

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

Debts due to purchases or services provided	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Domestic	301,722,627	314,078,101
Foreign	49,605,426	51,904,290
<b>Total</b>	<b>351,328,053</b>	<b>365,982,391</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 March 31, 2022, The main suppliers, considering a minimum margin of 4% of total accounts payable correspond to: Apple Chile Comercial Ltda. with 9.9%, Samsung Electronics Chile Ltda. with 8.9%, Comercial Multiwireless Ltda. with 6.6%, Huawei Chile S.A. with 6.3%, and Nokia Solutions and Networks Chile with 4.8%. As of 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%, Huawei Chile S.A. with 4.1%.

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

Suppliers with up to date payments As of 03.31.2022	Goods (Immobilized) ThCh\$	Services and Purchases ThCh\$	Total ThCh\$
<b>Trade accounts to date</b>			
Up to 30 days	11,780,388	95,983,147	107,763,535
From 31 to 60 days	21,706,102	57,732,078	79,438,180
From 61 to 90 days	152,373	3,993,203	4,145,576
From 91 to 120 days	229,191	1,386,278	1,615,469
From 121 to 180 days	30,230	4,042	34,272
More than 180 days	23,115	68,858	91,973
<b>Total</b>	<b>11,780,388</b>	<b>95,983,147</b>	<b>107,763,535</b>
<b>Average period of payment of up to date accounts</b>	<b>64</b>	<b>55</b>	

Suppliers with up to date payments As of 12.31.2021	Goods (Immobilized) ThCh\$	Services and Purchases ThCh\$	Total ThCh\$
<b>Trade accounts to date</b>			
Up to 30 days	32,419,903	106,730,489	139,150,392
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>164,488,589</b>	<b>225,280,697</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 March 31, 2022 and December 31, 2021 are detailed as follows:

Overdue suppliers by term As of 03.31.2022	Goods (Immobilized) ThCh\$	Services and Purchases ThCh\$	Total ThCh\$
<b>Overdue trade accounts payable by term</b>			
Up to 30 days	2,930,295	10,792,595	13,722,890
From 31 to 60 days	647,070	1,620,614	2,267,684
From 61 to 90 days	37,967	406,732	444,699
From 91 to 120 days	64,240	399,285	463,525
From 121 to 180 days	174,858	320,767	495,625
More than 180 days	51,966	1,873,529	1,925,495
<b>Total</b>	<b>3,906,396</b>	<b>15,413,522</b>	<b>19,319,918</b>
<b>Average payment period of overdue accounts</b>	<b>62</b>	<b>41</b>	

Overdue suppliers by term As of 12.31.2021	Goods (Immobilized) 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>	

Notes to the interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 2021



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 March 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\$		
<b>Other participations (net)</b>	6-c	-	-	-	-	-	8,343,804	-	8,343,804	8,343,804	118	-	8,343,922	8,343,922	
Other participations		-	-	-	-	-	8,343,804	-	8,343,804	8,343,804	118	-	8,343,922	8,343,922	
<b>Derivative instrument assets</b>		-	-	-	-	-	-	46,148,222	46,148,222	-	46,148,222	-	46,148,222	46,148,222	
Derivative instrument assets	23-2	-	-	-	-	-	-	46,148,222	46,148,222	-	46,148,222	-	46,148,222	46,148,222	
<b>Non-current trade and other accounts receivable</b>		121,956,264	121,956,264	-	-	-	-	-	-	-	-	-	121,956,264	121,956,264	
Non-current trade and other accounts receivable	12	36,360,901	36,360,901	-	-	-	-	-	-	-	-	-	36,360,901	36,360,901	
Account receivable from relate entities	9-b	85,595,363	85,595,363	-	-	-	-	-	-	-	-	-	85,595,363	85,595,363	
Other non-trade accounts receivable	6-a	20,009,806	20,009,806	-	-	-	-	-	-	-	-	-	20,009,806	20,009,806	
<b>Non-current financial assets</b>		141,966,070	141,966,070	-	-	-	8,343,804	46,148,222	54,492,026	8,343,804	46,148,340	-	196,458,214	196,458,214	
<b>Current trade accounts receivable</b>		335,012,879	335,012,879	-	-	-	-	-	-	-	-	-	335,012,879	335,012,879	
Current trade and other accounts receivable	8-a	303,338,956	303,338,956	-	-	-	-	-	-	-	-	-	303,338,956	303,338,956	
Account receivable from relate entities	9-a	31,673,923	31,673,923	-	-	-	-	-	-	-	-	-	31,673,923	31,673,923	
Other non-trade accounts receivable	6-a	18,453,613	18,453,613	-	-	-	-	-	-	-	-	-	18,453,613	18,453,613	
<b>Current deposits and pledges</b>		419,587,518	419,587,518	-	-	-	-	-	-	-	-	-	419,587,518	419,587,518	
Current pledges and deposits	6-b	419,587,518	419,587,518	-	-	-	-	-	-	-	-	-	419,587,518	419,587,518	
<b>Derivative instrument of assets</b>		-	-	-	-	-	-	163,724,541	163,724,541	-	163,724,541	-	163,724,541	163,724,541	
Derivative instrument of assets	22-2	-	-	-	-	-	-	163,724,541	163,724,541	-	163,724,541	-	163,724,541	163,724,541	
<b>Cash and cash equivalents</b>		257,041,642	257,041,642	-	-	-	-	-	-	-	-	-	257,041,642	257,041,642	
Cash and cash equivalents	5	257,041,642	257,041,642	-	-	-	-	-	-	-	-	-	257,041,642	257,041,642	
<b>Current financial assets</b>		1,030,095,652	1,030,095,652	-	-	-	-	163,724,541	163,724,541	-	163,724,541	-	1,193,820,193	1,193,820,193	
<b>Total financial assets</b>		1,172,061,722	1,172,061,722	-	-	-	8,343,804	209,872,763	218,216,567	8,343,804	209,872,881	-	1,390,278,407	1,390,278,407	

Notes to the interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 2021



23. Financial instruments, continued

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

a) 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	-	-	-	-	-	6,831,994	-	6,831,994	6,831,994	118	-	6,832,112	6,832,112	
Other participations		-	-	-	-	-	6,831,994	-	6,831,994	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	-	-	-	6,831,994	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	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	22-2	-	-	-	-	-	-	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	-	-	-	6,831,994	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.

Notes to the interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 2021



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 March 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\$
Issuance of obligations and other non-current marketable securities	20-b	657,634,709	612,592,013	-	-	-	-	-	-	-	657,634,709	612,592,013
Non-current debts with loan entities	20-a	340,822,716	340,822,718	-	-	-	-	-	-	-	340,822,716	340,822,718
Long-term hedge derivative instrument of liabilities	20-a	-	-	-	-	2,189,170	2,189,170	-	2,189,170	-	2,189,170	2,189,170
Trade and other accounts payable	22-a	181,557	181,557	-	-	-	-	-	-	-	181,557	181,557
Accounts payable to related entities	9-d	1,704,223	1,704,223	-	-	-	-	-	-	-	1,704,223	1,704,223
Other non-current financial debts	21	172,234,655	172,234,655	-	-	-	-	-	-	-	172,234,655	172,234,655
<b>Non-current financial liabilities</b>		<b>1,172,577,860</b>	<b>1,127,535,166</b>	<b>-</b>	<b>-</b>	<b>2,189,170</b>	<b>2,189,170</b>	<b>-</b>	<b>2,189,170</b>	<b>-</b>	<b>1,174,767,030</b>	<b>1,129,724,336</b>
Issuance of short-term obligations and other marketable securities	20-b	418,048,336	419,830,306	-	-	-	-	-	-	-	418,048,336	419,830,306
Short-term debts with credit entities	20-a	356,496	356,495	-	-	-	-	-	-	-	356,496	356,495
Short-term derivative instrument of liabilities	23-2	-	-	-	-	38,279,806	38,279,806	-	38,279,806	-	38,279,806	38,279,806
Trade and other accounts payable	22-a	429,206,216	429,206,216	-	-	-	-	-	-	-	429,206,216	429,206,216
Accounts payable to related entities	9-c	183,843,406	183,843,406	-	-	-	-	-	-	-	183,843,406	183,843,406
Other non-current financial debts (1)	20-21	97,740,669	97,740,669	-	-	-	-	-	-	-	97,740,669	97,740,669
<b>Current financial liabilities</b>		<b>1,129,195,123</b>	<b>1,130,977,092</b>	<b>-</b>	<b>-</b>	<b>38,279,806</b>	<b>38,279,806</b>	<b>-</b>	<b>38,279,806</b>	<b>-</b>	<b>1,167,474,929</b>	<b>1,169,256,898</b>
<b>Total financial liabilities</b>		<b>2,301,772,983</b>	<b>2,258,512,258</b>	<b>-</b>	<b>-</b>	<b>40,468,976</b>	<b>40,468,976</b>	<b>-</b>	<b>40,468,976</b>	<b>-</b>	<b>2,342,241,959</b>	<b>2,298,981,234</b>

(1) Includes sale of portfolio to Banco Santander (See Note 19 Other financial debts).

Notes to the interim consolidated financial statements, continued  
As of March 31, 2022 (not audited) and December 31, 2021



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	498,511,295	498,511,295	-	-	-	-	-	-	-	498.511.295	498,511,295
Accounts payable to related entities	9-c	185,744,314	185,744,314	-	-	-	-	-	-	-	185.744.314	185,744,314
Other non-current financial debts (1)	20-21	41,841,185	41,841,185	-	-	-	-	-	-	-	41.841.185	41,841,185
<b>Current financial liabilities</b>		<b>1,163,958,286</b>	<b>1,171,608,837</b>	-	-	<b>5,149,880</b>	<b>5,149,880</b>	-	<b>5,149,880</b>	-	<b>1.169.108.166</b>	<b>1,176,758,717</b>
<b>Total financial liabilities</b>		<b>2,402,964,712</b>	<b>2,389,660,321</b>	-	-	<b>6,194,610</b>	<b>6,194,610</b>	-	<b>6,194,610</b>	-	<b>2.409.159.322</b>	<b>2,395,854,931</b>

(1) Includes sale of portfolio to Banco Santander (See Note 19 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).



Notes to the interim consolidated financial statements, continued

As of March 31, 2022 (not audited) and December 31, 2021



23. Financial instruments, continued

2. Hedging instruments

As of March 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	1,246,198	449,421	(3,774,539)	(2,007,944)	-	-	(973,652)	-
Exchange rate hedge – fair value (2)	Suppliers Debt	65,450	-	(26,992,416)	(47,248)	-	-	-	-
Interest rate hedge – cash flow (3)	Financial Debt	9,124,088	-	(1,617,207)	(3,339,981)	12,867,663	-	(1,124,665)	-
Exchange rate and interest rate hedge – fair value (4)	Financial Debt	394,511	152,839,384	(500,470)	-	33,280,556	-	(90,853)	-
<b>Total</b>		<b>10,435,736</b>	<b>153,288,805</b>	<b>(32,884,632)</b>	<b>(5,395,173)</b>	<b>46,148,219</b>	<b>-</b>	<b>(2,189,170)</b>	<b>-</b>

As of March 31, 2022, Hedging instruments have generated an effect on period result of ThCh\$(77,706,761), and an accumulated effect on equity, net of taxes, of ThCh\$22,582,603 (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	-	(72,350)	(3,337,438)	-	-	-	-
Interest rate hedge – cash flow (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	198,845,646	(208,587)	-	43,518,025	-	-	-
<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>

As of December 31, 2021, Hedging instruments have generated an effect on year result of ThCh\$117,575,925, and an accumulated effect on equity, net of taxes, of 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 to hedge existing commercial debt.
3. Interest rate hedge – cash flows: This category includes, derivative instruments entered into 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 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	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Civil and regulatory provisions	8,510,145	8,013,274
<b>Total</b>	<b>8,510,145</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 March 31, 2022 and December 31, 2021, the movements in provisions are as follows:

Movements	03.31.2022 ThCh\$	12.31.2021 ThCh\$
<b>Beginning balance</b>	<b>8,013,274</b>	<b>5,494,711</b>
Increase in existing provisions	712,165	8,070,007
Provision application	(215,295)	(5,551,444)
<b>Movements subtotal</b>	<b>496,870</b>	<b>2,518,563</b>
<b>Ending balance</b>	<b>8,510,145</b>	<b>8,013,274</b>

b) Other non-currents provisions:

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

Concepts	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Dismantling provision (1)	17,697,705	17,662,669
Non-currents provisions others (2)	161,590	134,090
<b>Total</b>	<b>17,859,295</b>	<b>17,796,759</b>

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

Movements	03.31.2022 ThCh\$	12.31.2021 ThCh\$
<b>Beginning balance</b>	<b>17,662,669</b>	<b>17,175,350</b>
Financial update	35,036	140,145
Upward	-	434,844
Reverse of dismantling provision	-	(87,670)
<b>Movement subtotal</b>	<b>35,036</b>	<b>487,319</b>
<b>Ending balance</b>	<b>17,697,705</b>	<b>17,662,669</b>

(2) Includes provisions for municipal licenses and mutual support.

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

Concepts	03.31.2022	12.31.2021
	ThCh\$	ThCh\$
Current amount of liability recognized for termination benefits	4,135,400	3,764,665
Non-current amount of liability recognized for termination benefits	28,334,395	28,518,971
<b>Total</b>	<b>32,469,795</b>	<b>32,283,636</b>

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

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

Movements	03.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Beginning balance</b>	<b>32,283,636</b>	<b>36,490,513</b>
Service costs	58,033	236,353
Interest costs (see note 31 a)	478,120	1,332,998
Actuarial profits, net due to experience	(6,590)	(3,591,920)
Benefits paid	(421,604)	(2,283,603)
Others	78,200	99,295
<b>Movement subtotal</b>	<b>186,159</b>	<b>(4,206,877)</b>
<b>Ending balance</b>	<b>32,469,795</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 March 31, 2022 and December 31, 2021:

- **Discount rate:** An annual nominal rate of 6.155% and 5.924% is used as of March 31, 2022 and December 31, 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 ended March 31, 2022 and December 31, 2021 was 3%.
- **Mortality:** The RV-2014 mortality tables established by the Financial Market Commission (CMF) are used to calculate social life insurance reserves 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	0.06%	1.69%
Post-frozen Compensation	3.31%	8.32%
Quotas 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 March 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	6.155%	(1,843,099)	2,059,157

## 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	7,017,024

## 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	03.31.2022 ThCh\$	03.31.2021 ThCh\$
Wages and salaries	34,583,867	32,713,633
Post employment benefit obligations expense	58,033	68,842
<b>Total</b>	<b>34,641,900</b>	<b>32,782,475</b>

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

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

Concepts	03.31.2022		12.31.2021	
	Current ThCh\$	Non-current ThCh\$	Current ThCh\$	Non-current ThCh\$
<b>Contractual liabilities</b>	<b>9,256,507</b>	<b>1,682,849</b>	<b>14,371,041</b>	<b>1,800,015</b>
Handsets sold and not activated	1,371,025	-	5,819,342	-
Services charged and not rendered	5,220,395	-	5,468,223	-
IRUS rights of use	457,570	1,682,849	450,277	1,800,015
Others contractual liabilities (1)	2,207,517	-	2,633,199	-
<b>Deferred income</b>	<b>11,924,809</b>	<b>74,676,221</b>	<b>12,363,866</b>	<b>76,918,319</b>
Corporate projects to be undertaken (2)	923,209	235,878	1,183,969	203,175
Sale of telecommunications infrastructure	362,187	304,324	362,188	317,569
Optical fiber business sale exclusivity (3)	8,969,110	73,995,158	8,969,110	76,237,436
Other Deferred income (4)	1,670,303	140,861	1,848,599	160,139
<b>Subsidies</b>	<b>359,756</b>	<b>1,883,795</b>	<b>359,756</b>	<b>1,973,734</b>
Extreme zones	118,941	209,186	118,942	238,738
Subsidy for Tierra del Fuego base stations	70,356	615,610	70,355	633,198
Puerto Natales and Cerro Castillo Fiber Optics Network	52,623	285,042	52,623	298,198
Connectivity for service networks and telecentre	90,380	138,077	90,380	160,672
Juan Fernandez Island Satellite links	27,456	635,880	27,456	642,928
<b>Taxes</b>	<b>13,325,237</b>	<b>-</b>	<b>21,269,742</b>	<b>-</b>
VAT (5)	11,050,531	-	19,832,184	-
Other taxes (6)	2,274,706	-	1,437,558	-
<b>Total</b>	<b>34,866,309</b>	<b>78,242,865</b>	<b>48,364,405</b>	<b>80,692,068</b>

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

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

(3) Corresponds to the deferral due to exclusivity in the sale of the fiber optic business (see note 19b (iv)). The amount amortized for this concept amounts to ThCh \$2,242,277 and ThCh\$4,484,555 as of March 31, 2022 and December 31, 2021, respectively (see Note 29b).

(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 March 31, 2022 and December 31, 2021 are as follows:

Movements	03.31.2022					
	Contractual liabilities		Deferred Income		Subsidies	
	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$	Current ThCh\$	Non-Current ThCh\$
<b>Beginning balance</b>	<b>14,371,041</b>	<b>1,800,015</b>	<b>12,363,866</b>	<b>76,918,319</b>	<b>359,757</b>	<b>2,150,437</b>
Endowments	50,394,316	-	218,977	-	-	-
Reduction/applications	(55,626,016)	-	(657,854)	(2,242,278)	(266,642)	-
Transfers	117,166	(117,166)	(180)	180	266,642	(266,642)
<b>Movement subtotal</b>	<b>(5,114,534)</b>	<b>(117,166)</b>	<b>(439,057)</b>	<b>(2,242,098)</b>	<b>-</b>	<b>(266,642)</b>
<b>Ending balance</b>	<b>9,256,507</b>	<b>1,682,849</b>	<b>11,924,809</b>	<b>74,676,221</b>	<b>359,757</b>	<b>1,883,795</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\$
<b>Beginning balance</b>	<b>18,599,190</b>	<b>2,250,291</b>	<b>4,357,500</b>	<b>1,069,070</b>	<b>359,756</b>	<b>2,333,490</b>
Endowments	233,136,971	-	12,823,390	80,872,535	-	-
Reduction/applications	(237,815,397)	-	(6,030,241)	(3,810,068)	(359,756)	-
Transfers	450,276	(450,276)	1,213,218	(1,213,218)	359,756	(359,756)
<b>Movement subtotal</b>	<b>(4,228,150)</b>	<b>(450,276)</b>	<b>8,006,367</b>	<b>75,849,249</b>	<b>-</b>	<b>(359,756)</b>
<b>Ending balance</b>	<b>14,371,040</b>	<b>1,800,015</b>	<b>12,363,867</b>	<b>76,918,319</b>	<b>359,756</b>	<b>1,973,734</b>

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

Expirations		Total Current to 03.31.2022 ThCh\$	Expirations				Total non-current to 03.31.2022 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\$		
31,213,206	3,653,103	<b>34,866,309</b>	29,125,515	18,586,713	30,530,637	<b>78,242,865</b>	

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	<b>48,364,405</b>	20,298,678	18,609,031	41,784,359	<b>80,692,068</b>	

## 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 March 31, 2022 and December 31, 2021.

### a) Equity

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

#### Number of shares

Series	03.31.2022			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>

#### Equity

Series	03.31.2022		12.31.2021	
	Subscribed capital	Paid-in capital	Subscribed capital	Paid-in capital
	ThCh\$	ThCh\$	ThCh\$	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 March 31, 2022, the Company's shareholder structure is detailed as follows:

Company	Shares
Inversiones Telefónica International Holding S.A.	950,392,963,373
Telefónica S.A.	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 March 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) Dividends 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.

As of December 31, 2021, the Company has provisioned 30% of the profit for fiscal year 2021 as an interim dividend of ThCh\$98,820,761.

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
01.28.2021	Definitive	105,124,000	0.1094	Previs exercises	02.02.2021
07.26.2021	Definitive	243,447,842	0.25349	Previs exercises	07.27.2021
08.11.2021	Definitive	98,472,747	0.10253	Previs exercises	08.12.2021

## 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 03.31.2022 ThCh\$
Capital revaluation reserve (i)	(233,685,327)	-	(233,685,327)
Other miscellaneous reserves (ii)	(121,588,522)	-	(121,588,522)
Business combination reserve (iii)	(95,176,556)	-	(95,176,556)
Employee benefits reserve (iv)	(7,517,089)	4,790	(7,512,299)
Foreign currency translation difference reserve (v)	(58,310)	-	(58,310)
Cash flow hedges reserve (vi)	35,021,989	(12,439,386)	22,582,603
Reserve for financial assets (vii)	1,146,101	1,498,818	2,644,919
<b>Total</b>	<b>(421,857,714)</b>	<b>(10,935,778)</b>	<b>(432,793,492)</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, and other negative concepts for ThCh\$70,619.

In 2021, it includes the effect of recognizing the interest in the equity of associate HoldCo InfraCo SpA., which incorporates the concept of reserve for overpriced 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

#### 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 March 31, 2022 and December 31, 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	03.31.2022	12.31.2021
	%	%	ThCh\$	ThCh\$
Telefonica Chile S.A.	0.8594402	0.8594402	8,563,599	8,443,820
<b>Total</b>			<b>8,563,599</b>	<b>8,443,820</b>

As of March 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	03.31.2022	12.31.2021
	%	%	ThCh\$	ThCh\$
Telefonica Chile S.A.	0.8594402	0.8594402	62,755	63,549
<b>Total</b>			<b>62,755</b>	<b>63,549</b>

## 28. Earnings per Share

The detail of Earnings per share is as follows:

Basic earnings per share	03.31.2022 ThCh\$	03.31.2021 ThCh\$
Earnings attributable to parent owners	15,697,708	21,154,076
<b>Resultado disponible para accionistas</b>	<b>15,697,708</b>	<b>21,154,076</b>
Weighted average number of shares	960,392,966,349	957,701,037,759
<b>Basic earnings per share in Ch\$</b>	<b>0.01635</b>	<b>0.02203</b>

Earnings per share have been calculated dividing 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 March 31, 2022 and 2021, is as follows:

Ordinary incomes	03.31.2022 ThCh\$	03.31.2021 ThCh\$
Mobile Telecommunications	217,910,545	218,044,411
Fixed Telecommunications	110,575,608	78,609,989
Data services and technology solutions companies	38,349,791	42,203,338
Television services and equipment	36,358,937	30,696,016
<b>Total</b>	<b>403,194,881</b>	<b>369,553,754</b>

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

Other incomes	03.31.2022 ThCh\$	03.31.2021 ThCh\$
Profits from sale of fixed assets and other (1)	11,893,661	10,202,501
Surcharges due to default	1,267,748	780,837
Incomes from indemnities, complaints and others	1,047,154	211,795
Subsidies	89,939	89,939
<b>Total</b>	<b>14,298,502</b>	<b>11,285,072</b>

(1) In 2022 includes rooftop sales in the amount of ThCh\$9,629,459 and deferral due to exclusivity in the sale of the optic fiber business in the amount of ThCh\$2,242,277 (see Note 26a (3)). In February 2021, the Cloud business was sold to related company Telefónica Cibersecurity & Cloud Tech Chile SpA in the amount of ThCh\$2,242,277 and, in addition, it includes the sale of spectrum to Claro Chile S.A.

### 30. Expenses

#### a) Impairment loss, net:

Provision for impairment	03.31.2022 M\$	03.31.2021 M\$
Trade accounts receivable (see note 8b)	12,936,332	12,558,233
Inventories (see note 10)	295,276	10,700
<b>Total</b>	<b>13,231,608</b>	<b>12,568,933</b>

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

Other expenses	03.31.2022 ThCh\$	03.31.2021 ThCh\$
Sale cost of inventory and commissions (1)	108,433,516	97,945,767
Media rental and other exterior services (2)	103,808,927	95,240,197
Customer service	11,794,241	11,697,630
Fiber optic network connectivity (3)	24,997,623	-
Interconnections and roaming (4)	9,387,476	7,727,784
Advertising	5,497,262	5,272,638
Others (5)	8,179,054	7,133,702
<b>Total</b>	<b>272,098,099</b>	<b>225,017,718</b>

(1) The variation corresponds mainly to an increase in the amount amortized for broadband, fixed and television equipment compliance costs in the amount of ThCh\$3,013,599 and an increase due to cost of sales of deployment turnkey project to Infraco SPA in the amount of ThCh\$ 7,753,533.

(2) This item includes media rental, external services, maintenance, information services, energy supply, TV content and real estate expenses. The variation is mainly explained by higher TV content expenses in the amount of ThCh\$ 1,278,626 associated to an increase in the commercial activity of the IPTV business, higher amortized labor compliance costs for BAF and TV service in the amount of ThCh\$ 1,649,255, higher digital services expense in the amount of ThCh\$ 946,367, increase in the Brand fee expense in the amount of ThCh\$ 1,536,094 associated to the Telefónica Empresas S.A. business, increase in plant maintenance expense in the amount of MCh\$3,668,366, higher expenses associated to real estate in the amount of ThCh\$ 702,494 and lower mobile antenna support rentals in the amount of ThCh\$ 1,059,433.

(3) The increase corresponds mainly to connectivity service on optical fiber network provided by InfraCo SPA as of July 1, 2021.

(4) Corresponds mainly to the increase in domestic roaming costs and roaming out in the amount of ThCh\$1,785,429 due to commercial activity.

(5) This heading includes transportation expenses, insurance, consulting, security and surveillance, indemnities and taxes, among other things.

### 31. Financial incomes and expenses

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

Financial expenses, net	03.31.2022 ThCh\$	03.31.2021 ThCh\$
<b>Financial incomes</b>		
Interest earned on deposits and investments	9,240,998	275,910
Interest earned on promissory	492,254	-
Interest earned on projects	160,312	234,765
Other financial incomes	115,606	133,927
<b>Total financial incomes</b>	<b>10,009,170</b>	<b>644,602</b>
<b>Financial expenses</b>		
Interest on obligations (bonds) (1)	11,944,783	2,235,075
Interest on loans from bank institutions (1)	1,840,368	4,092,857
Financial expenses Portfolio sale / Factoring	665,929	691,830
Leasing costs	2,192,919	2,167,811
Interest on update of employee termination benefits	478,120	333,249
Interest on projects	14,595	278,565
Cost of remittances abroad	290,875	169,784
Other financial expenses	5,259,813	205,610
<b>Total financial expenses</b>	<b>22,687,402</b>	<b>10,174,781</b>
<b>Total financial incomes and expenses, net</b>	<b>(12,678,232)</b>	<b>(9,530,179)</b>

(1) This item is presented net of interest rate hedge for M\$2,369,512.

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

Differences exchange	03.31.2022 ThCh\$	03.31.2021 ThCh\$
Cash and cash equivalents	(522,502)	38,010
Current accounts receivable from related entities	(2,670,263)	43,492
Current trade and other accounts receivable	180,451	(20,018)
Trade and other accounts payable	1,324,720	122,457
Current accounts payable to related entities	2,244,204	(844,008)
Hedge instruments	(69,042,332)	8,676,551
Financial debt	68,087,274	(9,299,931)
<b>Total</b>	<b>(398,448)</b>	<b>(1,283,447)</b>

Units readjustments	03.31.2022 ThCh\$	12.31.2021 ThCh\$
Trade and other payables	12,670	161,468
Current trade and other accounts receivable	155,949	(226,944)
Cash and cash equivalents	-	1,098
Current accounts receivable from related entities	1,859,488	-
Current accounts payable to related entities	4,728	(21,707)
Financial debt	(2,199,011)	(967,458)
Hedge instruments	2,208,000	973,320
<b>Total</b>	<b>2,041,824</b>	<b>(80,223)</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 March 31, 2022, lease expenses amount to ThCh\$375,482.

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

Concepto	03.31.2022			Total ThCh\$
	Up to one year ThCh\$	From one to five years ThCh\$	More than 5 years ThCh\$	
Minimum operating lease payments payable	2,611,388	7,952,679	8,675,704	19,239,771

Concepto	03.31.2021			Total ThCh\$
	Up to one year ThCh\$	From one to five years ThCh\$	More than 5 years ThCh\$	
Minimum operating lease payments payable	19,087,518	9,495,822	6,827,693	35,411,033

**33. Local and Foreign Currency**

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

Currents assets	03.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Cash and cash equivalents</b>	<b>257,041,642</b>	<b>412,783,123</b>
Chilean Pesos	254,074,154	409,566,269
US Dollars	2,760,720	3,006,635
Euros	154,232	152,420
Other currencies	52,536	57,799
<b>Other current financial assets</b>	<b>601,765,672</b>	<b>654,692,865</b>
Chilean Pesos	440,666,803	435,042,437
US Dollars	161,098,869	219,360,126
Euros	-	290,302
U.F.	-	-
<b>Current trade and other accounts receivable</b>	<b>303,338,956</b>	<b>243,735,280</b>
Chilean Pesos	302,828,612	243,261,377
U.F.	473,691	429,913
Euros	36,653	43,990
<b>Current receivables from related companies</b>	<b>31,673,923</b>	<b>38,754,659</b>
Chilean Pesos	29,549,564	37,103,209
Other currencies	808,902	733,759
U.F.	735,011	717,961
US Dollars	580,446	199,730
<b>Other current assets (1)</b>	<b>251,219,350</b>	<b>219,732,250</b>
Chilean Pesos	251,219,350	219,732,250
<b>Total current assets</b>	<b>1,445,039,543</b>	<b>1,569,698,177</b>
<b>Chilean Pesos</b>	<b>1,278,338,483</b>	<b>1,344,705,542</b>
<b>US Dollars</b>	<b>164,440,035</b>	<b>222,566,491</b>
<b>U.F.</b>	<b>1,208,702</b>	<b>1,147,874</b>
<b>Other currencies</b>	<b>861,438</b>	<b>791,558</b>
<b>Euros</b>	<b>190,885</b>	<b>486,712</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	03.31.2022	12.31.2021
	ThCh\$	ThCh\$
<b>Other non-current financial assets</b>	<b>74,501,950</b>	<b>82,183,532</b>
Chilean Pesos	41,221,394	38,160,121
US Dollars	33,280,556	20,267,380
U.F.	-	23,756,031
<b>Right of use</b>	<b>231,293,334</b>	<b>209,297,210</b>
Chilean Pesos	231,112,115	209,065,446
U.F.	181,219	231,764
<b>Other non-current assets (2)</b>	<b>2,210,027,906</b>	<b>2,172,107,357</b>
Chilean Pesos	2,210,027,906	2,172,107,357
<b>Total non-current assets</b>	<b>2,515,823,190</b>	<b>2,463,588,099</b>
<b>Chilean Pesos</b>	<b>2,482,361,415</b>	<b>2,419,332,924</b>
<b>US Dollars</b>	<b>33,280,556</b>	<b>20,267,380</b>
<b>U.F.</b>	<b>181,219</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 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	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
	ThCh\$		ThCh\$	
<b>Other current financial liabilities</b>	<b>35,569,702</b>	<b>4,436,398</b>	<b>421,114,936</b>	<b>438,574,974</b>
US Dollars	29,385,218	1,496,546	405,448,649	434,322,375
Chilean Pesos	3,304,865	2,939,852	13,658,342	3,610,134
U.F.	1,467,199	-	-	612,542
Euros	1,412,420	-	2,007,945	29,923
<b>Finance leases</b>	<b>53,738,350</b>	<b>22,275,189</b>	<b>44,002,319</b>	<b>19,565,996</b>
U.F.	37,801,221	13,440,948	29,225,468	10,793,494
Chilean Pesos	15,680,422	8,726,932	14,649,924	8,665,789
US Dollars	256,707	107,309	126,927	106,713
<b>Trade and other payables</b>	<b>429,206,216</b>	<b>493,947,029</b>	-	-
Chilean Pesos	355,200,690	404,307,673	-	-
US Dollars	51,777,920	57,937,791	-	-
Euros	11,273,736	22,373,408	-	-
U.F.	10,935,299	9,309,364	-	-
Other currencies	18,571	18,793	-	-
<b>Current payables to related companies</b>	<b>183,843,406</b>	<b>190,308,580</b>	-	-
Chilean Pesos	153,928,491	152,909,738	-	-
US Dollars	22,523,035	32,105,880	-	-
Euros	5,300,974	4,294,789	-	-
U.F.	2,090,906	998,173	-	-
<b>Other current liabilities (1)</b>	<b>139,385,451</b>	<b>152,863,385</b>	<b>3,653,103</b>	<b>4,225,486</b>
Chilean Pesos	139,385,451	152,863,385	3,653,103	4,225,486
<b>Total current liabilities</b>	<b>841,743,125</b>	<b>863,830,581</b>	<b>468,770,358</b>	<b>462,366,456</b>
<b>Chilean Pesos</b>	<b>667,499,919</b>	<b>721,747,580</b>	<b>31,961,369</b>	<b>16,501,409</b>
<b>US Dollars</b>	<b>103,942,880</b>	<b>91,647,526</b>	<b>405,575,576</b>	<b>434,429,088</b>
<b>Euros</b>	<b>52,294,625</b>	<b>23,748,485</b>	<b>29,225,468</b>	<b>11,406,036</b>
<b>U.F.</b>	<b>17,987,130</b>	<b>26,668,197</b>	<b>2,007,945</b>	<b>29,923</b>
<b>Other currencies</b>	<b>18,571</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	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021	03.31.2022	12.31.2021
	ThCh\$		ThCh\$		ThCh\$	
<b>Other non-current financial liabilities</b>	<b>430,806,830</b>	<b>338,664,041</b>	<b>178,632,044</b>	<b>258,244,800</b>	<b>391,207,721</b>	<b>448,172,826</b>
US Dollars	169,681,925	69,457,630	178,632,044	258,244,800	-	30,182,543
U.F.	165,134,966	176,202,168	-	-	391,207,721	417,990,283
Chilean Pesos	95,989,939	93,004,243	-	-	-	-
<b>Finance leases</b>	<b>143,669,288</b>	<b>140,440,778</b>	<b>20,098,321</b>	<b>36,572,713</b>	<b>8,467,047</b>	<b>16,146,590</b>
U.F.	76,121,548	77,204,961	9,598,198	17,005,845	4,786,854	9,222,286
Chilean Pesos	67,373,263	63,235,817	10,500,122	19,566,868	3,680,192	6,924,304
US Dollars	174,477	-	-	-	-	-
<b>Non-current accounts payable to related companies</b>	<b>1,704,223</b>	<b>1,529,371</b>	-	-	-	-
Chilean Pesos	1,704,223	1,529,371	-	-	-	-
<b>Other non-current liabilities (1)</b>	<b>128,730,573</b>	<b>112,927,463</b>	<b>22,235,674</b>	<b>19,236,552</b>	<b>76,888,784</b>	<b>92,127,067</b>
Chilean Pesos	128,730,573	112,927,463	22,235,674	19,236,552	76,888,784	92,127,067
<b>Total Non-current liabilities</b>	<b>704,910,914</b>	<b>593,561,653</b>	<b>220,966,039</b>	<b>314,054,065</b>	<b>476,563,552</b>	<b>556,446,483</b>
<b>Chilean Pesos</b>	<b>367,489,984</b>	<b>230,384,681</b>	<b>211,367,840</b>	<b>297,048,220</b>	<b>80,568,976</b>	<b>129,233,914</b>
<b>U.F.</b>	<b>172,111,487</b>	<b>186,974,804</b>	<b>9,598,198</b>	<b>17,005,845</b>	<b>4,786,854</b>	<b>9,222,286</b>
<b>US Dollars</b>	<b>165,309,443</b>	<b>176,202,168</b>	-	-	<b>391,207,721</b>	<b>417,990,283</b>

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

### 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 March 31, 2022, which altogether amounts to ThCh\$8,510,144, of which ThCh\$6,836,889 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\$921,462 on its part, during the second quarter of 2022 and the rest during the second semester of 2022.

**34. Contingencies and restrictions, continued**

**a) Legal proceedings, continued**

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\$6,814,936 in the Parent company and the amount of ThCh\$4,763,856 in the subsidiaries.

**b) Financial restrictions:**

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

## 34. Contingencies and restrictions, continued

## d) Guarantee deposits:

The detail of guaranteed deposits is as follows:

Guarantee creditor	Debtor			Current guaranteed deposits ThCh\$	Liberated guarantees		
	Name	Relationship	Type of guarantee		2022	2023	2024 and more
					ThCh\$	ThCh\$	ThCh\$
<b>Public and Private Organisms</b>				<b>1,288,983</b>	<b>1,190,677</b>	<b>75,752</b>	<b>22,554</b>
Public Organisms - Undersecretaries and Ministries	TCH	Subsidiary	Deposit	624,623	589,238	28,602	6,783
Public Organisms - Others	TCH	Subsidiary	Deposit	315,836	274,591	36,474	4,771
Public Organisms - Municipalities	TCH	Subsidiary	Deposit	257,588	257,588	-	-
Private Organisms - Others	TCH	Subsidiary	Deposit	90,936	69,260	10,676	11,000
<b>Public and Private Organisms</b>				<b>29,485,410</b>	<b>8,711,657</b>	<b>10,374,800</b>	<b>10,398,953</b>
Public Organisms - Undersecretaries and Ministries	TEM	Subsidiary	Deposit	13,335,729	685,362	6,512,183	6,138,185
Public Organisms - Others	TEM	Subsidiary	Deposit	8,399,400	4,691,917	1,708,823	1,998,660
Private Organisms - Others	TEM	Subsidiary	Deposit	5,381,170	2,244,333	1,460,209	1,676,628
Banks	TEM	Subsidiary	Deposit	1,190,095	668,154	432,833	89,107
Public Organisms - Municipalities	TEM	Subsidiary	Deposit	1,082,311	377,457	231,006	473,849
Universities	TEM	Subsidiary	Deposit	96,705	44,434	29,746	22,524
<b>Public and Private Organisms</b>				<b>19,965,772</b>	<b>2,914,966</b>	<b>1,396,832</b>	<b>15,653,974</b>
Public Organisms - Undersecretaries and Ministries	TMCH	Parent	Deposit	15,122,192	25,805	786,920	14,309,468
Private Organisms - Others	TMCH	Parent	Deposit	3,724,296	2,498,860	350,294	875,142
Public Organisms - Municipalities	TMCH	Parent	Deposit	597,018	291,520	201,671	103,827
Public Organisms - Others	TMCH	Parent	Deposit	451,719	90,815	51,646	309,257
Banks	TMCH	Parent	Deposit	56,280	-	-	56,280
Universities	TMCH	Parent	Deposit	14,267	7,966	6,301	-
<b>Total</b>				<b>50,740,165</b>	<b>12,817,300</b>	<b>11,847,384</b>	<b>26,075,481</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 2020, which culminates with the Annual Sworn Declaration which is in the declaration process.

The Company, through a successful Audit process, was informed during the month of May that the certification of the International standard ISO 14001: 2015 is renewed until the year 2024, in conformity with the implementation of an Environmental Management System at Telefónica Chile. 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.

In addition, in December the Company obtained certification of the Energy Management System under ISO 50001:2018, where the scope of this certification will be greater in 2022. 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.

### 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.

### 36. Risk management, continued

#### 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 band frequencies granted by the Ministry of Transportation and Telecommunications.

##### c.1) Divestiture of Spectrum

In the case of returning the spectrum ordered by sentence from the Supreme Court in June 2018, Telefónica opted for two ways of complying:

1. To renounce to two concessions in the 3400 – 3600 MHz band, in the XI and XII Regions (south zone of the country), equivalent to 10 MHz of spectrum nationwide. This renouncement was presented to Subtel on November 9, 2019.
2. Tender for a 10 MHz concession in the 1900 MHz band: after the tender process is over during 2020, on December 21, 2020 Telefónica announced its acceptance of the offer presented by Claro Chile S.A., in reason of which both companies presented to Subtel a request for prior authorization of the transfer of the concession. On January 11, 2021, the concession was authorized by Subtel, after which the sales agreement was signed by the parties, and the transaction was paid on January 27, 2021.

The Decree authorizing transfer of the concession was published on April 22, 2021, completing the transfer of the concession title to the new holder.

##### c.2) Spectrum caps

On December 5, 2019, the "TDLC" dictated Resolution No. 59-2019, through which new spectrum caps were established. Among its main aspects, the "TDLC" resolution dictates the following:

- A structure of 5 macro bands was defined: Low (less than 1 GHz); Medium Low (from 1 to 3 GHz); Medium (from 3 to 6 GHz); Medium High (from 6 to 24 GHz) and High (greater than 24 GHz).
- For low bands, a spectrum ownership cap was established at 35% by operator.
- For medium low bands, a cap of 30% was established.
- For medium bands, which include 3.500 MHz, short, medium and long-term measures are established. In the short-term, Subtel cannot auction contiguous blocks which, altogether, add up less than 40 MHz per operator and, in a first auction, must have at least 80 MHz, to ensure the existence of a minimum of two operators. For the medium term, Subtel must ensure that there are at least 4 operators with a minimum of 40 MHz contiguous per operator. Finally, in the long-term, a maximum cap of 30% will be in force for this macroband, with a minimum of 80 contiguous MHz per operator.

No limits are established for medium high bands, due to the absence of mobile service attributions and assignments in the bands that compose them. Once Subtel has attributed spectrum, it must consult with the "TDLC" to establish a cap for this macroband.

### 36. Risk management, continued

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

##### c.2) Spectrum caps, continued

- Short, medium and long-term special measures are also established for high bands. In the short-term, Subtel must ensure the assignment of contiguous blocks which, altogether, add up no less than 400 MHz per operator. In the medium term, Subtel must ensure the existence of at least 4 operators with a minimum of 400 MHz contiguous in this macroband. In the long-term a cap of 25% will be in force and Subtel must ensure that there are at least 4 operators with a minimum of 800 contiguous MHz each.

Resolution No. 59-2019 issued by the "TDLC" was appealed before the Supreme Court by the consumer organization "Conadecus" and by operators WOM and Netline, although WOM desisted from its complaint. The allegations for the other two appeals took place at the end of April and, on July 13, 2020, the Court issued its decision which establishes the following:

- Confirms all caps proposed by the "TDLC", except for the microband associated to low bands (< than 1 GHz), which it adjusts from 35% to 32% and eliminates the validity of the short, medium and long-term period for those caps.
- Complementary measures are decreed: 1) Mandatory and temporary national roaming; 2) Offer of Facilities and Resale for VMOs, approved by the National Economic Prosecutor's Office ("Fiscalía Nacional Económica" or FNE, in Spanish), with prior report from Subtel; 3) audits, paid by mobile network operators, to permanently monitor roaming and VMO offer obligations; 4) commitment for effective use of the spectrum, under penalty of being obligated to make available to third parties the part of the spectrum that is not being used; 5) before another spectrum allocation tender, Subtel must analyze whether the incumbent operators can reasonably offer it in their preexisting frequencies in an immediate manner or after optimizing those networks in the available frequencies within a deadline and at reasonable costs.

##### c.3) 5G Public tenders

On August 1 and 17, 2020, Subtel published in the Official Gazette the tenders for "Granting Telecommunication Service Concessions that Operate High Speed Wireless Networks". The project considers four public tenders:

- 700 MHz Band: 20 MHz bandwidth
- AWS Band: 30 MHz bandwidth
- 3.5 GHz Band: 150 MHz bandwidth
- 26 GHz Band: 1600 MHz bandwidth



**36. Risk management, continued****c) Radio electric spectrum assignation, continued****c.3) 5G Public tenders, continued**

In the case of the 3.5 GHz band tender, 5 applicants were submitted, adding to the proposal of Telefónica that of Claro Chile S.A.; Entel; WOM and Boreal NET. On February 22, 2021, Subtel notified Telefónica Móviles Chile that it had been allocated the band width ranging from 3.35 to 3.4 GHz. On March 1, the Company must present a compliance guarantee ticket for the technical project, in the total amount of UF 450,000 and publish the extract assigned to it by the concession on March 2, 2021. Subsequently, on March 30, 2021, the State was paid the amount stated in the bid tender.

On April 6, TMCH submitted its proposal for a Plan for Effective and Efficient Use of the Spectrum to Subtel, in accordance with the requirements contemplated in the 3.5 GHz tender documents and in the judicial ruling of the Supreme Court on July 13, 2020. Through Exempt Resolution 865 dated April 26, 2021, Subtel approved the Plan submitted by TMCH with no objections.

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.

**c.4) Consultation with the "TDLC" regarding Subtel's wireless fixed telephone service resolutions**

¿Regarding this consultation, on August 31, 2020, the "TDLC" issued Resolution No. 62 in which, although it was resolved that with its administrative actions Subtel would not be violating free competition and that no advantage would be granted to the "first mover", also stated in its Recitals 141 to 150 and in Resolution 2) that there must be a public tender to grant mobile service concessions on the 3400 – 3600 MHz band and that the current concessionaries of local wireless public telephone service operating on the 3400 – 3600 MHz band cannot be exempted from that tender.

Regarding this Resolution, on March 22, 2021, Telefónica Móviles Chile S.A. desisted from the appeal claim filed in the face of the Supreme Court, and it was executed on August 2, 2021.

**36. Risk management, continued****c) Radio electric spectrum assignation, continued****c.5) Public Consultation on reordering of spectrum on the 3400 – 3600 MHz band.**

On December 21, Subtel published in its website a Public Consultation in reference to the issue of reordering of spectrum on the 3400 – 3600 MHz band.

The main issues subjected to consultation are related to the advantages which, in terms of efficiency, reordering the mentioned band would have; the technical complexities that should be considered and what are the possible impacts for future development of telecommunications in the country.

The deadline for responding to the consultation is January 21, 2022 and Telefónica Móviles Chile S.A. sent its response.

**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 county, 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.

Through the Representative Committee of the ISP, we have worked jointly in the preparation of the Tender Documents to call a tender for the new Independent Technical Organization (“OTI”, or “Organismo Técnico Independiente”) established in the Regulation. Those Tender Documents were approved by Subtel on March 9, 2021, after which the tender process began. On August 16, 2021, the deadline for submitting a proposal expired. Ultimately, two proposals were received from companies that had acquired the tender document. On August 24, 2021, the technical proposals were opened, and were reviewed and analyzed by the Technical Committee established for that purpose. After the analysis, It decided to declare the tender void.

The Tender Documents must be reviewed and adjusted, in order for a new tender process to begin once they have been approved by Subtel.

### 36. Risk management, continued

#### e) Law on removal of unused cable

After concluding its legislative process, the Bill, that obligates concessionaries and holders of telecommunications services to take responsibility for the adequate installation, identification, modification, maintenance, order and transfer of all aerial and underground cables associated to telecommunications services, was published as the new Law No. 21,172, in the Official Gazette, on August 20, 2019.

On March 2, 2020, Subtel submitted a new Fundamental Technical Plan ("PTF") for Network Management and Maintenance that regulates the installation and removal of lines and other overhead and underground elements. When this regulation is enacted, it will allow to put into operation what is ordered in the law.

On June 15, 2021, Subtel submitted the new PTF to the Contraloría for the acknowledgement process. In this instance the operators grouped in ChileTelcos filed complaints due to possible illegalities contained in such regulation. The Contraloría transferred these complaints to Subtel in order it to issue a report on the matter.

Finally, at the end of 2021, Subtel removed the wording of the regulation that was being reviewed by the Controllorship. Subtel must resubmit the regulation for the review process.

#### f) Bill on the use of facilities to provide Virtual Mobile Operation and Automatic National Roaming

In August 2019, the Executive power sent a bill to the legislature that establishes the obligation to permit access and use of the facilities to provide virtual mobile operation and automatic national roaming. After complying with all its legislative process, this bill was finally approved by the National Congress and sent to the Executive Branch. It was published in the Official Gazette on July 15, 2020 (Law No. 21,245).

This project obligates public service concessionaries, who have been allocated spectrum, to sign reciprocal agreements to have a national roaming offer in a group of locations, routes or zones that are isolated; those with low population density; those benefitted by Telecommunications Development Fund (FDT) projects; those with mandatory service; or with the presence of a single operator. In addition, the signing of agreements will also be mandatory nationwide, to mitigate interruptions of the mobile network in emergency situations.

In addition, for the rest of the country, in order to promote investment in networks and facilitate the entry of new operators, it will also be mandatory to sign agreements with new entrants, whose subscription by the new operator will be for a maximum period that must not exceed five years counted from the beginning of the services.

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

On Thursday, 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.

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.

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

Regarding the case of Brazil, at the end of September 2021, 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.

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

The processing of this bill that was presented on March 9, 2018, and which has been approved in its first legislative process in the Senate, has passed to its second process in the Chamber of Deputies.

Mainly, the purpose of the proposal is to modify the General Telecommunications Law to include access to Internet as a public service and force companies to provide all the services that are defined as “public” in the law to be provided within a maximum period of 6 months, since the time the request has been submitted by a user. To date, it is still being processed by the Commission.

**i) Bill that creates the Superintendency of Telecommunications**

A project, that was first presented in 2011 and which creates the Superintendency of Telecommunications, has been resumed. It is at the stage of the second constitutional process, at the Senate’s Transportation and Telecommunications Commission. This project seeks to modify the sector’s regulatory institution, separating the supervising function from dictating public policy in telecommunications matters function.

### 36. Risk management, continued

#### j) **Bill that creates a registry of Prepaid users**

On September 29, 2021 this bill was approved in the first legislative process. In this way, it went to the second procedure before the Committee on Transportation and Telecommunications of the Senate.

This bill seeks to force companies to register their prepaid users and also validate and guarantee the individualization data for these users. In addition, several provisions of the Code of Criminal Procedure relating to the providing of communications data for criminal investigations are amended.

#### k) **Bills to declare the Internet to be a constitutional right**

During September 2021, three new bills were submitted, focusing on recognizing the Internet as a constitutional right.

The first bill proposes an amendment of the Constitution to establish that it is the duty of the State to promote free and secure access to the Internet and adopt measures to guarantee connectivity to the inhabitants, as well as to guarantee free and secure access to the Internet to students. To this end, a second bill has been proposed to amend the General Telecommunications Law (LGT) and the Public Works Concessions Law. Amend the LGT in order to force companies to offer connectivity throughout the national territory within 12 months from the publication of the new law, except exceptions defined by the same Law and amend the Public Works Concessions Law to establish that any construction of a new public work must include infrastructure for the deployment of Internet.

Lastly, a third bill seeks to introduce amendments to the same 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. This project is in the first legislative process before the Educational Commission of the House of Representatives of Chile.

#### l) **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.

### 36. Risk management, continued

#### l) VTR/Claro concentration operation, continued

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 three 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.

#### m) 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.

#### n) 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.

### 36. Risk management, continued

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

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 Risky**

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 March 31, 2022 the Company had 48% of its short and long-term financial debt bearing a fixed interest rate and 52% with exposure to a variable rate.

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 March 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\$135,142; whereas a drop in the TCPN would mean a reduction of ThCh\$135,142 in the accrual monthly financial cost for 2022.

### 36. Risk management, continued

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

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 March 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.

#### Credit risk

Credit risk is the risk that a counterparty 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).



## 36. Risk management, continued

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

#### Credit risk, continued

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.

#### 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 March 31, 2022, is 1.30%, 0.3 p.p. of decrease in comparison to March 2021, when it reached 1.60%. This is mainly due to the decrease result for the period.

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 March 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 March 31, 2022, were approved and authorized for issuance at the Board of Directors Meeting held on April 28, 2022.

In the period from October April 1, 2022 and April 28, 2022, there have been no other significant subsequent events that affect these consolidated financial statements.

**Julio Jorge Vega**  
Finance and Accounting Director

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

**Roberto Muñoz Laporte**  
General Manager