



Financial Results

Telefónica Móviles Chile S.A. and
Telefónica Chile S.A.

JAN | SEP 2023

Organic revenues maintains growth in 3Q23

3Q23 Organic Revenues

Var % 23/22

+2.7%



3Q23 EBITDA

CL\$ million

MM\$227,546



Net Debt

Sep-23

MM\$ 1,353,679



3Q23 OpCF

(Ebitda – CapEx)

MM\$ 123,155



Revenues (Var % Sep23/Sep22) : Highlights growth in Mobile Services +2.6%, Fixed Broadband (FBB): +5.7%, Corporate Data Ss: +12.6%



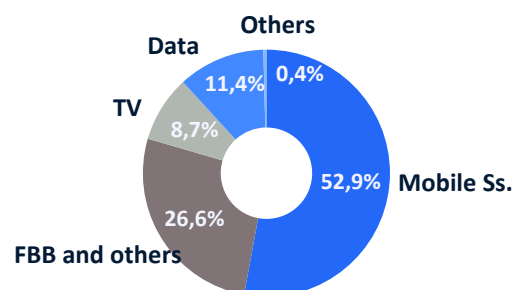
EBITDA decreases in the quarter due to higher expenses associated with greater commercial dynamics and Inflation

Telefonica Móviles Chile S.A.

Jan-Sep. 2023

Ch\$ million		Var % 23/22
Ordinary Revenues	1,261,021	2.7%
Total Revenues	1,281,886	0.0%
Expenses (Ex. Depreciation)	-1,054,340	7.5%
EBITDA	227,546	-24.5%
EBITDA Margin	17.8%	-5,.7 p.p.
Net Results	-70,474	c.s.

Revenues

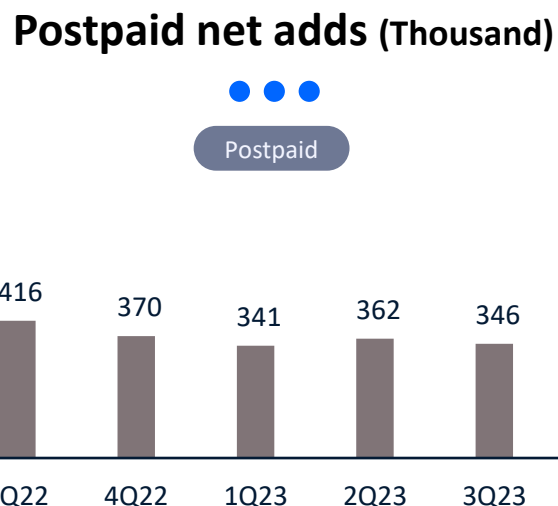
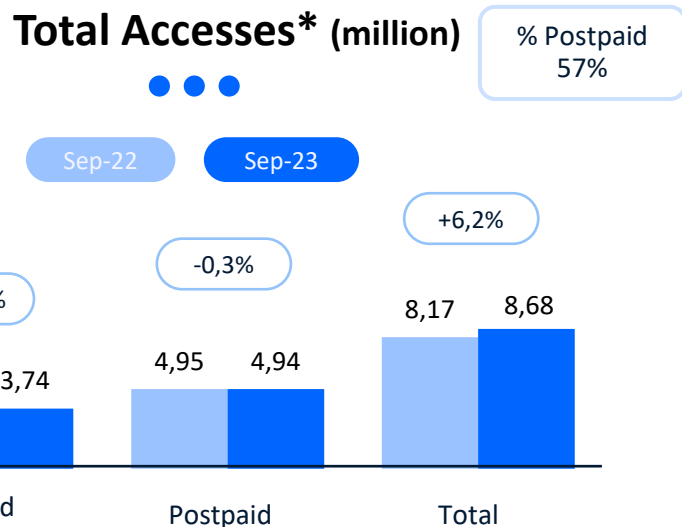
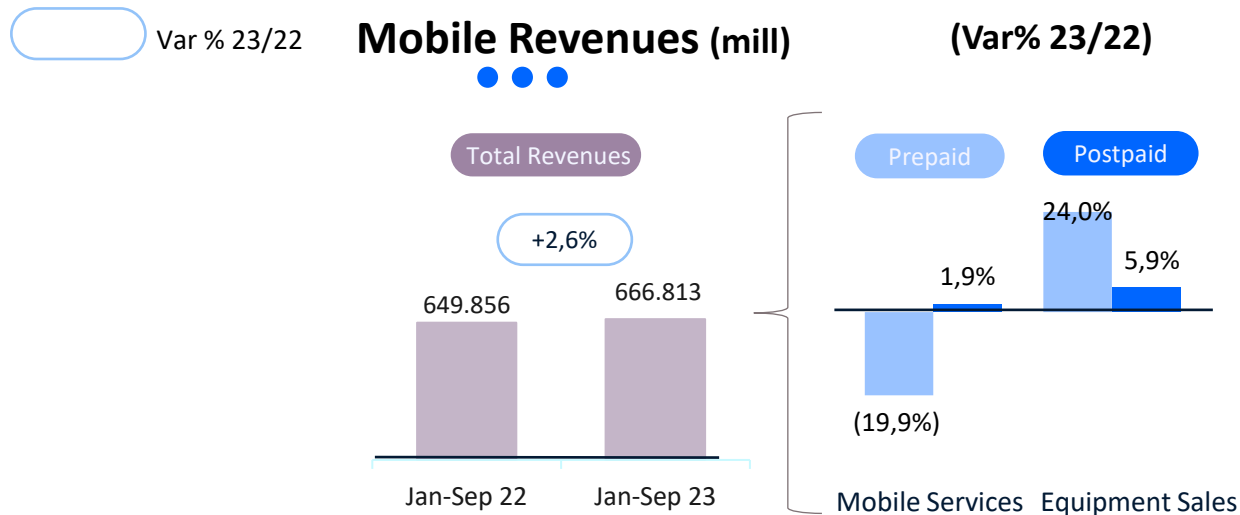


Telefónica Chile S.A.

Jan-Sep. 2023

Ch\$ million		Var % 23/22
Ordinary Revenues	695,400	3.6%
Total Revenues	710,274	-0.1%
Expenses (Ex. Depreciation)	-638,234	10.4%
EBITDA	72,040	-45.9%
EBITDA Margin	10.1%	-8.6 p.p.
Net Results	-39,562	c.s.

Mobile Services (Postpaid y Prepaid)



Postpaid maintains revenue growth

REVENUES as of Sep.23 grew 2.6% yoy, mainly explained by:

- i) Higher revenues from postpaid services due to stable ARPU and growth in Postpaid accesses (excluding BAM and M2M accesses)
- ii) Growth in income from the sale of prepaid and postpaid terminal equipment.

Total Mobile Accesses (Voice, BAM and M2M) grew 6.2% yoy, driven by plan offers on the new 5G network (voice accesses), compensated by lower postpaid and prepaid BAM accesses

*: Voice, BAM and M2M

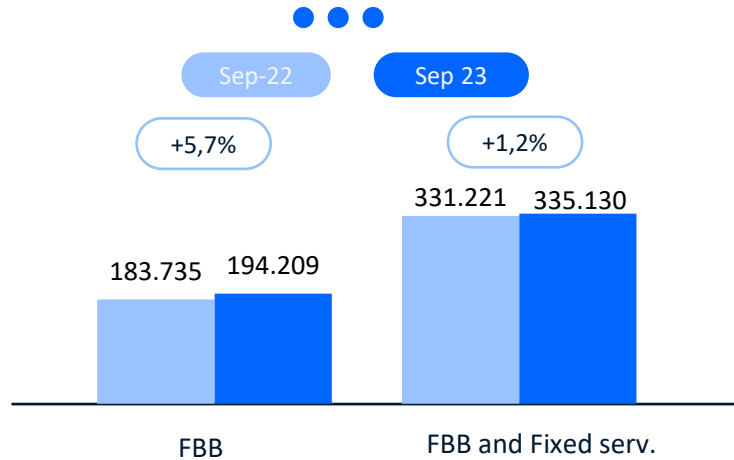


Fixed Broad Band (FBB) and Fixed Services

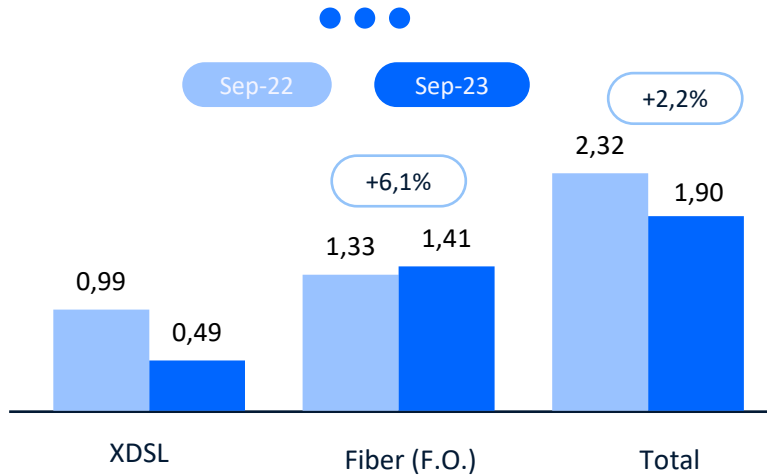


Var % 23/22

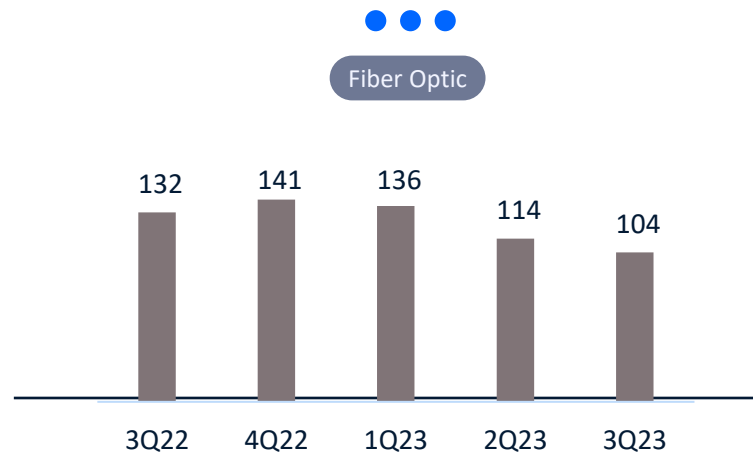
Revenues (mill)



FBB Accesses (mill)



FO Net Adds (th)



Growth driven by Fiber Optic

As of Sep. 2023, Revenues from FBB and Other Telecom services grew 1.2%, explained by growth in fiber optic revenues (+10.4%), which were partially offset by lower revenues from xDSL and other fixed telecommunications services.

BAF accesses grew +2.2%, maintaining a positive trend and market leadership position. FO accesses grew by 6.1% compared to Sep.22, reaching 1,409,886 FO accesses, which represents 97% of total accesses.

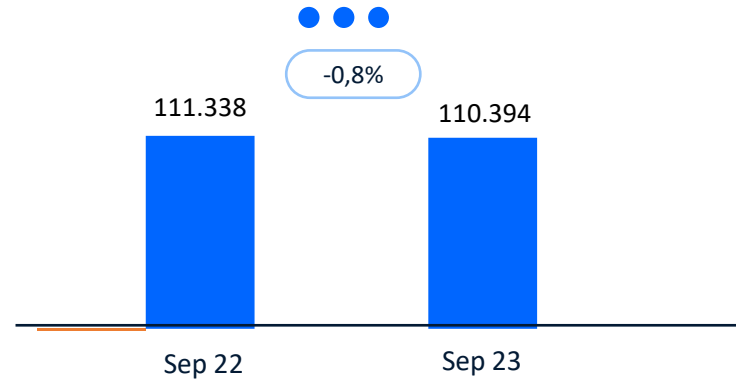
Ookla Award 1st Semester 2023, (#1 Internet speed)

Video & Television

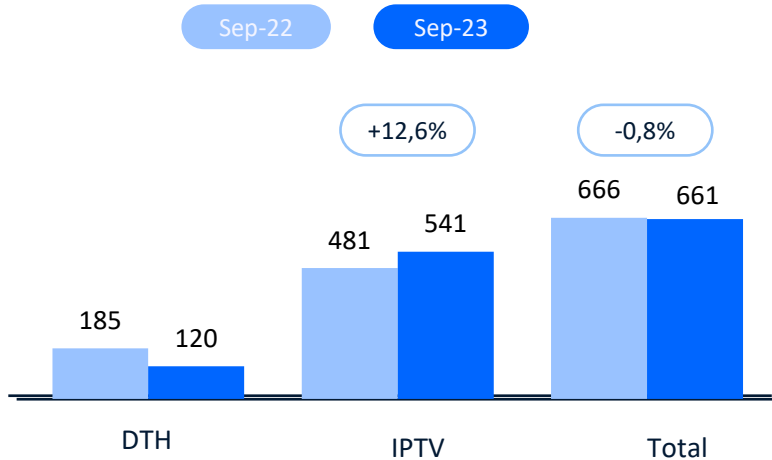


Var % 23/22

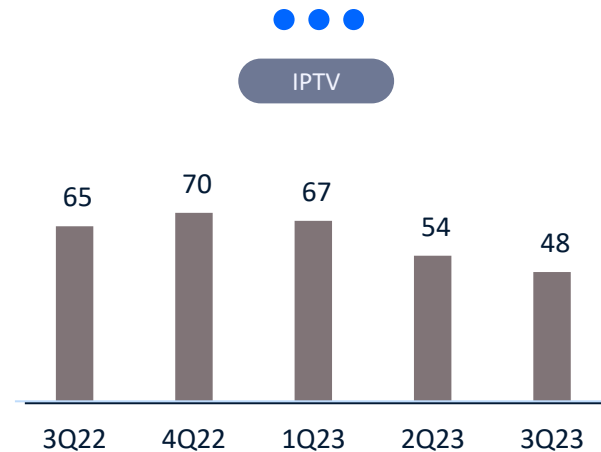
TV Revenues (mill)



TV Accesses (mill)



IPTV net adds (Th)



IPTV growth leveraged by FO

TV REVENUES show a slight drop (-0.8%) compared to Jan-Sep 2022.

TV accesses (IPTV +DTH) fell -0.8% yoy, mainly explained by lower DTH accesses.

IPTV accesses maintain a positive trend, growing 12.6% compared to the same period of the previous year, driven by the sale of fiber optic Duos and Trios. IPTV accesses represent 82% of total TV accesses as of Sept. 2023

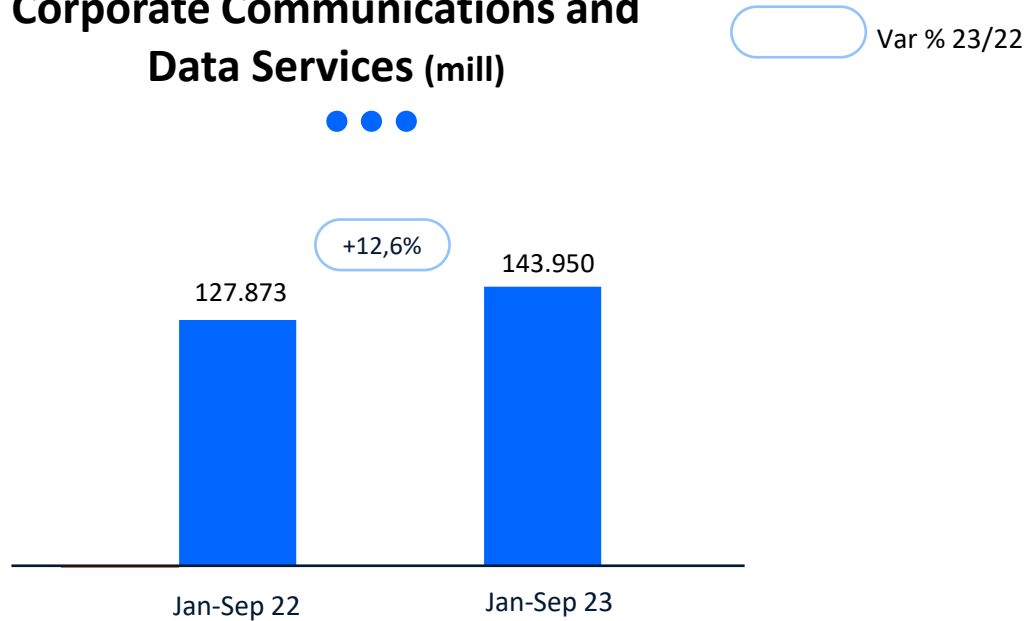
Movistar maintains an attractive TV offering that includes a wide range of channels (HD and sports), direct access to Netflix, Star+, Disney+, Paramount, Prime video, HBO and YouTube among others.



Corporate Communications and Data Services



Corporate Communications and Data Services (mill)



2-digit growth in Corporate Communications and data services



Revenues from corporate data services show a growth of 12.6%, mainly explained by the closure of new projects and higher revenues from digital services in the period Jan-Sep 202, compared to the same period of the previous year.

3Q23 Results

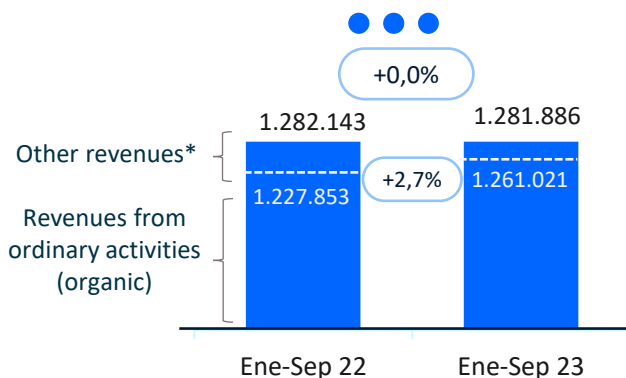
Telefónica Móviles Chile S.A. and Telefónica Chile S.A.

● ● ● Revenues, EBITDA and OpCF

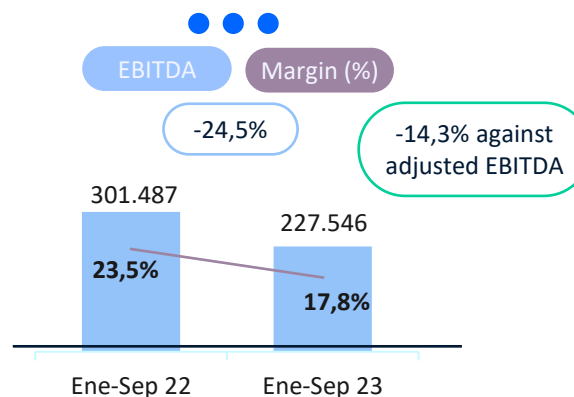
Telefónica Móviles Chile S.A.



Revenues (y-o-y)



EBITDA** y Margin

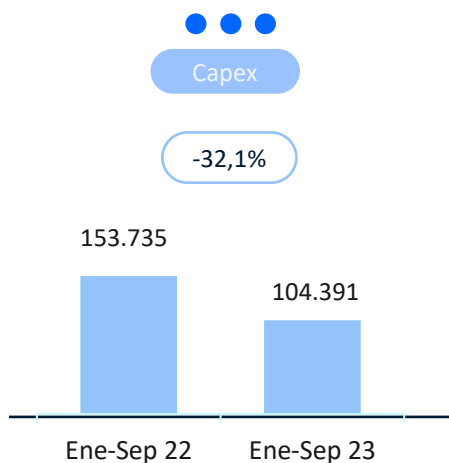


As of Sep 23, **TMCH's revenue from ordinary activities grows 2.7%**, explained by higher revenue from Fixed Broadband (FTTH), Data Services for Businesses (B2B) and IPTV, as well as the good performance of the postpaid mobile service and equipment sale. Total revenues remains stable, due to extraordinary income from asset sales in 2022.

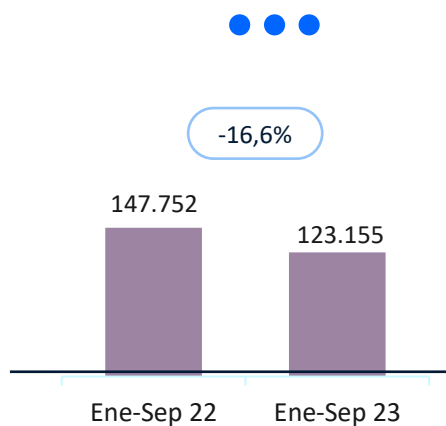
EBITDA falls -24.5% compared to Sep.22. Excluding the effect of asset sales in the Jan-Sep 2022 period, EBITDA falls -14.3% explained by higher operating costs (+7.5%) associated with inflation, commercial dynamics and fiber optic connectivity service, reaching a margin of 17.8%, which compares to an adjusted margin of 21.3% in 2022.

Capex shows a drop of -32.1% y-o-y, due to the greater investment made in 2022, due to 5G deployment, with the above, the OpCF reached \$123,155 million

CapEx



OpCF (OIBDA – CapEx)



*: Other income for the Jan-Sep 2022 period includes \$36,080 million from asset sales (sale of Data Center and sale of towers on roofs of buildings)

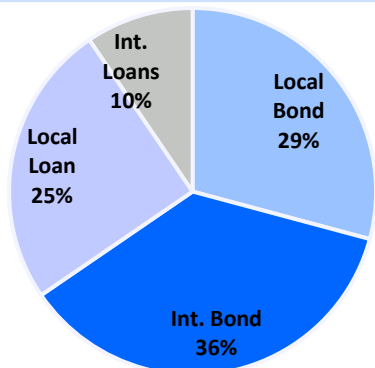
** : EBITDA for Jan-Sep 2022, discounting the sale of assets, reaches \$265,407 (EBITDA margin 21.3%)



Debt of Telefónica Móviles Chile S.A.



Debt Structure⁽¹⁾



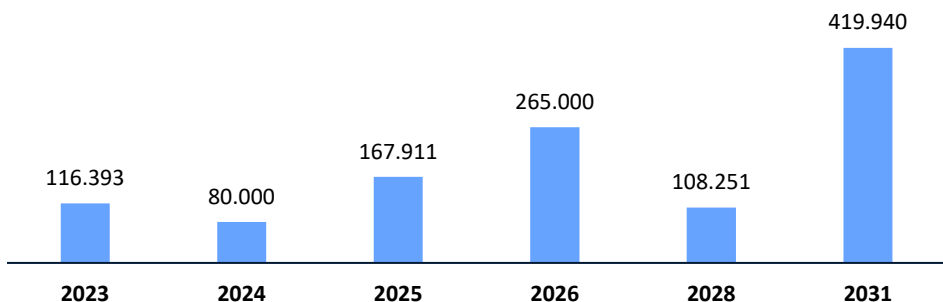
- ✓ Gross Debt as of sept. 2023 → Ch\$1.535.886 mills.
- ✓ Net Debt as of sept. 2023 → Ch\$1.353.679 mills.

Ratings:

- ✓ ICR : AA (negative outlook)/ Fitch: AA- (stable outlook)
- ✓ S&P: BBB- (negative outlook)/ Fitch: BBB- (stable outlook)

- ✓ Constant Gross Debt.
- ✓ Net debt increases mainly due to a drop in cash balance.

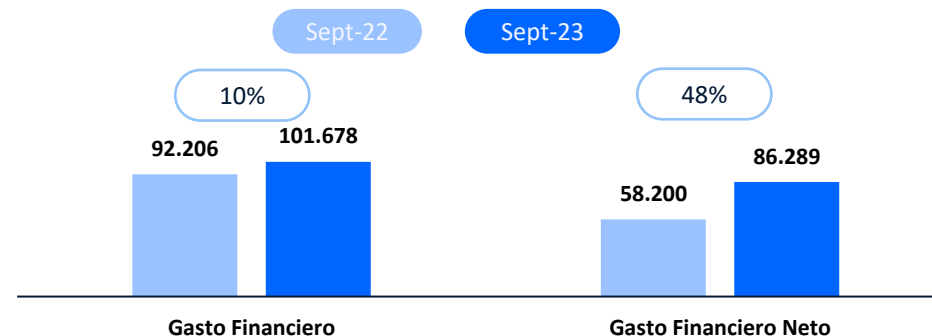
Maturity Profile Mills \$



Payment capacity supported by EBITDA generation for the last 12 months ended in September 2023, which reached Ch\$ 325 billion.

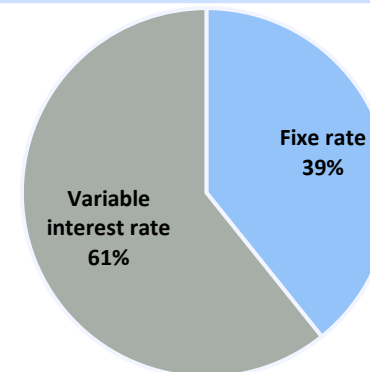
¹ Deuda Bruta y Deuda Neta no incluye efecto de leases.

Financial expenses Mills. \$



- ✓ Gross and net financial expenses increase due to a higher average market interest rate in 2023, an increase in working capital initiatives and a decrease in financial income due to the recognition of the earn-out in 2022

Currency and Interest Rate Coverage



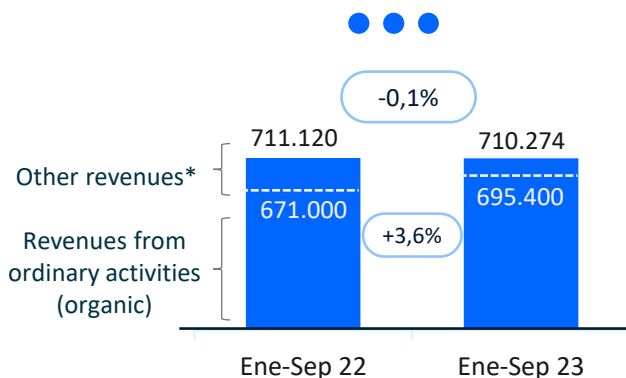
- ✓ 100% FX Coverage
- ✓ Average gross debt rate: 8.86% annually

Revenues, EBITDA and OpCF

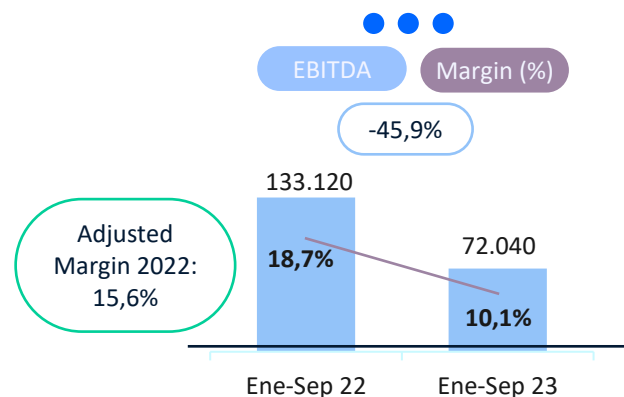


Telefónica Chile S.A. (TCH)

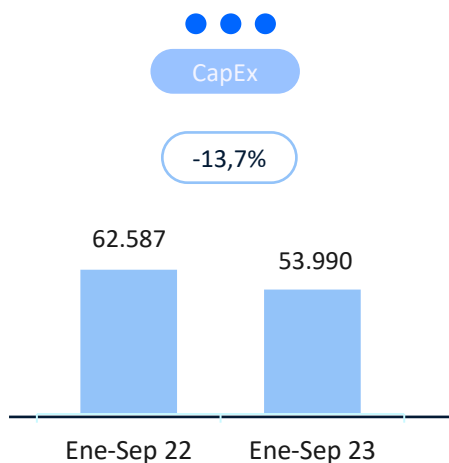
Revenues (y-o-y)



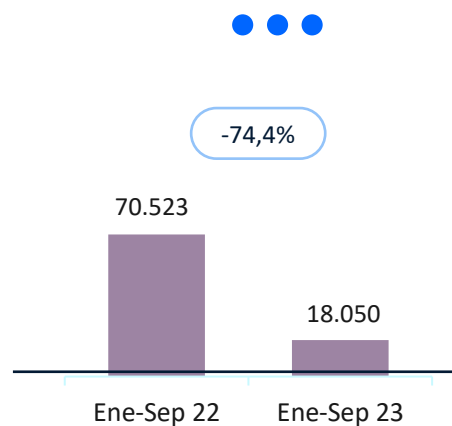
EBITDA y Margin **



CapEx



OpCF (OIBDA – CapEx)



As of Sept.23, TCH's revenues from ordinary activities grew 3.6%, explained by higher revenues from Fixed Broadband, driven by the growth of Fiber Optic accesses, as well as higher revenues from Data Services for companies (B2B).

EBITDA falls -45.9% compared to Sep.22., discounting the extraordinary income from the sale of assets in 2022 (data center sale), the margin falls 32.4% due to higher operating costs associated with inflation and commercial dynamics, such as commissions, content and fiber optic connectivity service, among others. Reaching an EBITDA margin of 10.1%

The capex of the fixed business shows a reduction of 13.7% in the period, resulting in an OpCF (EBITDA – CapEx) of \$18,050 million as of September 23

*: Other income for the period Jan-Sep 2022 includes income from the sale of Data Center

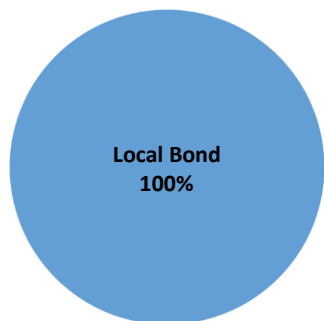
** : EBITDA for Jan-Sep 2022, discounting the sale of assets, reaches \$106,646 (EBITDA margin 15.6%)



Deuda de Telefónica Chile S.A.



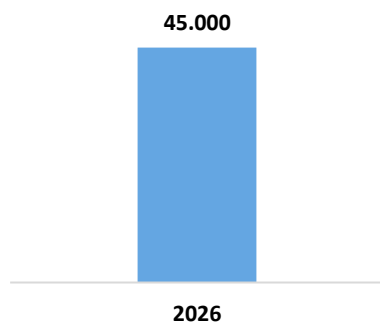
Debt Structure⁽¹⁾



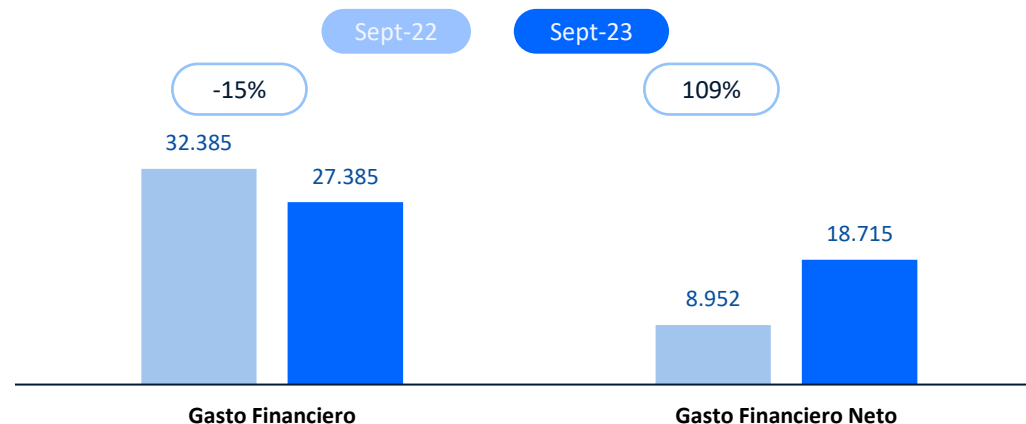
- ✓ Gross Debt as of sep. 2023: Ch\$673.373 mills.
- ✓ Net Debt as of sept. 2023 : Ch\$-20.869 mills.
- ✓ Ratings: ICR : AA + / Fitch: AA-

- ✓ Gross Debt decreases mainly due to payment at maturity of the international bond 144 A.
- ✓ Negative Net Debt because cash is greater than financial debt.

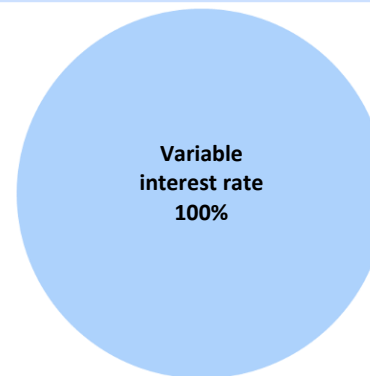
Maturity Profile Mills \$



Financial expenses Mills. \$



Currency and Interest Rate Coverage



- ✓ 100% FX Coverage
- ✓ Average gross debt rate: 11.9% annually

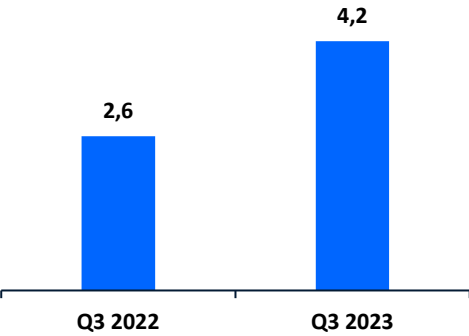
¹ Deuda Bruta y Deuda Neta no incluye efecto de leases.

Solid financial indicators

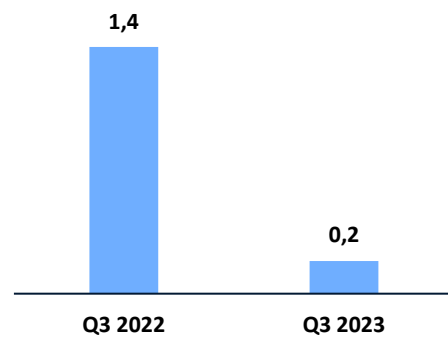


Net Debt / EBITDA⁽¹⁾⁽²⁾

Telefónica Móviles Chile

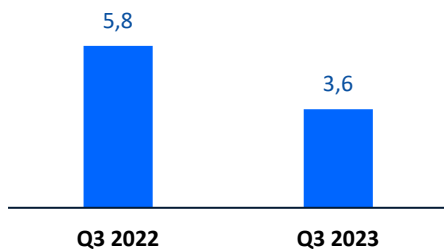


Telefónica Chile

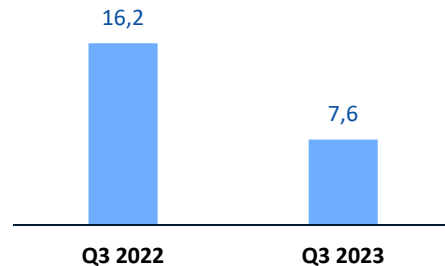


EBITDA⁽¹⁾ / Net Financial Expenses

Telefónica Móviles Chile



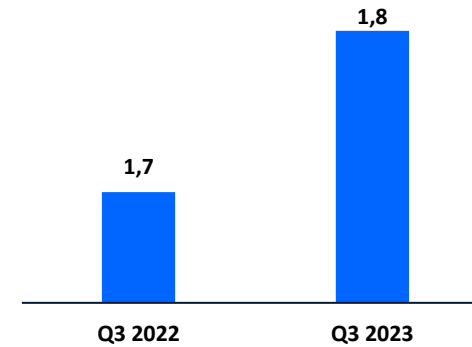
Telefónica Chile⁽⁴⁾



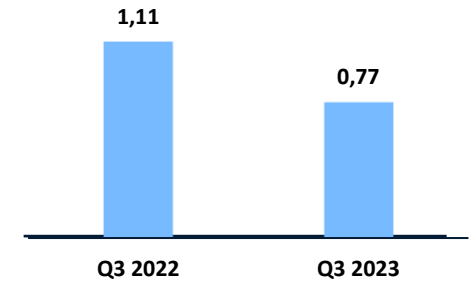
Total Liabilities* / Equity

*: excluding hedging assets

Telefónica Móviles Chile



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1. Net debt includes IFRS16 financial debt.
2. TCh's Net Debt / EBITDA ratio It is not calculated because the cash balance is greater than the net debt.
3. EBITDA and Net Financial Expenses consider 12 rolling months.

Closing remarks



En resumen:



3T23



- Ordinary revenues maintain a positive trend, showing a growth of 2.7%, driven by Fixed Broadband, Communications and Data for companies, mobile postpaid service and sale of terminals
- Capex efficiency, as of September 30, 2023, the capex/revenue ratio reaches 8.1%
- EBITDA affected by higher expenses associated with commercial dynamics and inflation





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