



TELEFÓNICA MÓVILES CHILE S.A. AND SUBSIDIARIES

REPORT ON THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2023 (not audited), December 31, 2022 and September 30, 2022 (not audited)

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ThCh\$: Thousands of Chilean Pesos

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of September 30, 2023 (not audited) and December 31, 2022



| | Notes | <u>09.30.2023</u> | <u>12.31.2022</u> |
|---|-------|----------------------|----------------------|
| | | ThCh\$ | ThCh\$ |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | (5) | 182,206,830 | 466,972,364 |
| Other current financial assets | (6) | 9,091,357 | 89,268,915 |
| Other current non-financial assets | (7) | 184,220,247 | 145,104,073 |
| Current trade and other accounts receivable | (8a) | 341,763,880 | 241,993,838 |
| Current receivables from related companies | (9a) | 35,576,924 | 26,951,808 |
| Inventory | (10a) | 105,164,917 | 91,442,933 |
| Current tax assets | (11b) | 21,758,799 | 40,408,582 |
| TOTAL CURRENT ASSETS | | 961,782,954 | 1,102,142,513 |
| NON-CURRENT ASSETS | | | |
| Other non-current financial assets | (6) | 57,844,812 | 11,600,641 |
| Other non-current non-financial assets | (7) | 221,375,274 | 209,336,848 |
| Non-current trade and other accounts receivable | (12a) | 36,249,098 | 39,787,680 |
| Non-current receivables from related companies | (9b) | 71,473,564 | 68,508,794 |
| Investments in associates and joint ventures | (18) | 77,140,842 | 72,372,094 |
| Intangible assets other than goodwill, net | (13a) | 238,899,232 | 244,212,072 |
| Goodwill | (14) | 504,774,872 | 504,774,872 |
| Property, plant and equipment, net | (15a) | 970,593,466 | 1,029,275,837 |
| Investment properties | (16) | 4,711,342 | 4,440,742 |
| Right of-use assets | (17) | 340,994,407 | 304,785,725 |
| Deferred tax assets | (11c) | 142,269,396 | 116,708,947 |
| TOTAL NON-CURRENT ASSETS | | 2,666,326,305 | 2,605,804,252 |
| TOTAL ASSETS | | 3,628,109,259 | 3,707,946,765 |

The accompanying notes 1 to 36 are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of September 30, 2023 (not audited) and December 31, 2022



| | Notes | 09.30.2023 | 12.31.2022 |
|---|-------|----------------------|----------------------|
| | | ThCh\$ | ThCh\$ |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Other current financial liabilities | (19) | 266,359,037 | 346,453,273 |
| Current leases liabilities | (20) | 95,930,147 | 98,526,851 |
| Trade and other payables | (21a) | 344,070,690 | 510,580,700 |
| Current payables to related companies | (9c) | 102,741,498 | 121,121,862 |
| Other current provisions | (23a) | 2,481,364 | 2,802,796 |
| Current tax liabilities | (11f) | 87,315 | 756,228 |
| Current employee benefits accrual | (24a) | 6,770,094 | 5,216,457 |
| Other current non-financial liabilities | (25) | 25,410,451 | 38,541,054 |
| TOTAL CURRENT LIABILITIES | | 843,850,596 | 1,123,999,221 |
| NON-CURRENT LIABILITIES | | | |
| Other non-current financial liabilities | (19) | 1,032,471,542 | 759,778,763 |
| Non current leases liabilities | (20) | 259,796,352 | 245,120,945 |
| Trade and other payables non-current | (21a) | 1,260,806 | 28,814 |
| Current payables to related companies non-current | (9d) | 5,756,176 | 5,548,164 |
| Other non-current provisions | (23b) | 16,506,391 | 18,078,266 |
| Deferred tax liabilities | (11c) | 95,177,347 | 105,767,529 |
| Non-current employee benefits accrual | (24a) | 31,946,382 | 31,235,592 |
| Other non-current non-financial liabilities | (25) | 71,601,486 | 77,478,576 |
| TOTAL NON-CURRENT LIABILITIES | | 1,514,516,482 | 1,243,036,649 |
| TOTAL LIABILITIES | | 2,358,367,078 | 2,367,035,870 |
| NET SHAREHOLDERS' EQUITY | | | |
| Issued capital | (26a) | 1,364,872,285 | 1,364,872,285 |
| Retained earnings | | 352,876,057 | 424,008,652 |
| Other reserves | (26d) | (456,994,607) | (457,048,524) |
| Shareholders' equity attributable to owners of the parent | | 1,260,753,735 | 1,331,832,413 |
| Non-controlling interest | (26e) | 8,988,446 | 9,078,482 |
| TOTAL NET SHAREHOLDERS' EQUITY | | 1,269,742,181 | 1,340,910,895 |
| TOTAL NET LIABILITIES & SHAREHOLDERS' EQUITY | | 3,628,109,259 | 3,707,946,765 |

The accompanying notes 1 to 36 are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

As of September 30, 2023 and 2022 (not audited)



| | Notas | For the period from | For the nine-month | For the period | For the nine-month |
|--|-----------------------|---------------------|----------------------|-------------------|--------------------|
| | | July 1 to | period ended | from July 1 to | period ended |
| | | September 30, | September 30, | September 30, | September 30, |
| | | 2023 | 2023 | 2022 | 2022 |
| | | M\$ | M\$ | M\$ | M\$ |
| STATEMENTS OF COMPREHENSIVE INCOME | | | | | |
| PROFIT (LOSS) | | | | | |
| Income from ordinary operations | (28a) | 411,635,611 | 1,261,020,632 | 417,752,710 | 1,227,853,416 |
| Other income | (28b) | 6,633,454 | 20,864,784 | 7,831,177 | 54,290,481 |
| Employee benefits expenses | (24d) | (39,619,026) | (114,014,306) | (36,099,098) | (107,138,088) |
| Depreciation and amortization expense | (13b)(15b)(16b) (17b) | (86,961,920) | (250,144,170) | (69,003,145) | (206,318,644) |
| Impairment losses (reversal of impairment losses) | (29a) | (19,940,096) | (57,638,312) | (14,409,727) | (42,047,759) |
| Other expenses, by nature | (29b) | (293,022,974) | (882,687,929) | (282,862,595) | (831,469,818) |
| Profit from operating activities | | (21,274,951) | (22,599,301) | 23,209,322 | 95,169,588 |
| Finance income | (30a) | 3,434,291 | 15,388,476 | 16,582,790 | 58,248,189 |
| Finance costs | (30a) | (40,129,364) | (101,677,768) | (36,218,951) | (92,205,733) |
| Share in earnings (losses) of associates and joint ventures | (18) | 2,419,126 | 6,119,578 | (267,259) | (1,210,423) |
| Foreign exchange differences | (30b) | (612,432) | (2,771,148) | 970,611 | (3,173,472) |
| Income from indexation units | (30b) | 309,978 | 1,956,540 | 121,696 | 343,774 |
| Profits before tax from continuing operations | | (55,853,352) | (103,583,623) | 4,398,209 | 57,171,923 |
| Income tax expense | (11e) | 16,901,362 | 33,109,711 | 6,097,030 | 6,066,535 |
| PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS | | (38,951,990) | (70,473,912) | 10,495,239 | 63,238,458 |
| Profit attributable to holders of equity instruments of the controller and minority interest: | | | | | |
| Profit attributable to parent owners | (27) | (38,825,064) | (71,132,595) | 10,456,604 | 62,847,507 |
| Profit attributable to non-controlling interest | (26e) | (126,926) | 658,683 | 38,635 | 390,951 |
| PROFIT (LOSS) | | (38,951,990) | (70,473,912) | 10,495,239 | 63,238,458 |
| EARNINGS PER SHARE | | | | | |
| Earnings per basic share | | | | | |
| Earnings per basic share for continuing operations | (27) | (0.040) | (0.074) | 0.011 | 0.065 |
| Earnings per basic share for discontinuing operations | | | | | |
| Earnings per basic share | | (0.040) | (0.074) | 0.011 | 0.065 |
| Diluted earnings per share | | | | | |
| Diluted earnings per share from continuing operations | | (0.040) | (0.074) | 0.011 | 0.065 |
| Diluted earnings per share from discontinuing operations | | | | | |
| Diluted earnings per share | | (0.040) | (0.074) | 0.011 | 0.065 |

The accompanying notes 1 to 36 are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

As of September 30, 2023 and 2022 (not audited)



| | For the period from July 1 to September 30, | For the nine-month period ended September 30, | For the period from July 1 to September 30, | For the nine-month period ended September 30, |
|---|--|---|---|---|
| | 2023 M\$ | 2023 M\$ | 2022 M\$ | 2022 M\$ |
| STATEMENTS OF OTHER COMPREHENSIVE INCOME | | | | |
| PROFIT (LOSS) | (38,951,990) | (70,473,912) | 10,495,239 | 63,238,458 |
| OTHER COMPREHENSIVE INCOME | | | | |
| Components of other comprehensive income that will not be reclassified to income for the period | | | | |
| Other comprehensive income, before taxes. profits (losses) on new measurements of defined benefits plans | 1,025,645 | (897,992) | (274,516) | (1,552,283) |
| Share in earnings (losses) of associates and joint ventures accounted for using the equity method that are not reclassified to revenue for the period, before taxes | 357,987 | (2,201,687) | 2,474,051 | 5,477,615 |
| Other comprehensive income, before taxes. profits (losses) from investment in equity instruments | 443,376 | 1,395,924 | (1,085,314) | (32,226) |
| Total other comprehensive income that will not be reclassified to income for the period | 1,827,008 | (1,703,755) | 1,114,221 | 3,893,106 |
| Components of other comprehensive income that will be reclassified to income for the period | | | | |
| Profit (loss) on cash flow hedges | 36,514,306 | 927,770 | 6,547,578 | (7,378,279) |
| Total Components of other comprehensive income that will be reclassified to income for the period | 36,514,306 | 927,770 | 6,547,578 | (7,378,279) |
| Total other components of other comprehensive income. before taxes | 38,341,314 | (775,985) | 7,661,799 | (3,485,173) |
| Income taxes associated to components of other comprehensive income which will not be reclassified to income for the period | | | | |
| Income taxes associated to new measurements of defined benefits plans of other comprehensive income | (276,242) | 241,861 | 73,881 | 417,770 |
| Total income taxes associated to components of other comprehensive income which will not be reclassified to income for the period | (276,242) | 241,861 | 73,881 | 417,770 |
| Income taxes associated to components of other comprehensive income which will be reclassified to income for the period | | | | |
| Income tax related to hedging cash flows from other comprehensive income | (9,265,858) | (245,234) | (1,758,844) | 2,000,768 |
| Total income taxes associated to components of other comprehensive income | (9,542,100) | (3,373) | (1,684,963) | 2,418,538 |
| TOTAL OTHER COMPREHENSIVE INCOME | 28,799,214 | (779,358) | 5,976,836 | (1,066,635) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | (10,152,776) | (71,253,270) | 16,472,075 | 62,171,823 |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | |
| Comprehensive income attributable to owners of the parent | (10,081,750) | (71,078,678) | 16,389,551 | 61,754,153 |
| Comprehensive income attributable to non-controlling interest | (71,026) | (174,592) | 82,522 | 417,670 |
| TOTAL COMPREHENSIVE INCOME | (10,152,776) | (71,253,270) | 16,472,073 | 62,171,823 |

The accompanying notes 1 to 36 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

As of September 30, 2023 and 2022 (not audited)



| | Changes in capital (Note 26 a) | Changes in the other reserves (Note 26 d) | | | | Retained earnings | Equity attributable to parent owners | Non controlling interests (Note 26 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\$ | |
| Balance at the beginning of the period | 1,364,872,285 | 3,630,329 | (10,318,344) | 148,204 | (450,508,713) | (457,048,524) | 424,008,652 | 1,331,832,413 | 9,078,482 | 1,340,910,895 |
| Changes in equity | | | | | | | | | | |
| Comprehensive income | | | | | | | | | | |
| Profit | - | - | - | - | - | - | (71,132,595) | (71,132,595) | 658,683 | (70,473,912) |
| Other comprehensive income | - | (678,861) | (653,919) | 1,386,697 | - | 53,917 | - | 53,917 | (833,275) | (779,358) |
| Comprehensive income | - | (678,861) | (653,919) | 1,386,697 | - | 53,917 | (71,132,595) | (71,078,678) | (174,592) | (71,253,270) |
| Reversal of interim dividends | - | - | - | - | - | - | - | - | - | - |
| Dividends | - | - | - | - | - | - | - | - | 84,556 | 84,556 |
| Total changes in shareholders' equity | - | (678,861) | (653,919) | 1,386,697 | - | 53,917 | (71,132,595) | (71,078,678) | (90,037) | (71,168,715) |
| Ending balance as of 09.30.2023 | 1,364,872,285 | 2,951,468 | (10,972,263) | 1,534,901 | (450,508,713) | (456,994,607) | 352,876,057 | 1,260,753,735 | 8,988,446 | 1,269,742,181 |
| Balance at the beginning of the period | 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 |
| Changes in equity | | | | | | | | | | |
| Comprehensive income | | | | | | | | | | |
| Profit | - | - | - | - | - | - | 62,847,507 | 62,847,507 | 390,951 | 63,238,458 |
| Other comprehensive income | - | 68,128 | (1,129,539) | (31,949) | - | (1,093,360) | - | (1,093,360) | 26,725 | (1,066,635) |
| Comprehensive income | - | 68,128 | (1,129,539) | (31,949) | - | (1,093,360) | 62,847,507 | 61,754,147 | 417,676 | 62,171,823 |
| Reversal of interim dividends | - | - | - | - | - | - | 98,820,761 | 98,820,761 | 220,821 | 99,041,582 |
| Dividends | - | - | - | - | - | - | - | - | - | - |
| Total changes in shareholders' equity | - | 68,128 | (1,129,539) | (31,949) | - | (1,093,360) | 161,668,268 | 160,574,908 | 638,497 | 161,213,405 |
| Ending balance as of 09.30.2022 | 1,364,872,285 | 35,090,117 | (8,646,630) | 1,114,152 | (450,508,713) | (422,951,074) | 453,236,915 | 1,395,158,126 | 9,082,317 | 1,404,240,443 |

The accompanying notes 1 to 36 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

As of September 30, 2023 and 2022 (not audited)



For periods ended September 30,

| | Notes | For periods ended September 30, | |
|--|----------|---------------------------------|------------------------|
| | | 2023 | 2022 |
| | | ThCh\$ | ThCh\$ |
| CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES | | | |
| Types of operating activity charges | | | |
| Proceeds from sale of assets and services rendered | | 1,345,903,149 | 1,281,942,099 |
| Proceeds from sales and services | | 1,270,589,026 | 1,202,787,875 |
| Proceeds from related entities | | 75,314,123 | 79,154,224 |
| Types of payments | | (1,461,700,211) | (1,329,088,322) |
| Payments to suppliers for supplying goods and services | | (1,031,081,903) | (954,416,305) |
| Payments from related entities | | (216,057,640) | (164,244,232) |
| Payments to and on account of employees | | (129,508,897) | (120,017,148) |
| Other operating activities payments | | (85,051,771) | (90,410,637) |
| Net cash flows provided by (used in) operating activities | | | |
| Income taxes paid | | 15,929,830 | (110,382,744) |
| Cash flows provided by (used in) operating activities | | (99,867,232) | (157,528,967) |
| CASH FLOWS PROVIDED BY (USED IN) INVESTMENT ACTIVITIES | | | |
| Amounts from sales of property, plant and equipment (1) | | - | 60,811,835 |
| Additions to property, plant and equipment | | (174,715,384) | (201,253,117) |
| Interest received | | 11,482,050 | 30,811,262 |
| Dividends received | | 158,854 | 221,026 |
| Proceeds from government subsidies | | 6,785,100 | - |
| Other cash inflows (outflows) (2) | | 5,153,152 | 440,389,358 |
| Net cash flows provided by (used in) investment activities | | (151,136,228) | 330,980,414 |
| CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES | | | |
| Payments to related parties | | | |
| Proceeds from loans | (19a) | 171,375,262 | - |
| Loan reimbursements | (19b) | (29,199,216) | - |
| Dividends paid | | (105,633) | - |
| Lease obligation payments in accordance with IFRS 16 | | (108,883,796) | (72,207,823) |
| Interest paid | | (27,134,285) | (29,914,114) |
| Other cash inputs (outputs) (3) | | (39,814,406) | (14,315,550) |
| Net cash flows provided by (used in) financing activities | | (33,762,074) | (116,437,487) |
| Increase (decrease) in cash and cash equivalents, before the effects of changes in he exchange rate | | (284,765,534) | 57,013,960 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | (284,765,534) | 57,013,960 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | (note 5) | 466,972,364 | 412,783,121 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | (note 5) | 182,206,830 | 469,797,081 |

(1) In 2022 corresponds mainly to sale of the Data Center and rooftop telecommunications infrastructure.

(2) In 2022 corresponds to collection of the loan granted on the sale of the Data Center business (see Note 6a).

(3) Mainly includes hedging transactions.

The accompanying notes 1 to 36 are 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) | |
|-----------------------|--------------|------------------|--|--------------|
| | | | 09.30.2023 % | 12.31.2022 % |
| Telefónica Chile S.A. | 90.635.000-9 | 009 | 99.3388793 | 99.3388793 |

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 September 30, 2023 and December 31, 2022; Interim Consolidated Comprehensive Income Statements for the nine and nine-month periods ended as of September 30, 2023 and 2022 and the corresponding Interim Statement of Changes in Equity, and interim Statements of Cash Flows for the six-month periods ended as of September 30, 2023 and 2022.

b) Basis of presentation

The interim consolidated financial statements for September 30, 2023, and December 31, 2022 and their corresponding notes are shown in a comparative manner in accordance with Note 2a). In addition, for comparative purposes, a reclassification has been made between current trade and other accounts, current receivables from related companies and trade and other payables.

c) Basis of preparation

The consolidated financial statements as of September 30, 2023, and the Interim Consolidated Comprehensive Income Statements, Interim Statement of Changes in Equity, and interim Statements of Cash Flows for the nine-month periods ended as of September 30, 2023 and 2022 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 26e).

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 | | | 12.31.2022 Total |
|--------------|---|----------------|----------|--------------------|------------|-------------|------------------|
| | | | | Direct | Indirect | Total | |
| 76.378.279-4 | Telefónica Investigación y Desarrollo Chile SpA (1) | Chile | CLP | - | - | - | 100.0000000 |
| 90.635.000-9 | Telefónica Chile S.A. | Chile | CLP | 99.3388793 | - | 99.3388793 | 99.3388793 |
| 76.703.410-1 | Telefónica Empresas Chile S.A. | Chile | CLP | - | 99.9999973 | 99.9999973 | 99.9999973 |
| 76.086.148-0 | Telefónica Chile Servicios Corporativos Ltda. | Chile | CLP | 49.0000000 | 51.0000000 | 100.0000000 | 100.0000000 |

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



2. Significant accounting principles, continued

e) Basis of consolidation, continued

The summarized financial information at September 30, 2023 of the companies included in the consolidation is as follows:

| Taxpayer No. | Company Name | % Participation (*) | Currents assets | Non-currents assets | Total Assets | Currents liabilities | Non-currents liabilities | Total liabilities | Equity | Revenues from ordinary operations | Profit (loss), Net |
|--------------|---|---------------------|-----------------|---------------------|---------------|----------------------|--------------------------|-------------------|-------------|-----------------------------------|--------------------|
| | | | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| 78.703.410-1 | Telefónica Empresas Chile S.A. | 99.9999973 | 357,211,168 | 136,010,215 | 493,221,383 | 428,037,451 | 2,865,078 | 430,902,529 | 62,318,854 | 265,637,828 | (26,029,568) |
| 90.635.000-9 | Telefónica Chile S.A. | 99.3388793 | 613,088,187 | 1,110,833,750 | 1,723,921,937 | 470,427,109 | 267,486,327 | 737,913,436 | 986,008,501 | 454,622,943 | (39,667,046) |
| 76.086.148-0 | Telefónica Chile Servicios Corporativos Ltda. | 100.000000 | 142,288,255 | 35,391,792 | 177,680,047 | 59,120,661 | 38,205,814 | 97,326,475 | 80,353,572 | 145,385,802 | 611,733 |

(*) Direct and indirect participation.

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

| Taxpayer No. | Company Name | % Participation (*) | Currents assets | Non-currents assets | Total Assets | Currents liabilities | Non-currents liabilities | Total liabilities | Equity | Revenues from ordinary operations | Profit (loss), Net |
|--------------|---|---------------------|-----------------|---------------------|---------------|----------------------|--------------------------|-------------------|---------------|-----------------------------------|--------------------|
| | | | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| 78.703.410-1 | Telefónica Empresas Chile S.A. | 99.9999973 | 200,339,619 | 134,805,685 | 335,145,304 | 246,490,952 | 2,391,481 | 248,882,433 | 86,262,871 | 350,964,094 | (13,740,945) |
| 90.635.000-9 | Telefónica Chile S.A. | 99.3388793 | 500,092,872 | 1,160,998,665 | 1,661,091,537 | 396,122,462 | 242,397,650 | 638,520,112 | 1,022,571,425 | 579,666,916 | 50,239,024 |
| 76.086.148-0 | Telefónica Chile Servicios Corporativos Ltda. | 100.000000 | 143,888,773 | 34,706,681 | 178,595,454 | 63,996,203 | 34,201,281 | 98,197,484 | 80,397,970 | 186,093,282 | 8,168,706 |

(*) 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 period. 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 |
|------------|--------|--------|--------|-----------|
| 09.30.2023 | 895.60 | 946.62 | 178.67 | 36.197.53 |
| 12.12.2022 | 855.86 | 915.95 | 161.96 | 35,110.98 |
| 09.30.2022 | 960.24 | 939.85 | 179.17 | 34,258.23 |

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 22,2).

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 22.2) 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.

2. Significant accounting principles, continued

h) 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.

i) 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

i) 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.

j) 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 September 30, 2023 and December 31, 2022, 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.

k) 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

k) 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.

l) 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

m) 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.

n) 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

n) 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 2023 and 2022, 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.

ñ) 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 10.51% and 8.05% at September 30, 2023 and December 31 2022, respectively.

2. Significant accounting principles, continued

ñ) 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 | 30 |
| 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.

o) 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 18).

p) Provisions

i) Post-employment benefits

The Company is obligated to pay staff severance indemnities in respect of collective negotiation agreements. This obligation is provisioned using the actuarial value of the accrued benefit cost method, using a nominal annual discount rate of 5.690% and 5.163% at September 30, 2023 and December 31, 2022 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

p) 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.

q) 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

q) 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

q) Income and expenses, continued

i) Telecommunications, continued

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

ii) Customer loyalty program

The Company has a customer loyalty program called “Club Movistar” which provides multiple benefits to its customers which can be provided by third parties or by the Company. These benefits will be reflected as a discount in revenue when points from the program are exchanged for products. As of September 30, 2023 and December 31, 2022, 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 25a).

r) 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

r) Use estimates, continued

i) Impairment of trade accounts receivable, 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.

2. Significant accounting principles, continued

r) Use estimates, continued

iv) Deferred taxes, continued

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.

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 24a).

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.

2. Significant accounting principles, continued

s) 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.

t) New IFRS and Interpretations of the IFRS Interpretations Committee

i) The new Standards, interpretations and amendments issued, whose application is not yet mandatory, which the Company has not adopted in advance are detailed as follows:

| | New Standards. Interpretations and amendments | Mandatory application date |
|------------------|--|----------------------------|
| IAS 1 | Non-current liabilities with covenants | January 1, 2024 |
| IFRS 16 | Leases | January 1, 2024 |
| IAS 7 and IFRS 7 | Statement of cash flows/Financial Instruments: Disclosures | January 1, 2024 |
| IAS 21 | Lack of exchangeability | January, 1. 2025 |

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

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

2. Significant accounting principles, continued

t) New IFRS and Interpretations of the IFRS Interpretations Committee, continued

Amendments to IFRS 16 “Leases” Sales with Leaseback

Published in September 2022, this amendment explains how an entity recognizes rights for use of the asset and how profits or losses from the sale and leaseback must be recognized in the financial statements.

Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments” Disclosure of Supplier Financing Arrangements.

Published in May 2023, these amendments require disclosures to improve the transparency of financial arrangements with suppliers and their effects on liabilities, cash flows and the exposure to liquidity risk of a company.

Amendments to IAS 21 – Lack of Exchangeability.

Published in August 2023, this amendment affects an entity that has a transaction or operation in a foreign currency that is not exchangeable to another currency for a specific purpose as of the date of measurement. A currency is exchangeable to another currency when it is possible to obtain the other currency (with normal administrative delay), and the transaction is carried out through an currency exchange market or mechanism that creates enforceable rights and obligations. This amendment establishes the guidelines to be followed to determine the exchange rate to be used in situations of lack of exchangeability as mentioned above. Early adoption is allowed.

Based on the analysis carried out to date, the Company believes that the application of these standards, interpretations and amendments will not have a material impact on the financial statements in the period of their initial application.

2. Significant accounting principles, continued

t) New IFRS and Interpretations of the IFRS Interpretations Committee, continued

ii) Standards, interpretations and amendments that are mandatory for the first time for financial periods beginning on January 1, 2023:

| | New Standards, interpretations and amendments | Mandatory application date |
|---------|--|----------------------------|
| IAS 1 | Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors | January 1, 2023 |
| IAS 1 | Presentation of Financial Statements Classification of Liabilities | January 1, 2023 |
| IAS 12 | Deferred taxes | January 1, 2023 |
| IAS 12 | Income Taxes | January 1, 2023 |
| IFRS 17 | Insurance Contracts | January 1, 2023 |
| IFRS 17 | Initial Application of IFRS 17 and IFRS 9 Comparative Information | January 1, 2023 |

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

Published in February 2021. The amendments are intended to improve disclosure of accounting policies and help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. This standard must be applied to annual periods beginning as of January 1, 2023.

Amendment to IAS 1 "Presentación of Financial Statements, Classification of Liabilities"

This amendment clarifies that liabilities are classified as current or not current depending on the existing rights at the close of the reporting period. Classification is not affected by the entity's expectations or events subsequent to the reporting date (for example, reception of a resignation or breach of the agreement). The amendment also clarifies the meaning of IAS 1 in respect 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, 2023.

Amendment to IAS 12 – Deferred Tax Related to Assets and Liabilities arising from a Single Transaction.

Published in May 2021, this amendment requires that companies recognize deferred taxes on transactions that, upon initial recognition, lead to equal amounts of taxable and deductible temporary differences. This standard must be applied to annual periods beginning as of January 1, 2023.

Amendments to IAS 12 "Income Taxes" related to International Tax Reform Pillar Two Model Rules.

Published in May 2023, these amendments provides companies with a temporary accounting exception to the accounting for deferred taxes arising from the international tax reform of the Organization for Economic Cooperation and Development (OECD). The amendments also introduce specific disclosure requirements for the affected companies. This standard must be applied to annual periods beginning as of January 1, 2023.

2. Significant accounting principles, continued

t) New IFRS and Interpretations of the IFRS Interpretations Committee, continued

ii) Standards, interpretations and amendments that are mandatory for the first time for financial periods beginning on January 1, 2023:

IFRS 17 “Insurance Contracts”.

Published in May 2017, it replaces the current IFRS 4. IFRS 17 will mainly change the accounting of all entities that issue insurance contracts and investment contracts with discretionary participation features. The standard is applicable to annual periods beginning as of January 1, 2023.

Amendment to IFRS 17 – Initial Application of IFRS 17 and IFRS 9 Comparative Information

This amendment is a limited scope amendment to the transition requirements of IFRS 17, Insurance Contracts, which provides insurance companies with an option intended to improve the usefulness of the information for investors on initial application of the new standards. The amendment is related solely to the transition of insurance companies to the new standard, it does not affect any other requirements of IFRS 17.

Based on the analysis carried out, the Company determined that the application of these standards did not have a material impact on the financial statements for this period.

u) 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.

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.

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 September 30, 2023, December 31, 2022 and September 30, 2022 is detailed as follows:

| For the exercise ended as of September 30, 2023 | Mobile Telecommunications | Fixed Telecommunications | Corporate Communication and Data | Television Services | Other | Eliminations | Total |
|---|------------------------------|-----------------------------|--|------------------------|--------------------|----------------------|----------------------|
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| Income from external customers | 666,813,464 | 335,129,701 | 143,950,401 | 110,393,852 | 4,733,214 | - | 1,261,020,632 |
| Income from ordinary activities arising from transactions with other operating segments of the same entity | 5,207,327 | 109,868,131 | 11,293,575 | - | 145,372,927 | (271,741,960) | - |
| Total income from operating activities from external customers and transactions with other operating segments of the same entity | 672,020,791 | 444,997,832 | 155,243,976 | 110,393,852 | 150,106,141 | (271,741,960) | 1,261,020,632 |
| Cost of sales | 236,537,717 | 186,930,100 | 133,060,607 | 89,949,645 | - | (145,708,211) | 500,769,858 |
| Impairment losses (reversal of impairment losses) | 41,126,913 | 15,237,299 | 1,274,100 | - | - | - | 57,638,312 |
| Administrative expenses | 241,042,605 | 175,792,026 | 30,552,966 | 28,527,325 | 17,129,244 | (111,126,095) | 381,918,071 |
| Employee benefits expenses | - | - | - | - | 124,674,686 | (10,660,380) | 114,014,306 |
| Cost of interest | 83,190,053 | 17,329,748 | 11,778,587 | 1,762,166 | 5,680,330 | (18,063,116) | 101,677,768 |
| Interest income | 15,616,241 | 16,816,574 | 1,018,655 | - | 122 | (18,063,116) | 15,388,476 |
| Depreciation and amortization | 131,924,988 | 112,083,933 | 7,654,522 | 236,737 | 2,484,268 | (4,240,278) | 250,144,170 |
| Share in earnings (losses) of associates and joint ventures | (39,105,060) | (19,605,958) | 7,953 | - | - | 64,822,643 | 6,119,578 |
| Income tax expense | (9,578,174) | (11,760,785) | (707,307) | (11,774,748) | 711,303 | - | (33,109,711) |
| Other significant non-cash items | 5,507,519 | 13,736,827 | (237,457) | (141,947) | 1,185,301 | (67) | 20,050,176 |
| Profits(loss) before tax | (79,782,785) | (51,427,831) | (28,287,655) | (10,223,968) | 1,323,036 | 64,815,580 | (103,583,623) |
| Profit (loss) for the period from continuing operations | (70,204,611) | (39,667,046) | (27,580,348) | 1,550,780 | 611,733 | 64,815,580 | (70,473,912) |
| Profit (loss) for the period from discontinuing operations | - | - | - | - | - | - | - |
| Profit (loss) for the period | (70,204,611) | (39,667,046) | (27,580,348) | 1,550,780 | 611,733 | 64,815,580 | (70,473,912) |
| Assets | 3,200,433,782 | 1,723,921,937 | 291,000,616 | 202,220,767 | 177,680,047 | (1,967,147,890) | 3,628,109,259 |
| Investments in associates accounted for using the equity method | 1,018,863,249 | 179,395,419 | 1,044,597 | - | - | (1,122,162,423) | 77,140,842 |
| Increases in non-current assets | 38,829,821 | 38,575,708 | 5,022,910 | - | - | - | 82,428,439 |
| Liabilities | 1,933,070,964 | 737,913,436 | 254,232,492 | 176,670,037 | 97,326,475 | (840,846,326) | 2,358,367,078 |
| Shareholders' equity | 1,267,362,818 | 986,008,501 | 36,768,124 | 25,550,730 | 80,353,572 | (1,126,301,564) | 1,269,742,181 |
| Liabilities & Shareholders' equity | 3,200,433,782 | 1,723,921,937 | 291,000,616 | 202,220,767 | 177,680,047 | (1,967,407,871) | 3,628,109,259 |
| Cash flows provided by (used in) operating activities | 16,429,479 | 3,784,454 | (136,561,028) | (97,108,424) | 41,243,072 | 72,345,215 | (99,867,232) |
| Cash flows provided by (used in) investment activities | (61,451,870) | (82,355,456) | 4,992,858 | 3,550,416 | - | (15,872,176) | (151,136,228) |
| Cash flows provided by (used in) financing activities | (137,745,807) | (345,631,264) | 130,684,472 | 92,929,610 | (40,626,584) | 266,627,499 | (33,762,074) |

4. Financial information by segment, continued

| For the exercise ended as of December 31, 2022 | Mobile Telecommunications | Fixed Telecommunications | Corporate Communication and Data | Television Services | Other | Eliminations | Total |
|---|------------------------------|-----------------------------|--|------------------------|--------------------|----------------------|----------------------|
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| Income from external customers | 883,465,974 | 443,373,952 | 188,996,845 | 149,028,217 | 10,255,875 | - | 1,675,120,863 |
| Income from ordinary activities arising from transactions with other operating segments of the same entity | 7,039,177 | 136,292,964 | 12,939,032 | - | 186,077,171 | (342,348,344) | - |
| Total income from operating activities from external customers and transactions with other operating segments of the same entity | 890,505,151 | 579,666,916 | 201,935,877 | 149,028,217 | 196,333,046 | (342,348,344) | 1,675,120,863 |
| Cost of sales | 340,064,562 | 224,869,313 | 185,334,746 | 87,570,836 | 1,632 | (185,097,072) | 652,744,017 |
| Impairment losses (reversal of impairment losses) | 42,991,453 | 13,082,039 | 2,504,515 | 112,567 | - | - | 58,690,574 |
| Administrative expenses | 297,125,639 | 225,507,945 | 37,660,843 | 41,146,461 | 26,818,674 | (138,796,017) | 489,463,545 |
| Employee benefits expenses | 30,099 | 214,206 | - | - | 158,487,547 | (14,534,503) | 144,197,349 |
| Cost of interest | 92,284,864 | 35,972,325 | 5,782,615 | 1,065,111 | 2,608,127 | (6,054,978) | 131,658,064 |
| Interest income | 33,873,614 | 39,719,233 | 705,650 | - | 23,287 | (6,054,978) | 68,266,806 |
| Depreciation and amortization | 169,419,632 | 98,157,822 | 8,472,763 | 2,594,982 | 2,367,699 | (3,930,207) | 277,082,691 |
| Share in earnings (losses) of associates and joint ventures | 53,909,559 | (10,068,196) | 106,193 | - | - | (44,334,654) | (387,098) |
| Income tax expense | (5,617,314) | 7,992,631 | (3,767,146) | (2,454,880) | (1,739,483) | - | (5,586,192) |
| Other significant non-cash items | 20,533,257 | 46,717,352 | 257,390 | 249,140 | 356,569 | - | 68,113,708 |
| Profits(loss) before tax | 56,905,332 | 58,231,655 | (36,750,372) | 16,787,400 | 6,429,223 | (44,325,199) | 57,278,039 |
| Profit (loss) for the period from continuing operations | 62,522,646 | 50,239,024 | (32,983,226) | 19,242,280 | 8,168,706 | (44,325,199) | 62,864,231 |
| Profit (loss) for the period from discontinuing operations | - | - | - | - | - | - | - |
| Profit (loss) for the period | 62,522,646 | 50,239,024 | (32,983,226) | 19,242,280 | 8,168,706 | (44,325,199) | 62,864,231 |
| Assets | 3,125,784,595 | 1,661,091,537 | 193,416,720 | 141,728,584 | 178,595,454 | (1,592,670,125) | 3,707,946,765 |
| Investments in associates accounted for using the equity method | 1,055,206,212 | 198,592,757 | 1,045,174 | - | - | (1,182,472,049) | 72,372,094 |
| Increases in non-current assets | 104,263,227 | 70,809,271 | 8,089,162 | - | - | - | 183,161,660 |
| Liabilities | 1,803,243,150 | 638,520,112 | 142,521,626 | 106,360,807 | 98,197,484 | (421,807,309) | 2,367,035,870 |
| Shareholders' equity | 1,322,541,445 | 1,022,571,425 | 50,895,094 | 35,367,777 | 80,397,970 | (1,170,862,816) | 1,340,910,895 |
| Liabilities & Shareholders' equity | 3,125,784,595 | 1,661,197,105 | 203,950,889 | 141,728,584 | 180,203,351 | (1,593,714,992) | 3,719,149,532 |
| Cash flows provided by (used in) operating activities | 191,514,004 | (159,742,711) | 4,531,965 | 3,344,580 | (42,952,486) | 183,478,353 | 180,173,705 |
| Cash flows provided by (used in) investment activities | (64,951,375) | (7,073,085) | (3,047,482) | (2,249,035) | - | 409,549,776 | 332,228,799 |
| Cash flows provided by (used in) financing activities | (56,876,464) | (47,462,159) | (1,155,118) | (852,474) | 42,942,858 | (394,809,904) | (458,213,261) |

4. Financial information by segment, continued

| For the exercise ended as of September 30, 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 | 367,113,426 | 127,930,198 | 111,337,721 | 64,618,692 | - | 671,000,037 | 367,113,426 |
| Income from ordinary activities arising from transactions with other operating segments of the same entity | 65,529,823 | 9,331,359 | - | 82,677,361 | (157,538,543) | - | 65,529,823 |
| Total income from operating activities from external customers and transactions with other operating segments of the same entity | 432,643,249 | 137,261,557 | 111,337,721 | 147,296,053 | (157,538,543) | 671,000,037 | 432,643,249 |
| Cost of sales | 163,444,233 | 110,054,738 | 78,066,816 | 1,632 | (53,123,733) | 298,443,686 | 163,444,233 |
| Impairment losses (reversal of impairment losses) | 8,666,293 | 2,475,901 | 112,831 | - | - | 11,255,025 | 8,666,293 |
| Administrative expenses | 173,733,767 | 28,267,458 | 31,437,756 | 20,530,398 | (95,903,066) | 158,066,313 | 173,733,767 |
| Employee benefits expenses | 205,334 | - | - | 118,022,115 | (7,992,248) | 110,235,201 | 205,334 |
| Cost of interest | 29,449,048 | 3,453,847 | 148,491 | 1,857,691 | (2,523,840) | 32,385,237 | 29,449,048 |
| Interest income | 34,054,751 | 489,565 | - | 23,237 | (2,523,840) | 32,043,713 | 34,054,751 |
| Depreciation and amortization | 73,438,121 | 8,264,495 | 255,603 | 1,737,172 | (233,393) | 83,461,998 | 73,438,121 |
| Participation in profit of associated companies accounted for using the equity method | (3,738,388) | 88,541 | - | - | 2,439,424 | (1,210,423) | (3,738,388) |
| Income tax expense | 5,632,623 | 588,278 | (8,276,183) | (1,411,415) | - | (3,466,697) | 5,632,623 |
| Other significant non-cash items | 37,352,832 | (710,230) | 469,906 | 229,179 | 1 | 37,341,688 | 37,352,832 |
| Profits(loss) before tax | 51,375,648 | (15,387,006) | 1,786,130 | 5,399,461 | 2,153,322 | 45,327,555 | 51,375,648 |
| Profit (loss) for the period from continuing operations | 45,743,025 | (15,975,284) | 10,062,313 | 6,810,876 | 2,153,322 | 48,794,252 | 45,743,025 |
| Profit (loss) for the period from discontinuing operations | - | - | - | - | - | - | - |
| Profit (loss) for the period | 45,743,025 | (15,975,284) | 10,062,313 | 6,810,876 | 2,153,322 | 48,794,252 | 45,743,025 |
| Assets | 1,864,606,885 | 209,875,196 | 145,845,476 | 173,627,025 | (355,271,002) | 2,038,683,580 | 1,864,606,885 |
| Investments in associates accounted for using the equity method | 215,690,811 | 1,048,231 | - | - | (139,996,322) | 76,742,720 | 215,690,811 |
| Increases in non-current assets | 43,675,636 | 4,782,613 | - | - | - | 48,458,249 | 43,675,636 |
| Liabilities | 1,057,899,583 | 151,539,872 | 105,307,368 | 92,993,902 | (212,388,536) | 1,195,352,189 | 1,057,899,583 |
| Shareholders' equity | 806,707,302 | 58,335,324 | 40,538,108 | 80,633,123 | (142,882,466) | 843,331,391 | 806,707,302 |
| Liabilities & Shareholders' equity | 1,864,606,885 | 209,875,196 | 145,845,476 | 173,627,025 | (355,271,002) | 2,038,683,580 | 1,864,606,885 |
| Cash flows provided by (used in) operating activities | (184,280,268) | (80,699) | (69,189) | (12,853,076) | 119,726,196 | (77,557,036) | (184,280,268) |
| Cash flows provided by (used in) investment activities | (18,881,716) | - | - | - | - | (18,881,716) | (18,881,716) |
| Cash flows provided by (used in) financing activities | (37,322,649) | 6,161,684 | 5,282,816 | 13,570,000 | 25,691,267 | 13,383,118 | (37,322,649) |

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 | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|--|-------------------------|----------------------|----------------------|
| Cash (a) | | 132,080 | 129,152 |
| | CLP | 132,080 | 129,152 |
| Banks (b) | | 152,003,200 | 76,404,812 |
| | CLP | 147,432,822 | 72,468,969 |
| | USD | 1,348,199 | 1,410,926 |
| | EUR | 3,166,778 | 2,472,466 |
| | Others currencies | 55,401 | 52,451 |
| Time deposits (c) | | 30,071,550 | 390,438,400 |
| | CLP | 30,071,550 | 390,438,400 |
| Total cash and cash equivalents | | 182,206,830 | 466,972,364 |
| Sub-total by currency | CLP | 177,635,693 | 463,035,790 |
| | USD | 1,348,199 | 1,410,926 |
| | EUR | 3,167,537 | 2,473,197 |
| | Other currencies | 55,401 | 52,451 |

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 September 30, 2023 and December 31, 2022, 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\$ | 09.30.2023 ThCh\$ |
|--------------------|----------|--|---------------------|--------------------------|------------------------------------|---|-------------------|
| Time deposit | CLP | 30,000,000 | 9.54% | 12 | 30,000,000 | 71,550 | 30,071,550 |
| Total | | | | | 30,000,000 | 71,550 | 30,071,550 |

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

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 | | 09.30.2023 | | 12.31.2022 | |
|-------------------------------------|-----------------|-------------------|-------------------|-------------------|--------------------|
| | | Current ThCh\$ | Current ThCh\$ | Current ThCh\$ | Non-Current ThCh\$ |
| Hedging instruments | (See Note 22,2) | 68,049,852 | 50,621,313 | 61,814,270 | 5,773,067 |
| Other non-trade accounts receivable | (a) | 22,968,381 | - | 21,883,468 | - |
| Other investments | (b) | - | 7,223,499 | - | 5,827,574 |
| Otros créditos | (c) | - | - | 5,498,053 | - |
| Guarantees established | (d) | 73,124 | - | 73,124 | - |
| Total | | 91,091,357 | 57,844,812 | 89,268,915 | 11,600,641 |

a) Corresponds to recognition of the earn-out agreed in the sale of the optic fiber business.

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

| Participation | Country | Investment currency | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|-------------------------|---------|---------------------|-------------------|-------------------|
| Telefónica Brasil (1) | Brazil | REAL | 7,223,381 | 5,827,456 |
| Other participation (2) | Chile | CLP | 118 | 118 |
| Total | | | 7,223,499 | 5,827,574 |

(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 September 30, 2023 and December 31, 2022 dividends have accrued in the amount of ThCh\$202,978 and ThCh\$456,978 respectively, which were recorded as finance income.

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

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

c) On January 19, 2023, Digital Holdings Chile SpA paid the loan granted derived from the sale of the Data Center business. That loan included principal in the amount of ThCh\$5,153,152 and interest in the amount of ThCh\$381,626.

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

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

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

| Concepts | 09.30.2023 | | 12.31.2022 | |
|----------------------------------|--------------------|--------------------|--------------------|-----------------------|
| | Current ThCh\$ | Current ThCh\$ | Current ThCh\$ | Non-current ThCh\$ |
| Contract compliance costs (1) | 91,219,847 | 123,989,906 | 76,963,152 | 127,320,172 |
| Costs of obtaining contracts (2) | 64,861,942 | 97,258,344 | 45,769,506 | 81,384,188 |
| Deferred cost of handsets | 1,197,968 | - | 1,214,071 | - |
| Amortizable expenses (3) | 18,234,380 | 127,024 | 11,214,664 | 632,488 |
| Other Taxes (4) | 8,706,110 | - | 9,942,680 | - |
| Total | 184,220,247 | 221,375,274 | 145,104,073 | 209,336,848 |

(1) Corresponds to capitalization of compliance costs associated to television equipment, broadband equipment and project management. The company updates the average life of customers to calculate the amortizable expense in January and July of each year.

(2) Corresponds to capitalization of the cost from commissions associated to capturing new mobile services, basic telephone services, broadband and television customers. The company updates the average life of customers to calculate the amortizable expense in January and July of each year.

(3) Mainly includes amortizable maintenance and support expenses, insurances and leases.

(4) 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 | 09.30.2023 | | | 12.31.2022 | | |
|---|-----------------------|---------------------------------------|---------------------|-----------------------|---------------------------------------|---------------------|
| | Gross value ThCh\$ | Provision for impairment ThCh\$ | Net value ThCh\$ | Gross value ThCh\$ | Provision for impairment ThCh\$ | Net value ThCh\$ |
| Receivables on current loan transactions | 516,244,686 | (187,011,394) | 329,233,292 | 414,650,913 | (184,534,132) | 230,116,781 |
| Invoiced services (1) | 299,238,899 | (185,221,172) | 114,017,727 | 271,419,737 | (182,882,827) | 88,536,910 |
| Services provided and not invoiced | 203,611,195 | (1,528,272) | 202,082,923 | 128,702,602 | (1,412,548) | 127,290,054 |
| Contractual asset (2) | 13,394,592 | (261,950) | 13,132,642 | 14,528,574 | (238,757) | 14,289,817 |
| Miscellaneous receivables (3) | 12,530,588 | - | 12,530,588 | 11,877,057 | - | 11,877,057 |
| Total | 528,775,274 | (187,011,394) | 341,763,880 | 426,527,970 | (184,534,132) | 241,993,838 |

(1) The balances in this account consider the effects of portfolio sales operations of large enterprises, mass services and mobile handset installments. The company remains as collection agent for mass services transactions.

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

(3) Corresponds mainly to employee loans and advances and miscellaneous receivables outside the core business.

8. Current trade and other accounts receivable, continued

- 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 | 09.30.2023 | | | | | 12.31.2022 | | | | |
|---------------------------|--------------------|------------------|------------------|----------------------|-------------------|--------------------|------------------|------------------|----------------------|-------------------|
| | 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 | 20,278,774 | 8,636,115 | 9,558,154 | 6,187,099 | 44,660,142 | 17,337,264 | 8,205,015 | 7,478,547 | 4,730,839 | 37,751,665 |
| Total | 20,278,774 | 8,636,115 | 9,558,154 | 6,187,099 | 44,660,142 | 17,337,264 | 8,205,015 | 7,478,547 | 4,730,839 | 37,751,665 |

- 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 | 09.30.2023 | 12.31.2022 |
|----------------------------|--------------------|--------------------|
| | ThCh\$ | ThCh\$ |
| Beginning balance | 187,937,025 | 192,239,498 |
| Increases | 57,278,200 | 59,173,788 |
| Eliminations/ Additions | (55,238,535) | (63,476,261) |
| Movements, subtotal | 2,039,665 | (4,302,473) |
| Ending balance | 189,976,690 | 187,937,025 |

- d) Provision for impairment movements according to the composition of the portfolio as of September 30, 2023 and December 31, 2022 are detailed as follows:

| Provisions and write-offs | 09.30.2023 | 12.31.2022 |
|--|------------------|--------------------|
| | ThCh\$ | ThCh\$ |
| Provision for non renegotiated portfolio | 57,289,206 | 56,625,869 |
| Provision for renegotiated portfolio | (11,006) | 33,093 |
| Write-offs for the period | (55,238,535) | (60,961,435) |
| Total | 2,039,665 | (4,302,473) |

- e) As of September 30, 2023 and December 31, 2022 the portfolio of returned documents and those in judicial collection is detailed as follows:

| Portfolio of returned documents and judicial collection as of 09.30.2023 | 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 | 193 | - | - | - |
| Portfolio of returned documents or those in judicial collection (ThCh\$) | 5,575,583 | - | - | - |

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

Notes to the interim consolidated financial statements, continued

As of September 30, 2023 (not audited) and December 31, 2022



8. Current trade and other accounts receivable, continued

f) The composition of the portfolio stratified by segment as of September 30, 2023 is detailed as follows:

| Stratification of portfolio by segment As of September 30, 2023 | 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\$ |
|--|----------------------|--------------------------------|---------------------------------|--------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---------------------------------|---|
| Fixed Telecommunications | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 725,907 | 129,646 | 82,281 | 69,885 | 53,665 | 69,199 | 72,429 | 81,108 | 65,410 | 3,131,625 | 4,481,155 |
| Net portfolio w/o renegotiation | 42,535,029 | 1,113,072 | 1,320,125 | 815,618 | 763,580 | 446,903 | 118,809 | 233,463 | 233,752 | 4,311,721 | 51,892,072 |
| Debt | 42,596,703 | 1,640,036 | 2,794,898 | 2,001,760 | 1,938,374 | 1,653,635 | 804,393 | 1,503,650 | 1,698,564 | 89,465,428 | 146,097,441 |
| Accrual | (61,674) | (526,964) | (1,474,773) | (1,186,142) | (1,174,794) | (1,206,732) | (685,584) | (1,270,187) | (1,464,812) | (85,153,707) | (94,205,369) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | 90,708 | 90,708 |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | 381 | 381 |
| Debt | - | - | - | - | - | - | - | - | - | 838,115 | 838,115 |
| Accrual | - | - | - | - | - | - | - | - | - | (837,734) | (837,734) |
| Total number of clients | 725,907 | 129,646 | 82,281 | 69,885 | 53,665 | 69,199 | 72,429 | 81,108 | 65,410 | 3,222,333 | 4,571,863 |
| Total Fixed Telephone Portfolio | 42,535,029 | 1,113,072 | 1,320,125 | 815,618 | 763,580 | 446,903 | 118,809 | 233,463 | 233,752 | 4,312,102 | 51,892,072 |
| Debt | 42,596,703 | 1,640,036 | 2,794,898 | 2,001,760 | 1,938,374 | 1,653,635 | 804,393 | 1,503,650 | 1,698,564 | 90,303,543 | 146,935,556 |
| Accrual | (61,674) | (526,964) | (1,474,773) | (1,186,142) | (1,174,794) | (1,206,732) | (685,584) | (1,270,187) | (1,464,812) | (85,991,441) | (95,043,103) |
| Corporate Communication and Data | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 5,209 | 3,783 | 2,820 | 3,014 | 2,748 | 2,566 | 1,295 | 2,122 | 2,145 | 7,809 | 33,511 |
| Net portfolio w/o renegotiation | 63,692,439 | 3,182,662 | 1,059,442 | 2,301,096 | 1,653,906 | 1,305,404 | 833,187 | 834,371 | 491,270 | 1,953,976 | 77,307,753 |
| Debt | 64,001,089 | 3,411,158 | 1,228,286 | 2,814,812 | 2,230,994 | 1,930,850 | 1,312,932 | 1,502,890 | 898,825 | 12,919,642 | 92,251,478 |
| Accrual | (308,650) | (228,496) | (168,844) | (513,716) | (577,088) | (625,446) | (479,745) | (668,519) | (407,555) | (10,965,666) | (14,943,725) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | - | - |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | - | - |
| Debt | - | - | - | - | - | - | - | - | - | - | - |
| Accrual | - | - | - | - | - | - | - | - | - | - | - |
| Total number of clients | 5,209 | 3,783 | 2,820 | 3,014 | 2,748 | 2,566 | 1,295 | 2,122 | 2,145 | 7,809 | 33,511 |
| Total Corporate Communication and Data | | | | | | | | | | | |
| Portfolio | 63,692,439 | 3,182,662 | 1,059,442 | 2,301,096 | 1,653,906 | 1,305,404 | 833,187 | 834,371 | 491,270 | 1,953,976 | 77,307,753 |
| Debt | 64,001,089 | 3,411,158 | 1,228,286 | 2,814,812 | 2,230,994 | 1,930,850 | 1,312,932 | 1,502,890 | 898,825 | 12,919,642 | 92,251,478 |
| Accrual | (308,650) | (228,496) | (168,844) | (513,716) | (577,088) | (625,446) | (479,745) | (668,519) | (407,555) | (10,965,666) | (14,943,725) |
| Television | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 189,525 | 77,460 | 23,722 | 22,392 | 21,963 | 23,092 | 21,904 | 19,955 | 21,251 | 237,106 | 658,370 |
| Net portfolio w/o renegotiation | 22,225,678 | 549,788 | 172,177 | 45,849 | 33,925 | 13,064 | 7,766 | 8,151 | 6,593 | 267,732 | 23,330,723 |
| Debt | 22,591,644 | 638,192 | 505,709 | 231,783 | 337,921 | 562,496 | 217,879 | 462,254 | 523,007 | 4,512,504 | 30,583,389 |
| Accrual | (365,966) | (88,404) | (333,532) | (185,934) | (303,996) | (549,432) | (210,113) | (454,103) | (516,414) | (4,244,772) | (7,252,666) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | - | - |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | - | - |
| Debt | - | - | - | - | - | - | - | - | - | - | - |
| Accrual | - | - | - | - | - | - | - | - | - | - | - |
| Total number of clients | 189,525 | 77,460 | 23,722 | 22,392 | 21,963 | 23,092 | 21,904 | 19,955 | 21,251 | 237,106 | 658,370 |
| Total Television Portfolio | 22,225,678 | 549,788 | 172,177 | 45,849 | 33,925 | 13,064 | 7,766 | 8,151 | 6,593 | 267,732 | 23,330,723 |
| Debt | 22,591,644 | 638,192 | 505,709 | 231,783 | 337,921 | 562,496 | 217,879 | 462,254 | 523,007 | 4,512,504 | 30,583,389 |
| Accrual | (365,966) | (88,404) | (333,532) | (185,934) | (303,996) | (549,432) | (210,113) | (454,103) | (516,414) | (4,244,772) | (7,252,666) |

(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 September 30, 2023 (not audited) and December 31, 2022



8. Current trade and other accounts receivable, continued

f) The composition of the portfolio stratified by segment as of September 30, 2023 is detailed as follows, continued

| Stratification of portfolio by segment As of September 30, 2023 | 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\$ |
|--|----------------------|-----------------------------|---------------------------------|--------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---------------------------------|---|
| Mobile Business | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 931,091 | 295,068 | 63,585 | 53,890 | 36,626 | 47,918 | 47,977 | 61,354 | 46,532 | 1,740,068 | 3,324,109 |
| Net portfolio w/o renegotiation | 157,753,252 | 4,816,384 | 2,818,616 | 2,083,945 | 1,316,009 | 1,492,100 | 651,462 | 668,716 | 501,831 | 6,233,296 | 178,335,611 |
| Debt | 171,870,676 | 8,305,043 | 5,226,449 | 4,257,087 | 3,656,488 | 4,667,844 | 2,331,077 | 3,521,252 | 3,137,355 | 40,105,448 | 247,078,719 |
| Accrual | (14,117,424) | (3,488,659) | (2,407,833) | (2,173,142) | (2,340,479) | (3,175,744) | (1,679,615) | (2,852,536) | (2,635,524) | (33,872,152) | (68,743,108) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | 10,556 | 10,556 |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | - | - |
| Debt | - | - | - | - | - | - | - | - | - | 766,842 | 766,842 |
| Accrual | - | - | - | - | - | - | - | - | - | (766,842) | (766,842) |
| Total number of clients | 931,091 | 295,068 | 63,585 | 53,890 | 36,626 | 47,918 | 47,977 | 61,354 | 46,532 | 1,750,624 | 3,334,665 |
| Total Other Portfolio | 157,753,252 | 4,816,384 | 2,818,616 | 2,083,945 | 1,316,009 | 1,492,100 | 651,462 | 668,716 | 501,831 | 6,233,296 | 178,335,611 |
| Debt | 171,870,676 | 8,305,043 | 5,226,449 | 4,257,087 | 3,656,488 | 4,667,844 | 2,331,077 | 3,521,252 | 3,137,355 | 40,872,290 | 247,845,561 |
| Accrual | (14,117,424) | (3,488,659) | (2,407,833) | (2,173,142) | (2,340,479) | (3,175,744) | (1,679,615) | (2,852,536) | (2,635,524) | (34,638,994) | (69,509,950) |
| Contractual Asset and Others | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | - | - | - | - | - | - | - | - | - | - | - |
| Net portfolio w/o renegotiation | 22,657,100 | - | - | - | - | - | - | - | - | - | 22,657,100 |
| Debt | 22,919,050 | - | - | - | - | - | - | - | - | - | 22,919,050 |
| Accrual | (261,950) | - | - | - | - | - | - | - | - | - | (261,950) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | - | - |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | - | - |
| Debt | - | - | - | - | - | - | - | - | - | - | - |
| Accrual | - | - | - | - | - | - | - | - | - | - | - |
| Total number of clients | - | - | - | - | - | - | - | - | - | - | - |
| Total Other Portfolio | 22,657,100 | - | - | - | - | - | - | - | - | - | 22,657,100 |
| Debt | 22,919,050 | - | - | - | - | - | - | - | - | - | 22,919,050 |
| Accrual | (261,950) | - | - | - | - | - | - | - | - | - | (261,950) |
| Consolidated Portfolio | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 1,851,732 | 505,957 | 172,408 | 149,181 | 115,002 | 142,775 | 143,605 | 164,539 | 135,338 | 5,116,608 | 8,497,145 |
| Net portfolio w/o renegotiation | 297,103,738 | 9,661,906 | 5,370,360 | 5,246,508 | 3,767,420 | 3,257,471 | 1,611,224 | 1,744,701 | 1,233,446 | 12,766,725 | 341,763,499 |
| Debt | 312,219,402 | 13,994,429 | 9,755,342 | 9,305,442 | 8,163,777 | 8,814,825 | 4,666,281 | 6,990,046 | 6,257,751 | 147,003,022 | 527,170,317 |
| Accrual | (15,115,664) | (4,332,523) | (4,384,982) | (4,058,934) | (4,396,357) | (5,557,354) | (3,055,057) | (5,245,345) | (5,024,305) | (134,236,297) | (185,406,818) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | 101,264 | 101,264 |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | 381 | 381 |
| Debt | - | - | - | - | - | - | - | - | - | 1,604,957 | 1,604,957 |
| Accrual | - | - | - | - | - | - | - | - | - | (1,604,576) | (1,604,576) |
| Total number of clients | 1,851,732 | 505,957 | 172,408 | 149,181 | 115,002 | 142,775 | 143,605 | 164,539 | 135,338 | 5,217,872 | 8,598,409 |
| Total Consolidated Portfolio | 297,103,738 | 9,661,906 | 5,370,360 | 5,246,508 | 3,767,420 | 3,257,471 | 1,611,224 | 1,744,701 | 1,233,446 | 12,767,106 | 341,763,880 |
| Debt | 312,219,402 | 13,994,429 | 9,755,342 | 9,305,442 | 8,163,777 | 8,814,825 | 4,666,281 | 6,990,046 | 6,257,751 | 148,607,979 | 528,775,274 |
| Accrual | (15,115,664) | (4,332,523) | (4,384,982) | (4,058,934) | (4,396,357) | (5,557,354) | (3,055,057) | (5,245,345) | (5,024,305) | (135,840,873) | (187,011,394) |

(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 September 30, 2023 (not audited) and December 31, 2022



8. Current trade and other accounts receivable, continued

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

| Stratification of portfolio by segment As of December 31, 2022 | Up to date ThCh\$ | From 1 to 30 days ThCh\$ | From 31 to 60 days ThCh\$ | From 61 to 90 day ThCh\$ | From 91 to 120 days ThCh\$ | From 121 to 150 days ThCh\$ | From 151 to 180 days ThCh\$ | From 181 to 210 days ThCh\$ | From 211 to 250 days ThCh\$ | More than 250 days ThCh\$ | Total portfolio w/o guarantee ThCh\$ |
|---|----------------------|--------------------------------|---------------------------------|--------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---------------------------------|---|
| Fixed Telecommunications | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 586,004 | 224,072 | 76,887 | 69,481 | 61,374 | 57,594 | 56,913 | 56,040 | 60,769 | 3,110,686 | 4,359,820 |
| Net portfolio w/o renegotiation | 20,968,886 | 784,368 | 1,039,736 | 777,333 | 730,667 | 423,844 | 141,314 | 194,787 | 183,567 | 1,924,092 | 27,168,594 |
| Debt | 20,995,380 | 1,155,713 | 2,201,273 | 1,907,798 | 1,854,823 | 1,568,312 | 956,762 | 1,262,683 | 1,343,655 | 88,543,394 | 121,789,793 |
| Accrual | (26,494) | (371,345) | (1,161,537) | (1,130,465) | (1,124,156) | (1,144,468) | (815,448) | (1,067,896) | (1,160,088) | (86,619,302) | (94,621,199) |
| Number of clients w/renegotiation | - | 218 | 57 | 50 | 60 | 18 | 45 | 48 | 42 | 90,307 | 90,845 |
| Net renegotiated portfolio | - | 4,020 | 132 | 19 | 31 | 32 | - | - | - | 5,191 | 9,425 |
| Debt | - | 4,760 | 457 | 117 | 408 | 550 | 339 | 542 | 113 | 828,204 | 835,490 |
| Accrual | - | (740) | (325) | (98) | (377) | (518) | (339) | (542) | (113) | (823,013) | (826,065) |
| Total number of clients | 586,004 | 224,290 | 76,944 | 69,531 | 61,434 | 57,612 | 56,958 | 56,088 | 60,811 | 3,200,993 | 4,450,665 |
| Total Fixed Telephone Portfolio | 20,968,886 | 788,388 | 1,039,868 | 777,352 | 730,698 | 423,876 | 141,314 | 194,787 | 183,567 | 1,929,283 | 27,178,019 |
| Debt | 20,995,380 | 1,160,473 | 2,201,730 | 1,907,915 | 1,855,231 | 1,568,862 | 957,101 | 1,263,225 | 1,343,768 | 89,371,598 | 122,625,283 |
| | (26,494) | (372,085) | (1,161,862) | (1,130,563) | (1,124,533) | (1,144,986) | (815,787) | (1,068,438) | (1,160,201) | (87,442,315) | (95,447,264) |
| Accrual | | | | | | | | | | | |
| Corporate Communication and Data | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 2,988 | 1,852 | 41 | 1,175 | 1,006 | 906 | 736 | 642 | 640 | 4,590 | 14,576 |
| Net portfolio w/o renegotiation | 38,622,396 | 2,848,144 | 301,781 | 1,743,788 | 1,713,020 | 972,550 | 645,193 | 506,371 | 483,599 | 2,386,783 | 50,223,625 |
| Debt | 38,809,558 | 3,052,624 | 349,876 | 2,133,086 | 2,310,735 | 1,438,519 | 1,016,692 | 912,088 | 884,790 | 15,992,844 | 66,900,812 |
| Accrual | (187,162) | (204,480) | (48,095) | (389,298) | (597,715) | (465,969) | (371,499) | (405,717) | (401,191) | (13,606,061) | (16,677,187) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | - | - |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | - | - |
| Debt | - | - | - | - | - | - | - | - | - | - | - |
| Accrual | - | - | - | - | - | - | - | - | - | - | - |
| Total number of clients | 2,988 | 1,852 | 41 | 1,175 | 1,006 | 906 | 736 | 642 | 640 | 4,590 | 14,576 |
| Total Corporate Communication and Data Portfolio | 38,622,396 | 2,848,144 | 301,781 | 1,743,788 | 1,713,020 | 972,550 | 645,193 | 506,371 | 483,599 | 2,386,783 | 50,223,625 |
| Debt | 38,809,558 | 3,052,624 | 349,876 | 2,133,086 | 2,310,735 | 1,438,519 | 1,016,692 | 912,088 | 884,790 | 15,992,844 | 66,900,812 |
| Accrual | (187,162) | (204,480) | (48,095) | (389,298) | (597,715) | (465,969) | (371,499) | (405,717) | (401,191) | (13,606,061) | (16,677,187) |
| Television | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 182,360 | 74,532 | 22,825 | 21,545 | 21,133 | 22,218 | 21,075 | 19,200 | 20,448 | 228,142 | 633,478 |
| Net portfolio w/o renegotiation | 18,587,477 | 289,670 | 139,022 | 78,247 | 37,884 | 9,327 | 7,119 | 5,223 | 4,405 | 269,225 | 19,427,599 |
| Debt | 19,049,156 | 336,248 | 427,500 | 395,567 | 377,357 | 401,595 | 199,716 | 296,198 | 349,431 | 5,050,039 | 26,882,807 |
| Accrual | (461,679) | (46,578) | (288,478) | (317,320) | (339,473) | (392,268) | (192,597) | (290,975) | (345,026) | (4,780,814) | (7,455,208) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | - | - |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | - | - |
| Debt | - | - | - | - | - | - | - | - | - | - | - |
| Accrual | - | - | - | - | - | - | - | - | - | - | - |
| Total number of clients | 182,360 | 74,532 | 22,825 | 21,545 | 21,133 | 22,218 | 21,075 | 19,200 | 20,448 | 228,142 | 633,478 |
| Total Television Portfolio | 18,587,477 | 289,670 | 139,022 | 78,247 | 37,884 | 9,327 | 7,119 | 5,223 | 4,405 | 269,225 | 19,427,599 |
| Debt | 19,049,156 | 336,248 | 427,500 | 395,567 | 377,357 | 401,595 | 199,716 | 296,198 | 349,431 | 5,050,039 | 26,882,807 |
| Accrual | (461,679) | (46,578) | (288,478) | (317,320) | (339,473) | (392,268) | (192,597) | (290,975) | (345,026) | (4,780,814) | (7,455,208) |

(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 September 30, 2023 (not audited) and December 31, 2022



8. Current trade and other accounts receivable, continued

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

| Stratification of portfolio by segment As of December 31, 2022 | Up to date ThCh\$ | From 1 to 30 days ThCh\$ | From 31 to 60 days ThCh\$ | From 61 to 90 day ThCh\$ | From 91 to 120 days ThCh\$ | From 121 to 150 days ThCh\$ | From 151 to 180 days ThCh\$ | From 181 to 210 days ThCh\$ | From 211 to 250 days ThCh\$ | More than 250 days ThCh\$ | Total portfolio w/o guarantee ThCh\$ |
|---|----------------------|-----------------------------|---------------------------------|--------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|---------------------------------|---|
| Mobile Business | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 976,218 | 300,926 | 68,523 | 56,322 | 54,958 | 47,432 | 50,436 | 44,348 | 40,393 | 1,626,980 | 3,266,536 |
| Net portfolio w/o renegotiation | 99,896,540 | 4,363,602 | 2,701,076 | 2,266,326 | 1,042,011 | 1,703,172 | 778,851 | 711,877 | 459,450 | 5,074,816 | 118,997,721 |
| Debt | 110,256,578 | 7,563,423 | 5,064,848 | 4,706,572 | 2,944,278 | 5,344,878 | 2,837,674 | 3,867,057 | 2,898,095 | 37,462,529 | 182,945,932 |
| Accrual | (10,360,038) | (3,199,821) | (2,363,772) | (2,440,246) | (1,902,267) | (3,641,706) | (2,058,823) | (3,155,180) | (2,438,645) | (32,387,713) | (63,948,211) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | 10,556 | 10,556 |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | - | - |
| Debt | - | - | - | - | - | - | - | - | - | 767,505 | 767,505 |
| Accrual | - | - | - | - | - | - | - | - | - | (767,505) | (767,505) |
| Total number of clients | 976,218 | 300,926 | 68,523 | 56,322 | 54,958 | 47,432 | 50,436 | 44,348 | 40,393 | 1,637,536 | 3,277,092 |
| Total Other Portfolio | 99,896,540 | 4,363,602 | 2,701,076 | 2,266,326 | 1,042,011 | 1,703,172 | 778,851 | 711,877 | 459,450 | 5,074,816 | 118,997,721 |
| Debt | 110,256,578 | 7,563,423 | 5,064,848 | 4,706,572 | 2,944,278 | 5,344,878 | 2,837,674 | 3,867,057 | 2,898,095 | 38,230,034 | 183,713,437 |
| Accrual | (10,360,038) | (3,199,821) | (2,363,772) | (2,440,246) | (1,902,267) | (3,641,706) | (2,058,823) | (3,155,180) | (2,438,645) | (33,155,218) | (64,715,716) |
| Contractual Asset and Others | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | - | - | - | - | - | - | - | - | - | - | - |
| Net portfolio w/o renegotiation | 26,166,874 | - | - | - | - | - | - | - | - | - | 26,166,874 |
| Debt | 26,405,631 | - | - | - | - | - | - | - | - | - | 26,405,631 |
| Accrual | (238,757) | - | - | - | - | - | - | - | - | - | (238,757) |
| Number of clients w/renegotiation | - | - | - | - | - | - | - | - | - | - | - |
| Net renegotiated portfolio | - | - | - | - | - | - | - | - | - | - | - |
| Debt | - | - | - | - | - | - | - | - | - | - | - |
| Accrual | - | - | - | - | - | - | - | - | - | - | - |
| Total number of clients | - | - | - | - | - | - | - | - | - | - | - |
| Total Other Portfolio | 26,166,874 | - | - | - | - | - | - | - | - | - | 26,166,874 |
| Debt | 26,405,631 | - | - | - | - | - | - | - | - | - | 26,405,631 |
| Accrual | (238,757) | - | - | - | - | - | - | - | - | - | (238,757) |
| Consolidated Portfolio | | | | | | | | | | | |
| Number of clients w/o renegotiation (1) | 1,747,570 | 601,382 | 168,276 | 148,523 | 138,471 | 128,150 | 129,160 | 120,230 | 122,250 | 4,970,398 | 8,274,410 |
| Net portfolio w/o renegotiation | 204,242,173 | 8,285,784 | 4,181,615 | 4,865,694 | 3,523,582 | 3,108,893 | 1,572,477 | 1,418,258 | 1,131,021 | 9,654,916 | 238,474,711 |
| Debt | 215,516,303 | 12,108,008 | 8,043,497 | 9,143,023 | 7,487,193 | 8,753,304 | 5,010,844 | 6,338,026 | 5,475,971 | 147,048,806 | 421,415,273 |
| Accrual | (11,274,130) | (3,822,224) | (3,861,882) | (4,277,329) | (3,963,611) | (5,644,411) | (3,438,367) | (4,919,768) | (4,344,950) | (137,393,890) | (182,940,562) |
| Number of clients w/renegotiation | - | 218 | 57 | 50 | 60 | 18 | 45 | 48 | 42 | 100,863 | 101,401 |
| Net renegotiated portfolio | - | 4,020 | 132 | 19 | 31 | 32 | - | - | - | 5,191 | 9,425 |
| Debt | - | 4,760 | 457 | 117 | 408 | 550 | 339 | 542 | 113 | 1,595,709 | 1,602,995 |
| Accrual | - | -740 | (325) | (98) | (377) | (518) | (339) | (542) | (113) | (1,590,518) | (1,593,570) |
| Total number of clients | 1,747,570 | 601,600 | 168,333 | 148,573 | 138,531 | 128,168 | 129,205 | 120,278 | 122,292 | 5,071,261 | 8,375,811 |
| Total Consolidated Portfolio | 204,242,173 | 8,289,804 | 4,181,747 | 4,865,713 | 3,523,613 | 3,108,925 | 1,572,477 | 1,418,258 | 1,131,021 | 9,660,107 | 241,993,838 |
| Debt | 215,516,303 | 12,112,768 | 8,043,954 | 9,143,140 | 7,487,601 | 8,753,854 | 5,011,183 | 6,338,568 | 5,476,084 | 148,644,515 | 426,527,970 |
| Accrual | (11,274,130) | (3,822,964) | (3,862,207) | (4,277,427) | (3,963,988) | (5,644,929) | (3,438,706) | (4,920,310) | (4,345,063) | (138,984,408) | (184,534,132) |

(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 September 30, 2023 (not audited) and December 31, 2022



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 | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|---|--------------|-------------------|----------------------------|------------------------------|----------|---------|----------------------|----------------------|
| Infraco SpA | 77,122,635-3 | Chile | Common end controller | Subtotal | | | 16,293,927 | 7,405,873 |
| | | | | Deployment services | CLP | 60 days | 3,678,085 | 2,598,180 |
| | | | | Wholesale and other services | CLP | 60 days | 878,636 | 906,067 |
| Telefónica Hispanoamérica | Foreign | Spain | Common end controller | Subtotal | | | 3,082,190 | 4,443,170 |
| | | | | Professional services | EUR | 60 days | 2,956,754 | 4,317,733 |
| | | | | Serv. provided | EUR | 60 days | 125,436 | 125,437 |
| Telefónica Móviles Argentina S.A. | Foreign | Argentina | Common end controller | Subtotal | | | 2,762,275 | 1,362,092 |
| | | | | Professional services | EUR | 60 days | 1,382,793 | 1,076,009 |
| | | | | Serv. provided | USD | 60 days | 1,379,482 | 286,083 |
| Telefónica del Perú S.A. | Foreign | Perú | Common end controller | Subtotal | | | 1,837,163 | 2,008,468 |
| | | | | Professional services | EUR | 60 days | 1,837,163 | 1,938,795 |
| | | | | Serv. provided | USD | 60 days | - | 69,673 |
| Telefónica de Argentina S.A. | Foreign | Argentina | Common end controller | Subtotal | | | 1,735,960 | 1,712,834 |
| | | | | Professional services | EUR | 60 days | 1,025,319 | 935,985 |
| | | | | Serv. provided | USD | 60 days | 710,641 | 776,849 |
| Telefónica IoT & Big Data Tech Chile SpA | 76,338,291-5 | Chile | Common end controller | Serv. provided | CLP | 60 days | 1,705,436 | 1,014,926 |
| Telefónica Cybersecurity & Cloud Tech Chile SpA | 77,145,256-6 | Chile | Common end controller | Serv. provided | CLP | 60 days | 1,534,546 | 2,978,259 |
| Telxius Cable Chile | 96,910,730-9 | Chile | Common end controller | Subtotal | | | 1,149,640 | 300,465 |
| | | | | Serv. provided | CLP | 60 days | 1,127,071 | 149,491 |
| | | | | Professional services | USD | 60 days | 22,569 | 150,974 |
| Colombia Telecomunicaciones S.A.E.S.P. | Foreign | Colombia | Common end controller | Subtotal | | | 1,271,339 | 34,518 |
| | | | | Professional services | EUR | 60 days | 1,255,092 | - |
| | | | | Serv. provided | USD | 90 days | 16,247 | 34,518 |
| Pegaso PCS, S.A. de CV | Foreign | México | Common end controller | Subtotal | | | 626,669 | 485,235 |
| | | | | Professional services | EUR | 60 days | 626,669 | 468,710 |
| | | | | Serv. provided | USD | 60 days | - | 16,525 |
| Otecel S.A. | Foreign | Ecuador | Common end controller | Subtotal | | | 561,488 | 806,991 |
| | | | | Professional services | EUR | 60 days | 557,482 | 804,165 |
| | | | | Serv. provided | USD | 60 days | 4,006 | 2,826 |
| Telefónica Global Solutions Chile SpA | 76,540,944-6 | Chile | Common end controller | Serv. provided | CLP | 60 days | 557,927 | 563,928 |
| Telefónica Global Solutions | Foreign | Spain | Common end controller | Serv. provided | EUR | 60 days | 481,618 | 1,290,808 |
| Telefónica Brasil | Foreign | Brazil | Common end controller | Serv. provided | USD | 90 days | 405,743 | 461,347 |
| Telefónica Móviles del Uruguay | Foreign | Uruguay | Common end controller | Professional services | EUR | 60 days | 327,888 | 459,739 |
| Telefónica Global Technology | Foreign | Spain | Common end controller | Serv. provided | USD | 60 days | 307,712 | - |
| Telefónica S.A. | Foreign | Spain | End controller | Serv. provided | EUR | 60 days | 309,648 | 767,902 |
| Telefónica Digital España | Foreign | Spain | Common end controller | Serv. provided | EUR | 60 days | 178,000 | 277,000 |

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



9. Receivables from and payable to related companies, continued

| Company | Taxpayer No. | Country of origin | Nature of the relationship | Transaction origin | Currency | Term | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|--|--------------|-------------------|----------------------------|-----------------------|----------|---------|----------------------|----------------------|
| Telefónica Venezolana C.A. | Foreign | Venezuela | Common end controller | Subtotal | | | 139,387 | 263,558 |
| | | | | Professional services | EUR | 60 days | 139,364 | 211,255 |
| | | | | Serv. provided | USD | 60 days | 23 | 52,303 |
| Telefónica Móviles España | Foreign | Spain | Common end controller | Serv. provided | EUR | 90 days | 124,141 | 62,157 |
| Terra México | Foreign | México | Common end controller | Serv. provided | USD | 60 days | 95,665 | - |
| Wayra Chile | 96,672,150-2 | Chile | Common end controller | Serv. provided | CLP | 60 days | 71,586 | 8,137 |
| TIS Hispam | 59,083,900-0 | Chile | Common end controller | Serv. provided | CLP | 60 days | 12,886 | 76,276 |
| Telefónica IoT & Big Data Tech Chile SpA | 76,338,291-5 | Chile | Common end controller | Serv. provided | CLP | 60 days | 4,090 | 46,372 |
| Telefónica Global Roaming GmbH | Foreign | Germany | Common end controller | Serv. provided | EUR | 60 days | - | 58,751 |
| Telefónica UK | Foreign | United Kingdom | Common end controller | Serv. provided | EUR | 60 days | - | 44,923 |
| Terra Networks Chile S.A. | 96,834,230-4 | Chile | Common end controller | Serv. provided | CLP | 60 days | - | 18,079 |
| TOTAL | | | | | | | 35,576,924 | 26,951,808 |

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

b) Non-current receivables from related companies

| Company | Taxpayer No. | Country of origin | Nature of the relationship | Transaction origin | Currency | Term | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|------------------------|--------------|-------------------|----------------------------|-------------------------------|----------|------|----------------------|----------------------|
| HoldCo Infraco SpA (1) | 77,374,961-2 | Chile | Associate | Sale of Fiber Optic business. | CLP | - | 71,473,564 | 68,508,794 |
| Total | | | | | | | 71,473,564 | 68,508,794 |

(1) Corresponds to the subordinated debt generated by the sale of 40% of the optic fiber business carried out in July 2021. Includes accrued interest and adjustments in the amount of ThCh\$2,307,930 y ThCh\$12,612,739 as of September 30, 2023 and December 31, 2022 respectively.

Notes to the interim consolidated financial statements, continued

As of September 30, 2023 (not audited) and December 31, 2022



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 | 09.30.2023 M\$ | 12.31.2022 M\$ |
|--|--------------|-------------------|----------------------------|--------------------|----------|---------|--------------------|--------------------|
| Infraco SpA | 77,122,635-3 | Chile | Common end controller | Serv. Provided | CLP | 60 days | 43,676,861 | 46,264,286 |
| Telefónica Argentina S.A. | Foreign | Argentina | Common end controller | Serv. Provided | USD | 60 days | 12,197,913 | 11,235,475 |
| Telefónica Cybersecurity & Cloud Tech Chile SpA | 77,145,256-6 | Chile | Common end controller | Serv. Provided | CLP | 60 days | 8,454,159 | 17,463,563 |
| Telefónica Digital España | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | 6,662,428 | 4,686,002 |
| Telefónica S.A. | Foreign | Spain | End Controller | Subtotal | | | 5,778,279 | 6,809,674 |
| | | | | Brand Fee | EUR | 60 days | 5,457,464 | 6,251,544 |
| | | | | Other | EUR | 60 days | 320,815 | 558,130 |
| Telefónica Hispanoamérica, S.L. | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | 4,509,298 | 5,771,749 |
| Telefónica Global Solutions | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | 4,146,864 | 6,559,356 |
| Telefónica Iot & Big Data Tech Chile SpA | 76,338,291-5 | Chile | Common end controller | Serv. Provided | CLP | 60 days | 3,920,773 | 4,326,512 |
| Telxius Cable Chile | 96,910,730-9 | Chile | Common end controller | Subtotal | | | 3,603,703 | 7,295,917 |
| | | | | Ip voice traffic | CLP | 60 days | 2,253,279 | 1,874,949 |
| | | | | Data and links | CLP | 60 days | 1,245,400 | 5,323,538 |
| | | | | Mandate | CLP | 60 days | 105,024 | 97,430 |
| Telefónica Móviles Argentina S.A. | Foreign | Argentina | Common end controller | Serv. Provided | USD | 60 days | 1,863,676 | 1,122,684 |
| Telefónica Compras Electrónicas | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | 1,676,856 | 1,591,360 |
| Telefónica Global Solutions Chile, SpA | 76,540,944-6 | Chile | Common end controller | Serv. Provided | CLP | 60 days | 1,497,133 | 4,258,743 |
| Telefónica Iot & Big Data Tech | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | 1,219,105 | 1,076,207 |
| TIS Hispam | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | 670,108 | 399,347 |
| Telefónica Global Technology S.A.U. | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | 578,903 | 37,580 |
| Telefónica del Perú S.A. | Foreign | Perú | Common end controller | Serv. Provided | USD | 60 days | 502,362 | 569,890 |
| Telefónica Global Roaming Gmbh | Foreign | Germany | Common end controller | Serv. Provided | EUR | 60 days | 310,113 | - |
| Media Network Perú | Foreign | Perú | Common end controller | Serv. Provided | USD | 60 days | 255,888 | 322,119 |
| Telefónica Brasil | Foreign | Brazil | Common end controller | Serv. Provided | USD | 60 days | 232,727 | 200,165 |
| Telefónica Móviles España | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | 196,002 | 41,431 |
| Telefónica Venezolana C.A. | Foreign | Venezuela | Common end controller | Serv. Provided | USD | 60 days | 176,136 | 124,897 |
| Terra México | Foreign | México | Common end controller | Serv. Provided | USD | 60 days | 132,450 | 109,177 |
| Telefónica O2 Germany Gmbh & Co Ohg | Foreign | Germany | Common end controller | Serv. Provided | EUR | 60 days | 140,087 | 163,513 |
| Colombia Telecomunicaciones | Foreign | Colombia | Common end controller | Serv. Provided | USD | 60 days | 87,460 | 72,621 |
| Pegaso PCS, S.A. | Foreign | México | Common end controller | Serv. Provided | USD | 60 days | 79,104 | 90,850 |
| Telefónica Servicios Audiovisuales | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | 60,548 | 58,912 |
| Telefónica Móviles del Uruguay S.A. | Foreign | Uruguay | Common end controller | Serv. Provided | USD | 60 days | 73,491 | 18,033 |
| Otecel S.A. | Foreign | Ecuador | Common end controller | Serv. Provided | USD | 60 days | 23,730 | 22,710 |
| | | United Kingdom | Common end controller | Serv. Provided | EUR | 60 days | 15,341 | 21,743 |
| Telefónica Global Services GmbH | Foreign | Kingdom | Common end controller | Serv. Provided | EUR | 60 days | 15,341 | 21,743 |
| Telefónica Cybersecurity & Cloud Tech España | Foreign | Spain | Common end controller | Serv. Provided | EUR | 60 days | - | 351,463 |
| | | United Kingdom | Common end controller | Serv. Provided | EUR | 60 days | - | 30,528 |
| Telefónica UK | Foreign | Kingdom | Common end controller | Serv. Provided | EUR | 60 days | - | 30,528 |
| T. Germany GMBH & CO OHG | Foreign | Germany | Common end controller | Serv. Provided | EUR | 60 days | - | 16,105 |
| Inversiones Telefónica Internacional Holding SpA | 77,363,730-K | Chile | Common end controller | Interim dividends | CLP | 60 days | - | 9,250 |
| Total | | | | | | | 102,741,498 | 121,121,862 |



9. Receivables from and payable to related companies, continued

c) Current payables to related companies

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

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

d) Non-current payables to related companies:

| Company | Taxpayer No. | Country of origin | Nature of the relationship | Transaction origin | Currency | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|---|--------------|-------------------|----------------------------|--------------------|----------|----------------------|----------------------|
| InfraCo SpA | 77,122,635-3 | Chile | Associate | lease | CLP | 4,241,437 | 4,555,421 |
| Telefónica S.A. | Foreign | Spain | End controller | HR obligation | EUR | 1,438,002 | 992,743 |
| Telefónica Cybersecurity & Cloud Tech Chile SpA | 77,145,256-6 | Chile | End controller | HR obligation | CLP | 76,737 | - |
| Total | | | | | | 5,756,176 | 5,548,164 |

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

| Company | Taxpayer No. | Country of origin | Nature of the relationship | Transaction origin | Currency | ThCh\$ | 09.30.2023 Effect on income (charge)/credit | ThCh\$ | 09.30.2022 Effect on income (charge)/credit |
|---|--------------|-------------------|----------------------------|--|----------|-------------|---|------------|---|
| Infraco SpA (1) | 77.122.635-3 | Chile | Associate | Deployment services | CLP | 44,269,065 | 44,269,065 | 60,215,373 | 60,215,373 |
| | | | | fiber optic connectivity. | CLP | 100,921,103 | (100,921,103) | 80,573,489 | (80,573,489) |
| HoldCo InfraCo SpA | 77.374.961-2 | Chile | Associate | Interest and readjustment, subordinated debt | CLP | 9,084,349 | 9,084,349 | 8,958,932 | 8,958,932 |
| Telefónica Hispanoamérica | Foreign | Spain | Common end controller | Management Fee | EUR | 3,053,969 | 3,053,969 | 3,526,852 | 3,526,852 |
| | | | | Management Fee (costs) | EUR | 2,302,259 | (2,302,259) | 2,538,242 | (2,538,242) |
| | | | | Costs | EUR | 2,510,023 | (2,510,023) | 1,799,173 | (1,799,173) |
| Telefónica Móviles Argentina | Foreign | Argentina | Common end controller | Professional services | USD | 1,379,482 | 1,379,482 | 1,579,399 | 1,579,399 |
| | | | | Serv. Provided | USD | 1,345,121 | 1,345,121 | 371,230 | (371,230) |
| | | | | Costs | USD | 1,433,429 | (1,433,429) | 1,152,894 | (1,152,894) |
| Telxius Cable Chile S.A. | 96.910.730-9 | Chile | Common end controller | Serv. Provided | CLP | 2,254,585 | 2,254,585 | 1,886,875 | 1,886,875 |
| | | | | Costs | CLP | 9,285,110 | (9,285,110) | 10,333,403 | (10,333,403) |
| Telefónica Global Solutions Chile, SpA | 76.540.944-6 | Chile | Common end controller | Serv. Provided | CLP | 1,376,161 | 1,376,161 | 1,270,800 | 1,270,800 |
| | | | | Costs | CLP | 2,503,793 | (2,503,793) | 5,418,472 | (5,418,472) |
| Colombia Telecomunicaciones | Foreign | Colombia | Common end controller | Professional services | EUR | 1,255,092 | 1,255,092 | - | - |
| Telefónica Compras Electrónicas S.L. | Foreign | Spain | Common end controller | Costs | EUR | 1,756,614 | (1,756,614) | 1,675,190 | (1,675,190) |
| Telefónica Argentina S.A. | Foreign | Argentina | Common end controller | Costs | EUR | 3,533,347 | (3,533,347) | 4,143,444 | (4,143,444) |
| Telefónica IoT & Big Data Tech | Foreign | Spain | Common end controller | Costs | EUR | 2,569,022 | (2,569,022) | 2,061,963 | (2,061,963) |
| Telefónica Global Technology S.A.U. | Foreign | Spain | Common end controller | Costs | EUR | 3,419,631 | (3,419,631) | 3,383,980 | (3,383,980) |
| Telefónica Global Solutions | Foreign | Spain | Common end controller | Costs | EUR | 3,779,349 | (3,779,349) | 3,167,044 | (3,167,044) |
| Telefónica IoT & Big Data Tech Chile SpA | 76.338.291-5 | Chile | Common end controller | Sale IOT Big Data | CLP | 5,340,965 | (5,340,965) | 3,085,999 | (3,085,999) |
| Telefónica Digital España | Foreign | Spain | Common end controller | Costs | EUR | 9,525,626 | (9,525,626) | 8,722,054 | (8,722,054) |
| Telefónica S.A. | Foreign | Spain | End controller | Brand Fee | EUR | 16,642,582 | (16,642,582) | 21,146,279 | (21,146,279) |
| Telefónica Cybersecurity & Cloud Tech Chile SpA | 77.145.256-6 | Chile | Common end controller | Costs | CLP | 28,101,690 | (28,101,690) | 18,609,324 | (18,609,324) |

Only transactions between related entities exceeding Th\$1,000,000 are disclosed.

9. Receivables from and payable to related companies, continued

e) 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 September 30, 2023 and December 31, 2022 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.

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

The Company is managed by a Board of Directors composed of 3 members and its key employees are 81 and 74 for September 30, 2023 and December 31, 2022 respectively.

| Concepts | 07.01.2023 al | 09.30.2023 | 07.01.2022 al | 09.30.2022 |
|--------------------------|------------------|-------------------|------------------|-------------------|
| | 09.30.2023 | | 09.30.2022 | |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| Salaries | 3,109,238 | 12,029,306 | 2,576,805 | 10,490,396 |
| Post employment benefits | - | 100,560 | 641,320 | 1,072,340 |
| Total | 3,109,238 | 12,129,866 | 3,218,125 | 11,562,736 |

10. Inventory

a) The detail of inventory is as follows:

| Concepts | 09.30.2023 | | | 12.31.2022 | | |
|--|-----------------------|---|--------------------|-----------------------|---|---------------------|
| | Gross value ThCh\$ | Allowance for obsolescence ThCh\$ | Net value | Gross value ThCh\$ | Allowance for obsolescence ThCh\$ | Net value ThCh\$ |
| Mobile equipment (1) | 39,072,300 | (128,134) | 38,944,166 | 17,420,735 | (98,683) | 17,322,052 |
| Optic fiber (2) | 24,255,653 | (432,350) | 23,823,303 | 25,234,548 | (282,093) | 24,952,455 |
| Modems and Router | 18,484,784 | (603,409) | 17,881,375 | 26,136,093 | (479,115) | 25,656,978 |
| Basic telephony, public telephony, switchboard ("centralitas") and IP Solutions Projects | 12,868,701 | (220,297) | 12,648,404 | 12,560,776 | (115,499) | 12,445,277 |
| Decoders and TV equipment (3) | 7,210,271 | (171,188) | 7,039,083 | 5,693,936 | (124,266) | 5,569,670 |
| Accessories and other | 4,877,011 | (48,425) | 4,828,586 | 5,640,539 | (144,038) | 5,496,501 |
| Total | 106,768,720 | (1,603,803) | 105,164,917 | 92,686,627 | (1,243,694) | 91,442,933 |

(1) Contains materials associated to external plant development and network deployment.

(2) Includes decoders, remote controls, power sources, antennae, cables and connection elements.

As of September 30, 2023 and December 31, 2022 there have been no inventory write-offs, there is no inventory in guarantee.

b) The movement of inventory is as follows:

| Movements | 09.30.2023 | 12.31.2022 |
|--|--------------------|--------------------|
| | ThCh\$ | ThCh\$ |
| Beginning balance | 91,442,933 | 99,897,490 |
| Purchases | 299,425,585 | 416,179,658 |
| Sales | (285,219,965) | (429,391,997) |
| Allowance for obsolescence | (360,112) | 483,214 |
| Transfer betwent Property, plant and equipment (see note 15) | (123,524) | 4,274,568 |
| Movement, subtotal | 13,721,984 | (8,454,557) |
| Ending balance | 105,164,917 | 91,442,933 |

11. Income Taxes

a) Income Taxes:

As of September 30, 2023, both the parent company, Telefónica Móviles Chile S.A. and its subsidiaries are in a tax loss situation, therefore, no provision for first category (corporate) income taxes has been established. As of September 30, 2022, the tax loss situation was the same, except for Telefónica Chile S.A., which as of that date established a first category income tax provision since it had a taxable base of ThCh\$11,511,878.

The first category tax losses as of September 30, 2023 and 2022 are detailed as follows:

- Telefónica Móviles Chile S.A. in the amount of ThCh\$189,575,884 and ThCh\$83,602,911 as of September 30, 2023 and 2022 respectively.
- Telefónica Chile S.A. in the amount of ThCh\$66,592,614 as of September 30, 2023.
- Telefónica Empresas Chile S.A. in the amount of ThCh\$174,766,715 and ThCh\$96,502,192 as of September 30, 2023 and 2022, respectively.
- Telefónica Servicios Corporativos Ltda. in the amount of ThCh\$19,127,335 and ThCh\$9,700,013 as of September 30, 2023 and 2022., 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.



11. Income Taxes, continued

a) Income Taxes, continued

As of September 30, 2023, 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\$ | |
| Telefónica Móviles Chile S.A. | - | - | - | - | (528,836) | - | - | - | - |
| Telefónica Chile S.A. | - | - | - | - | 13,761 | - | - | 214,908,956 | 948,418,044 |
| Telefónica Empresas Chile S.A. | 3,667,302 | - | - | 3,667,302 | (516,204) | - | - | - | - |
| Telefónica Chile Servicios Corporativos Ltda. | 89,314,699 | 89,314,699 | - | - | 20,129,803 | - | - | 22,095,354 | 82,290,032 |
| Total | 92,982,001 | 89,314,699 | - | 3,667,302 | 19,098,524 | - | - | 237,004,310 | 1,030,708,076 |

b) Current tax assets

As of September 30, 2023 and December 31, 2022, current income tax assets are detailed as follows:

| Concepts | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|---|----------------------|----------------------|
| Monthly prepaid tax installments (1) | 12,896,923 | 31,274,572 |
| Provisional payment on absorbed profits (2) | 8,390,377 | 8,390,377 |
| Sence and others | 471,499 | 743,633 |
| Total | 21,758,799 | 40,408,582 |

(1) Corresponds to the net amount of monthly provisional payments and income tax provision in the amount of ThCh\$5,742,318 and prior year recoverable taxes of Telefónica Chile S.A. in the amount of ThCh\$110,509, Telefónica Chile Servicios Corporativos Ltda. in the amount of ThCh\$1,032,041 and Telefónica Móviles Chile S.A. in the amount of ThCh\$6.012.055.

(2) Tax refunds for Inversiones Telefónica Móviles Holding S.A. in the amount of ThCh\$2,718,729 for FY 2015 and FY 2016 and Telefónica Móviles Chile S.A. in the amount of ThCh\$5,671,648 (Income Tax Return FY 2022).

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



11. Income Taxes, continued

c) Deferred tax assets and liabilities

As of September 30, 2023, December 31, 2023 and September 30, 2022 accumulated balances of temporary differences originated net deferred tax assets in the amount of ThCh\$47,092,049, ThCh\$10,941,418 y ThCh\$3,232,732 respectively and which are detailed as follows:

| Disclosure of temporary differences, losses and unused tax credits September 30, 2023 | 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 |
|--|--------------------------|------------------------|---------------------|--|-----------------------|---|----------------------|---|----------------------|--------------------------------------|-----------------------------|----------------------|-----------------------|--|
| Deferred tax assets and liabilities | | | | | | | | | | | | | | |
| Deferred tax assets | 23,362,043 | - | 22,749,569 | 65,658,950 | 4,352,147 | - | 16,696,899 | 21,786,706 | 121,516,888 | 19,169,459 | 9,436,376 | (162,459,641) | 142,269,396 | 142,269,396 |
| Deferred tax liabilities | - | 2,044,237 | - | - | - | 45,056,936 | 13,026,619 | 144,453,120 | - | 21,683,269 | 31,372,807 | (162,459,641) | 95,177,347 | 95,177,347 |
| Deferred tax liabilities (assets) | (23,362,043) | 2,044,237 | (22,749,569) | (65,658,950) | (4,352,147) | 45,056,936 | (3,670,280) | 122,666,414 | (121,516,888) | 2,513,810 | 21,936,431 | - | (47,092,049) | (47,092,049) |
| Deferred tax assets and liabilities, net | | | | | | | | | | | | | | |
| Deferred tax assets, net | (23,362,043) | - | (22,749,569) | (65,658,950) | (4,352,147) | - | (3,670,280) | - | (121,516,888) | - | - | - | (241,309,877) | (241,309,877) |
| Deferred tax liabilities, net | - | 2,044,237 | - | - | - | 45,056,936 | - | 122,666,414 | - | 2,513,810 | 21,936,431 | - | 194,217,828 | 194,217,828 |
| Deferred tax expense (benefit) | | | | | | | | | | | | | | |
| Deferred tax expense (benefit) | 679,421 | (12,464,708) | 1,444,104 | 385,809 | 528,985 | 26,996,091 | 2,833,460 | (2,273,263) | (49,482,126) | 2,722,420 | (4,771,731) | - | (33,401,538) | (33,401,538) |
| Deferred tax expense (benefit) recognized in income | 679,421 | (12,464,708) | 1,444,104 | 385,809 | 528,985 | 26,996,091 | 2,833,460 | (2,273,263) | (49,482,126) | 2,722,420 | (4,771,731) | - | (33,401,538) | (33,401,538) |
| Changes in deferred tax liabilities (assets) | | | | | | | | | | | | | | |
| Deferred tax liabilities (assets) – Beginning balance Dec, 2022 | (24,041,464) | 14,508,945 | (20,001,569) | (66,044,759) | (4,881,132) | 18,060,845 | (6,261,061) | 124,939,677 | (69,528,348) | (208,610) | 22,516,058 | - | (10,941,418) | (10,941,418) |
| Changes in deferred tax liabilities (assets) | | | | | | | | | | | | | | |
| Deferred tax expense (benefit) recognized in income | 679,421 | (12,464,708) | 1,444,104 | 385,809 | 528,985 | 26,996,091 | 2,833,460 | (2,273,263) | (49,482,126) | 2,722,420 | (4,771,731) | - | (33,401,538) | (33,401,538) |
| Deferred taxes related to items credited (charged) directly to equity | - | - | - | - | - | - | - | - | (2,506,414) | - | - | - | (2,506,414) | (2,506,414) |
| Income taxes related to components of other comprehensive income | - | - | - | - | - | - | (242,679) | - | - | - | - | - | (242,679) | (242,679) |
| 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) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in deferred tax (assets) liabilities | 679,421 | (12,464,708) | 1,444,104 | 385,809 | 528,985 | 26,996,091 | 2,590,781 | (2,273,263) | (51,988,540) | 2,722,420 | (4,771,731) | - | (36,150,631) | (36,150,631) |
| Deferred tax liabilities (assets) | (23,362,043) | 2,044,237 | (22,749,569) | (65,658,950) | (4,352,147) | 45,056,936 | (3,670,280) | 122,666,414 | (121,516,888) | 2,513,810 | 21,936,431 | - | (47,092,049) | (47,092,049) |

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

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



11. Income Taxes, continued

c) Assets and Liability by Deferred taxes, continued

| Disclosure of temporary differences, losses and unused tax credits December 31, 2022 | Provision for impairment | Obsolescence provision | Deferred income | Effect or taxable goodwill on merger of subsidiary | Dismantling provision | Deferred cost of sales & deferred sales commissions | Personnel provisions | Amortization and depreciation of assets | Tax loss | Right of use and leasing obligations | Other temporary differences | Reclassification (1) | Temporary differences | Temporary differences, losses and unused tax credits |
|--|--------------------------|------------------------|---------------------|--|-----------------------|---|----------------------|---|---------------------|--------------------------------------|-----------------------------|----------------------|-----------------------|--|
| Deferred tax assets and liabilities | | | | | | | | | | | | | | |
| Deferred tax assets | 24,041,464 | - | 24,641,588 | 66,044,759 | 5,263,638 | - | 12,776,823 | 16,769,434 | 69,528,348 | 16,142,676 | (6,884,916) | (111,614,867) | 116,708,947 | 116,708,947 |
| Deferred tax liabilities | - | 14,508,945 | 4,640,019 | - | - | 18,060,845 | 12,018,554 | 141,709,111 | - | 15,934,066 | 10,510,856 | (111,614,867) | 105,767,529 | 105,767,529 |
| Deferred tax liabilities (assets) | (24,041,464) | 14,508,945 | (20,001,569) | (66,044,759) | (5,263,638) | 18,060,845 | (758,269) | 124,939,677 | (69,528,348) | (208,610) | 17,395,772 | - | (10,941,418) | (10,941,418) |
| Deferred tax assets and liabilities, net | | | | | | | | | | | | | | |
| Deferred tax assets, net | (24,041,464) | - | (20,001,569) | (66,044,759) | (5,263,638) | - | (758,269) | - | (69,528,348) | (208,610) | - | - | (185,846,657) | (185,846,657) |
| Deferred tax liabilities, net | - | 14,508,945 | - | - | - | 18,060,845 | - | 124,939,677 | - | - | 17,395,772 | - | 174,905,239 | 174,905,239 |
| Deferred tax expense (benefit) | | | | | | | | | | | | | | |
| Deferred tax expense (benefit) | 2,584,570 | 12,699,253 | 3,420,765 | 1,016,008 | (112,211) | 6,453,970 | 6,206,775 | 5,612,077 | (41,942,198) | 2,404,059 | 4,337,596 | - | 2,680,664 | 2,680,664 |
| Deferred tax expense (benefit) recognized in income | 2,584,570 | 12,699,253 | 3,420,765 | 1,016,008 | (112,211) | 6,453,970 | 6,206,775 | 5,612,077 | (41,942,198) | 2,404,059 | 4,337,596 | - | 2,680,664 | 2,680,664 |
| Changes in deferred tax liabilities (assets) | | | | | | | | | | | | | | |
| Deferred tax liabilities (assets) – Beginning balance Dec, 2021 | (26,626,034) | 1,809,692 | (23,422,334) | (67,060,767) | (5,151,427) | 11,606,875 | (5,956,120) | 119,327,600 | (18,712,443) | (2,612,669) | 13,058,176 | - | (3,739,451) | (3,739,451) |
| Changes in deferred tax liabilities (assets) | | | | | | | | | | | | | | |
| Deferred tax expense (benefit) recognized in income | 2,584,570 | 12,699,253 | 3,420,765 | 1,016,008 | (112,211) | 6,453,970 | 6,206,775 | 5,612,077 | (41,942,198) | 2,404,059 | 4,337,596 | - | 2,680,664 | 2,680,664 |
| Deferred taxes related to items credited (charged) directly to equity | - | - | - | - | - | - | - | - | (8,873,707) | - | - | - | (8,873,707) | (8,873,707) |
| Income taxes related to components of other comprehensive income | - | - | - | - | - | - | (1,008,924) | - | - | - | - | - | (1,008,924) | (1,008,924) |
| Increase (decrease) from business combinations, deferred tax liabilities (assets) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) due to loss of control of subsidiary, deferred tax liabilities assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) due to net foreign currency translation, deferred tax liabilities (assets) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in deferred tax (assets) liabilities | 2,584,570 | 12,699,253 | 3,420,765 | 1,016,008 | (112,211) | 6,453,970 | 5,197,851 | 5,612,077 | (50,815,905) | 2,404,059 | 4,337,596 | - | (7,201,967) | (7,201,967) |
| Deferred tax liabilities (assets) | (24,041,464) | 14,508,945 | (20,001,569) | (66,044,759) | (5,263,638) | 18,060,845 | (758,269) | 124,939,677 | (69,528,348) | (208,610) | 17,395,772 | - | (10,941,418) | (10,941,418) |

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

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



11. Income Taxes, continued

c) Assets and Liability by Deferred taxes, continued

| Disclosure of temporary differences, losses and unused tax credits September 30, 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 |
|--|--------------------------|------------------------|---------------------|--|-----------------------|---|----------------------|---|---------------------|--------------------------------------|-----------------------------|----------------------|-----------------------|--|
| Deferred tax assets and liabilities | | | | | | | | | | | | | | |
| Deferred tax assets | 25.407.543 | 504.411 | 24.968.075 | 65.263.663 | 5.189.633 | - | 13.565.140 | 18.178.538 | 51.247.382 | 14.464.832 | (12.491.153) | (97.667.082) | 108.630.982 | 108.630.982 |
| Deferred tax liabilities | - | - | 4.389.972 | - | - | 16.423.208 | 12.056.187 | 131.093.161 | - | 16.000.659 | 23.102.145 | (97.667.082) | 105.398.250 | 105.398.250 |
| Deferred tax liabilities (assets) | (25.407.543) | (504.411) | (20.578.103) | (65.263.663) | (5.189.633) | 16.423.208 | (1.508.953) | 112.914.623 | (51.247.382) | 1.535.827 | 35.593.298 | - | (3.232.732) | (3.232.732) |
| Deferred tax assets and liabilities, net | | | | | | | | | | | | | | |
| Deferred tax assets, net | (25.407.543) | (504.411) | (20.578.103) | (65.263.663) | (5.189.633) | - | (1.508.953) | - | (51.247.382) | - | - | - | (169.699.688) | (169.699.688) |
| Deferred tax liabilities, net | - | - | - | - | - | 16.423.208 | - | 112.914.623 | - | 1.535.827 | 35.593.298 | - | 166.466.956 | 166.466.956 |
| Deferred tax expense (benefit) | | | | | | | | | | | | | | |
| Deferred tax expense (benefit) | 1.218.491 | (115.552) | 2.844.231 | 1.797.104 | (38.206) | 4.816.333 | 4.866.906 | (6.412.977) | (32.744.531) | 4.148.496 | 20.336.571 | - | 716.866 | 716.866 |
| Deferred tax expense (benefit) recognized in income | 1.218.491 | (115.552) | 2.844.231 | 1.797.104 | (38.206) | 4.816.333 | 4.866.906 | (6.412.977) | (32.744.531) | 4.148.496 | 20.336.571 | - | 716.866 | 716.866 |
| Changes in deferred tax liabilities (assets) | | | | | | | | | | | | | | |
| Deferred tax liabilities (assets) – Beginning balance Dec, 2021 | (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) |
| Changes in deferred tax liabilities (assets) | | | | | | | | | | | | | | |
| Deferred tax expense (benefit) recognized in income | 1.218.491 | (115.552) | 2.844.231 | 1.797.104 | (38.206) | 4.816.333 | 4.866.906 | (6.412.977) | (32.744.531) | 4.148.496 | 20.336.571 | - | 716.866 | 716.866 |
| Deferred taxes related to items credited (charged) directly to equity | - | - | - | - | - | - | - | - | 209.592 | - | - | - | 209.592 | 209.592 |
| Income taxes related to components of other comprehensive income | - | - | - | - | - | - | (419.739) | - | - | - | - | - | (419.739) | (419.739) |
| 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) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in deferred tax (assets) liabilities | 1.218.491 | (115.552) | 2.844.231 | 1.797.104 | (38.206) | 4.816.333 | 4.447.167 | (6.412.977) | (32.534.939) | 4.148.496 | 20.336.571 | - | 506.719 | 506.719 |
| Deferred tax liabilities (assets) | (25.407.543) | (504.411) | (20.578.103) | (65.263.663) | (5.189.633) | 16.423.208 | (1.508.953) | 112.914.623 | (51.247.382) | 1.535.827 | 35.593.298 | - | (3.232.732) | (3.232.732) |

11. Income Taxes, continued

c) Assets and Liability by Deferred taxes, continued

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

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

As of September 30, 2023 and December 31, 2022, the balance of this deferred tax asset amounts to ThCh\$65,658,950 and ThCh\$66,044,759, respectively.

d) Taxable Income

As of September 30, 2023 and 2022, the parent company, Telefónica Móviles Chile S.A. and subsidiaries are in a tax loss situation, detailed as follows:

| Concepts | Taxable Net Income | | | |
|---|--------------------|----------------|--------------------|--------------------|
| | 07.01.2023 al | 07.01.2022 al | | |
| | 09.30.2023 | 09.30.2023 | 09.30.2022 | 09.30.2022 |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| Finance income | (38,951,990) | (70,473,912) | 10,495,239 | 63,238,458 |
| Recorded tax expense | (16,901,361) | (33,109,711) | (6,097,030) | (6,066,535) |
| Additions | 50,087,865 | 494,660,495 | 201,124,665 | 670,300,682 |
| Deductions | 5,765,486 | (391,076,872) | (214,828,585) | (715,960,729) |
| Taxable net income | - | - | (9,305,711) | 11,511,876 |
| First category tax rate 27% | - | - | (2,512,542) | 3,108,206 |
| Art. 21 rejected expenses tax base | 44,538 | 350,987 | 1,209,525 | 1,813,568 |
| First category tax rate 40% | 17,815 | 140,395 | 483,809 | 725,428 |
| Total tax provision | 17.815 | 140.395 | (2.028.733) | 3.833.634 |
| Provision contingencies (1) | 2,514 | 4,878,087 | 9,524 | 9,684,438 |
| Provision for derived income tax (2) | - | - | 105,973 | 325,615 |
| Settlement of derivatives of previous years (3) | (1,449,366) | (2,762,162) | 32,345 | 1,890,355 |
| (Excess) Déficit previous period | - | (1,964,493) | - | (22,517,443) |
| Total first category taxes | (1,429,037) | 291,827 | (1,880,891) | (6,783,401) |

- (1) Corresponds to interest and restatement of the parent company's contingencies provision, together with the contingency provision for the 2020 tax year and contingency provision for the 2021 tax year of subsidiary Telefónica Chile S.A. (see note 33a).
- (2) Corresponds to the tax expense (benefit) calculated for 2022 hedging instruments in the hedging settlement, which is calculated in the year following its accrual. This tax provision is presented as a higher or lower expense for the year.
- (3) Taxable net income considers adjustment for derivative instruments recorded in equity.

11. Income Taxes, continued

e) Income tax reconciliation

The income tax expense reconciliation for September 30, 2023 and 2022 is detailed as follows:

| Concepts | 07.01.2023 al 09.30.2023 | | 09.30.2023 | | 07.01.2022 al 09.30.2022 | | 09.30.2022 | |
|--|--------------------------|---------------------|----------------------|---------------------|--------------------------|--------------------|---------------------|---------------------|
| | Taxable Base | 27% Tax Rate | Taxable Base | 27% Tax Rate | Taxable Base | 27% Tax Rate | Taxable Base | 27% Tax Rate |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| Based on accounting income before taxes: | | | | | | | | |
| Finance income | (38,951,990) | | (70,473,911) | | 10,495,239 | | 63,238,458 | |
| Recorded tax expense | (16,901,361) | | (33,109,711) | | (6,097,030) | | (6,066,535) | |
| Income before taxes | (55,853,351) | (15,080,405) | (103,583,622) | (27,967,578) | 4,398,216 | 1,187,518 | 57,171,929 | 15,436,421 |
| Permanent differences | (6,744,277) | (1,820,955) | (19,044,936) | (5,142,133) | (26,979,804) | (7,284,546) | (79,640,570) | (21,502,954) |
| Monetary correction effect of the year (1) | (887,983) | (239,755) | (26,072,417) | (7,039,553) | (25,792,044) | (6,963,851) | (76,377,724) | (20,621,985) |
| Result from investment in related parties | (2,485,326) | (671,038) | (6,314,764) | (1,704,986) | 191,586 | 51,728 | 914,834 | 247,005 |
| Contingency provision | 9,313 | 2,515 | 18,066,989 | 4,878,087 | 35,274 | 9,524 | 35,868,289 | 9,684,438 |
| Adjustment of initial deferred tax balances | 180,153 | 48,641 | (6,112,794) | (1,650,454) | 6,200,447 | 1,674,121 | (38,118,373) | (10,291,961) |
| Art. 21 non-deductible expenses | 65,983 | 17,815 | 519,982 | 140,395 | 1,791,886 | 483,809 | 2,686,767 | 725,427 |
| IFRS16 adjustment | 417,874 | 112,826 | 30,845 | 8,328 | 39,803 | 10,747 | 1,045,259 | 282,220 |
| Adjustment for BAF and DECOS components | (201,591) | (54,430) | 167,560 | 45,241 | (299,973) | (80,993) | (581,713) | (157,063) |
| Others (1) | (3,842,700) | (1,037,529) | 669,663 | 180,809 | (9,146,783) | (2,469,631) | (5,077,909) | (1,371,035) |
| Total corporate tax expense | (62,597,628) | (16,901,360) | (122,628,558) | (33,109,711) | (22,581,591) | (6,097,030) | (22,468,648) | (6,066,535) |
| Based on taxable net income and deferred taxes calculated on the basis of temporary differences | | | | | | | | |
| 27% income tax | | - | | | | (2,406,569) | | 3,433,822 |
| 40% income tax | | 17,815 | | 140,395 | | 483,809 | | 725,427 |
| Contingency provision | | 2,514 | | 4,878,087 | | 9,524 | | 9,684,438 |
| Settlement of derivatives of previous years (3) | | (1,449,366) | | (2,762,162) | | 32,345 | | 1,890,355 |
| (Excess) Déficit previous period | | - | | (1,964,493) | | - | | (22,517,443) |
| Income tax expense | | (1,429,036) | | 291,827 | | (1,880,891) | | (6,783,401) |
| Total deferred tax expense (income) | | (15,472,326) | | (33,401,538) | | (4,216,139) | | 716,866 |
| Total corporate tax expense (income) | | (16,901,362) | | (33,109,711) | | (6,097,030) | | (6,066,535) |
| Effective income tax rate (2) | | 30.26% | | 31.96% | | (138.63%) | | (10.61%) |

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

(2) Effective rate determined considering the tax expense (benefit) accounted for in income in respect to finance income before taxes and amounts to 31.96%.

11. Income Taxes, continued

f) Current income tax liabilities

As of September 30, 2023 and December 31, 2022, current income tax liabilities are detailed as follows:

| Concepts | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|-----------------|----------------------|----------------------|
| Unic income tax | 87,315 | 756,228 |
| Total | 87,315 | 756,228 |

12. Non-current trade and other accounts receivable

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

| Concepts | 09.30.2023 | | | 12.31.2022 | | |
|---|-------------------|-----------------------------|-------------------|-------------------|-----------------------------|-------------------|
| | Gross value | Provision for impairment | Net value | Gross value | Provision for impairment | Net value |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| Receivables on non-current loan transactions | 25,206,397 | (2,965,296) | 22,241,101 | 33,641,543 | (3,402,893) | 30,238,650 |
| Trade receivables | 23,074,680 | (2,909,099) | 20,165,581 | 30,984,861 | (3,354,574) | 27,630,287 |
| Contractual asset (1) | 2,131,717 | (56,197) | 2,075,520 | 2,656,682 | (48,319) | 2,608,363 |
| Miscellaneous receivables (2) | 14,007,997 | - | 14,007,997 | 9,549,030 | - | 9,549,030 |
| Total | 39,214,394 | (2,965,296) | 36,249,098 | 43,190,573 | (3,402,893) | 39,787,680 |

(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 September 30, 2023 and as of December 31, 2022, are detailed as follows:

| Concepts | As of September 30, 2023 | | | | | | | | 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 | 23,863,911 | 1,342,486 | - | 25,206,397 | (2,950,427) | (14,869) | - | (2,965,296) | 22,241,101 |
| Miscellaneous receivables | 4,647,935 | 956,264 | 8,403,798 | 14,007,997 | - | - | - | - | 14,007,997 |
| Total | 28,511,846 | 2,298,750 | 8,403,798 | 39,214,394 | (2,950,427) | (14,869) | - | (2,965,296) | 36,249,098 |

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

13. Intangible Assets other than goodwill

- a) Intangible assets other than goodwill As of September 30, 2023 and as of December 31, 2022 are detailed as follows:

| Concepts | 09.30.2023 | | | 12.31.2022 | | |
|--------------------------------------|-----------------------------|------------------------------------|---------------------------|-----------------------------|------------------------------------|---------------------------|
| | Intangible, gross ThCh\$ | Accumulated amortization ThCh\$ | Intangible, net ThCh\$ | Intangible, gross ThCh\$ | Accumulated amortization ThCh\$ | Intangible, net ThCh\$ |
| Administrative granting's (1) | 213,631,770 | (89,299,392) | 124,332,378 | 213,716,653 | (85,334,333) | 128,382,320 |
| Licenses and franchises (2) | 601,044,919 | (518,379,225) | 82,665,694 | 667,430,377 | (591,823,321) | 75,607,056 |
| Intangible assets in development (3) | 31,901,160 | - | 31,901,160 | 40,222,696 | - | 40,222,696 |
| Other intangible assets (4) | 21,689,823 | (21,689,823) | - | 21,689,823 | (21,689,823) | - |
| Total | 868,267,672 | (629,368,440) | 238,899,232 | 943,059,549 | (698,847,477) | 244,212,072 |

(1) Contains 5G spectrum tender.

(2) Corresponds mainly to data switching and transmission software, corporate and office automation software and other network software.

(3) Corresponds to service platforms, operating optimization and other software.

(4) Corresponds to submarine cable usage rights (IRUS)

- b) As of September 30, 2023 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\$ |
|---|---|--|---|---------------------------|
| Beginning balance as of 01.01.2023 | 128,382,320 | 75,607,056 | 40,222,696 | 244,212,072 |
| Additions (1) | - | - | 21,961,391 | 21,961,391 |
| Transfer from costs of developing to service | (84,883) | 46,255,574 | (46,170,691) | - |
| Derecognitions | - | (112,641,032) | - | (112,641,032) |
| Amortization of derecognitions | - | 112,641,032 | - | 112,641,032 |
| Amortization | (3,965,059) | (39,196,936) | - | (43,161,995) |
| Transfer from work in progress (see Note 15b) | - | - | 15,887,764 | 15,887,764 |
| Movement, subtotal | (4,049,942) | 7,058,638 | (8,321,536) | (5,312,840) |
| Ending balance as of 09.30.2023 | 124,332,376 | 82,665,696 | 31,901,160 | 238,899,232 |
| Remaining average useful life | 23,7 años | 1,5 años | 1,5 años | |

- (1) Corresponds to service platforms, operating optimization and other software.

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

| Movements | Administratives Grantings Net ThCh\$ | Licenses and franchises, net ThCh\$ | Intangible assets in development, Net ThCh\$ | Intangible, net ThCh\$ |
|--|---|--|---|---------------------------|
| Beginning balance as of 01.01.2022 | 133,597,516 | 82,737,516 | 37,021,028 | 253,356,060 |
| Additions (1) | - | - | 49,059,510 | 49,059,510 |
| Transfer from costs of developing to service | 72,710 | 54,312,342 | (54,385,052) | - |
| Derecognitions | - | (3,970,070) | - | (3,970,070) |
| Amortization of derecognitions | - | 3,868,679 | - | 3,868,679 |
| Amortization | (5,287,906) | (61,375,411) | - | (66,663,317) |
| Transfer from work in progress (2) | - | 34,000 | 8,527,210 | 8,561,210 |
| Movement, subtotal | (5,215,196) | (7,130,460) | 3,201,668 | (9,143,988) |
| Ending balance as of 12.31.2022 | 128,382,320 | 75,607,056 | 40,222,696 | 244,212,072 |
| Remaining average useful life | 24,3 años | 1,23 años | | |

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 a sign of a potential loss in value, and in any case at each year-end.

As of September 30, 2023, impairment testing did not result in loss of value of intangible assets.

The main additions to intangible assets, other than goodwill, As of September 30, 2023 and December 31, 2022, 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\$32,672,188 and ThCh\$50,281,200 As of September 30, 2023 and 2022 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 September 30, 2023, the value recorded as of that date remains the same.

Goodwill movement As of September 30, 2023 and December 31, 2022, is as follows:

| Taxpayer No, | Company | 01.01.2023 ThCh\$ | Additions ThCh\$ | Eliminations ThCh\$ | 09.30.2023 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 |
| Total | | 504,774,872 | - | - | 504,774,872 |

| Taxpayer No, | Company | 01.01.2023 ThCh\$ | Additions ThCh\$ | Eliminations ThCh\$ | 12.31.2022 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 |
| Total | | 504,774,872 | - | - | 504,774,872 |

(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 September 30, 2023, was carried out considering the variables mentioned in criteria note (see Note 21).

15. Property, plant and equipment

a) The detail of Property, plant and equipment items for the years As of September 30, 2023 and December 31, 2022 and their corresponding accumulated depreciation, is as follows:

| Concepts | 09.30.2023 | | 12.31.2022 | | Property, plant & equipment, Net ThCh\$ | |
|--|--|------------------------------------|--|--|--|------------------------------------|
| | Property, plant & equipment, Gross ThCh\$ | Accumulated depreciation ThCh\$ | Property, plant & equipment, Net ThCh\$ | Property, plant & equipment, Gross ThCh\$ | | Accumulated depreciation ThCh\$ |
| Land | 21,694,128 | - | 21,694,128 | 21,694,128 | - | 21,694,128 |
| building and constructions | 941,562,618 | (656,615,757) | 284,946,861 | 906,855,246 | (636,630,530) | 270,224,716 |
| Office equipment, supplies and accessories | 38,958,517 | (37,235,791) | 1,722,726 | 38,874,153 | (36,861,817) | 2,012,336 |
| Construction in progress | 104,263,393 | - | 104,263,393 | 172,130,254 | - | 172,130,254 |
| Information equipment | 60,027,914 | (52,026,041) | 8,001,873 | 59,697,288 | (50,813,942) | 8,883,346 |
| Network and communication Equipment | 3,192,497,074 | (2,654,073,371) | 538,423,703 | 3,180,047,206 | (2,638,349,863) | 541,697,343 |
| Other property, plant & equipment (1) | 114,979,168 | (103,438,386) | 11,540,782 | 223,098,937 | (210,465,223) | 12,633,714 |
| Total | 4,473,982,812 | (3,503,389,346) | 970,593,466 | 4,602,397,212 | (3,573,121,375) | 1,029,275,837 |

(1) Corresponds mainly to broadband devices and data and voice devices for customers.

Notes to the interim consolidated financial statements, continued

As of September 30, 2023 (not audited) and December 31, 2022



15. Property, plant and equipment, continued

b) As of September 30, 2023 the movements in Property, plant and equipment items are as follows:

| Movements | Land | building and constructions, net | Office equipment, supplies and accessories, 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\$ |
| Beginning balance as of 01.01.2023 | 21,694,128 | 270,224,716 | 2,012,336 | 172,130,254 | 8,883,346 | 541,697,343 | 12,633,714 | 1,029,275,837 |
| Additions (1) | - | - | - | 82,428,439 | - | - | - | 82,428,439 |
| Withdrawals | - | (32,932) | - | - | (141,121) | (91,216,568) | (112,336,761) | (203,727,382) |
| Withdrawals depreciation | - | 24,586 | - | - | 141,074 | 91,213,951 | 112,330,877 | 203,710,488 |
| Depreciation expense (2) | - | (20,009,813) | (373,974) | - | (1,353,173) | (106,939,829) | (5,301,670) | (133,978,459) |
| Transfer gross value to investment properties (see Note 16) | - | (1,195,586) | - | - | - | (215,062) | (2,460) | (1,413,108) |
| Transfer gross value to investment properties (see Note 16) | - | 726,147 | - | - | - | 214,033 | 2,237 | 942,417 |
| Transfer to intangible assets (see Note 13b) | - | - | - | (15,887,764) | - | - | - | (15,887,764) |
| Transfers to inventory (see Note 10) | - | - | - | 123,524 | - | - | - | 123,524 |
| Other Increase (decrease) | - | 35,209,743 | 84,364 | (134,531,060) | 471,747 | 103,669,835 | 4,214,845 | 9,119,474 |
| Movements, subtotal | - | 14,722,145 | (289,610) | (67,866,861) | (881,473) | (3,273,640) | (1,092,932) | (58,682,371) |
| Ending balance as of 09.30.2023 | 21,694,128 | 284,946,861 | 1,722,726 | 104,263,393 | 8,001,873 | 538,423,703 | 11,540,782 | 970,593,466 |

(1) Additions for the period correspond mainly to transportation, optimization, network platforms and services, new investments in areas of operating continuity, customer home equipment and civil works.

(2) Includes accelerated depreciation for shutdown of copper plants.

The items that are fully amortized and in use amount to ThCh\$63,623,521 and ThCh\$73,432,875, as of September 30, 2023 and December 31, 2022, respectively.

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

Property, plant and equipment assets are subject to impairment testing any time there are indications of a potential loss of value.

Notes to the interim consolidated financial statements, continued

As of September 30, 2023 (not audited) and December 31, 2022



15. Property, plant and equipment, continued

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

| Movements | Land | building and constructions, net | Office equipment, supplies and accessories, 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\$ |
| Beginning balance as of 01.01.2023 | 21,844,513 | 261,737,880 | 2,522,029 | 161,422,658 | 7,912,966 | 518,821,987 | 13,619,387 | 987,881,420 |
| Additions (1) | - | - | - | 183,161,660 | - | - | - | 183,161,660 |
| Withdrawals | (172,897) | (38,340,456) | (3,712,755) | - | (6,840,694) | (219,610,596) | (130,747,522) | (399,424,920) |
| Withdrawals depreciation | - | 36,473,655 | 3,708,047 | - | 6,838,183 | 217,964,423 | 131,206,863 | 396,191,171 |
| Depreciation expense (2) | - | (23,355,780) | (557,852) | - | (2,177,770) | (94,138,997) | (9,488,025) | (129,718,424) |
| Transfer to intangible assets (see Note 13b) | - | - | - | (8,527,210) | - | - | (34,000) | (8,561,210) |
| Transfers to inventory (see Note 10) | - | - | - | - | - | (4,274,568) | - | (4,274,568) |
| Other Increase (decrease) | 22,512 | 33,709,417 | 52,867 | (163,926,854) | 3,150,661 | 122,935,094 | 8,077,011 | 4,020,708 |
| Movements, subtotal | (150,385) | 8,486,836 | (509,693) | 10,707,596 | 970,380 | 22,875,356 | (985,673) | 41,394,417 |
| Ending balance as of 09.30.2023 | 21,694,128 | 270,224,716 | 2,012,336 | 172,130,254 | 8,883,346 | 541,697,343 | 12,633,714 | 1,029,275,837 |

(1) for the period correspond mainly to transportation, optimization, network platforms and services, new investments in areas of operating continuity, customer home equipment and civil works.

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

Property, plant and equipment assets are subject to impairment testing any time there are indications of a potential loss of value. The Company has assessed and verified that there are no indications of loss of value in its property, plant and equipment as of December 31, 2022.

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 (see Note 24b).

16. Investment properties

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

| Concepts | 09.30.2023 | | | 12.31.2022 | | |
|--------------------------------------|-----------------------|---------------------------------------|---------------------|-----------------------|---------------------------------------|---------------------|
| | Gross value ThCh\$ | Accumulated amortization ThCh\$ | Net value ThCh\$ | Gross value ThCh\$ | Accumulated amortization ThCh\$ | Net value ThCh\$ |
| Buildings | 11,962,979 | (7,263,887) | 4,699,092 | 10,767,393 | (6,341,122) | 4,426,271 |
| Network and communications equipment | 2,151,907 | (2,141,767) | 10,140 | 1,936,845 | (1,925,710) | 11,135 |
| Office equipment | 21,092 | (18,982) | 2,110 | 18,632 | (15,296) | 3,336 |
| Plant and equipment | 3,526 | (3,526) | - | 3,526 | (3,526) | - |
| Total | 14,139,504 | (9,428,162) | 4,711,342 | 12,726,396 | (8,285,654) | 4,440,742 |

The Company has recognized rentals from investment properties in operating income, As of September 30, 2023 and December 31, 2022 this concept amounts to ThCh\$1,468,306 and ThCh\$1,826,304.

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 September 30, 2023 and December 31, 2022 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\$ |
| Beginning balance as of 01.01.2023 | 4,426,271 | 11,135 | 3,336 | - | 4,440,742 |
| Transfer gross value from property, plant and equipment (see Note 15b) | 1,195,586 | 215,062 | 2,460 | - | 1,413,108 |
| Transfer depreciation from property, plant and equipment (see Note 15b) | (726,147) | (214,033) | (2,237) | - | (942,417) |
| Depreciation expense | (196,618) | (2,024) | (1,449) | - | (200,091) |
| Movements, subtotal | 272,821 | (995) | (1,226) | - | 270,600 |
| Ending balance as of 09.30.2023 | 4,699,092 | 10,140 | 2,110 | - | 4,711,342 |

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

17. Right of use assets

a) As of September 30, 2023 and December 31, 2022 the items that compose this account and their corresponding accumulated depreciation are detailed as follows:

| Concepts | 09.30.2023 | | | 12.31.2022 | | |
|---|---|-------------------------------|---|---|-------------------------------|---|
| | 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 | 186,158,958 | (131,051,546) | 55,107,412 | 176,525,456 | (103,990,831) | 72,534,625 |
| Leasing support network infrastructure and branches | 468,277,191 | (205,273,677) | 263,003,515 | 380,524,705 | (166,315,396) | 214,209,309 |
| Plant and machinery | 32,350,897 | (13,978,601) | 18,372,296 | 24,885,821 | (9,608,314) | 15,277,507 |
| Vehicle leasing | 14,605,482 | (10,094,297) | 4,511,185 | 10,444,240 | (7,679,956) | 2,764,284 |
| Total | 701,392,527 | (360,398,121) | 340,994,407 | 592,380,222 | (287,594,497) | 304,785,725 |

b) As of September 30, 2023 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\$ |
|---|--|--|--|---------------------------------|---------------------------|
| Beginning balance as of 01.01.2023 | 72,534,625 | 214,209,309 | 15,277,507 | 2,764,284 | 304,785,725 |
| Additions (1) | 2,045,441 | 16,723,895 | 684,231 | 188,561 | 19,642,128 |
| Amortization expense | (27,060,715) | (38,958,282) | (4,370,287) | (2,414,341) | (72,803,625) |
| Other increases (decreases) (2) | 7,588,061 | 71,028,593 | 6,780,845 | 3,972,680 | 89,370,179 |
| Movements, subtotal | (17,427,213) | 48,794,206 | 3,094,789 | 1,746,900 | 36,208,682 |
| Ending balance as of 09.30.2023 | 55,107,412 | 263,003,515 | 18,372,296 | 4,511,184 | 340,994,407 |

- (1) Additions in the amount of ThCh\$19,642,127 for network infrastructure contracts, land, including additions to property, plant and equipment in the amount of ThCh\$1,250,387 including lease contract which qualifies under IFRS 16.
- (2) Variances for the period in the amount of ThCh\$89,888,615 mainly explained by changes in income, changes in periods and adjustments in the amount of ThCh\$9,928,814.

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

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

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

Notes to the interim consolidated financial statements, continued

As of September 30, 2023 (not audited) and December 31, 2022



18. Investments in associates and joint ventures

a) As of September 30, 2023, and December 31, 2022 The detail of the movement of investment in associates is as follows:

| Company | Ownership % | Investments 12.31.2022 ThCh\$ | Additions o drops ThCh\$ | Share in income for the period ThCh\$ | other movements (1) ThCh\$ | Investments 09.30.2023 ThCh\$ |
|--------------------|-------------|----------------------------------|-----------------------------|--|-------------------------------|----------------------------------|
| HoldCo InfraCo SpA | 40% | 72,372,094 | - | 7,801,037 | (3,032,290) | 77,140,842 |

(1) Corresponds to calculation of the share in equity and amortization of the PPA (Purchase Price Allocation) in the amount of ThCh\$1,681,458.

| Company | Ownership % | Investments 12.31.2021 ThCh\$ | Additions o drops ThCh\$ | Share in income for the period ThCh\$ | other movements (1) ThCh\$ | Investments 12.31.2022 ThCh\$ |
|--------------------|-------------|----------------------------------|-----------------------------|--|-------------------------------|----------------------------------|
| HoldCo InfraCo SpA | 40% | 72,428,056 | - | 1,854,846 | (1,910,808) | 72,372,094 |

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

b) As of September 30, 2023, investments in associates, as well as a summary of their information are detailed as follows:

| Tax No, Company name | Ownership % | Current assets ThCh\$ | Non-current assets ThCh\$ | Total assets ThCh\$ | Current liabilities ThCh\$ | Non-Current liabilities ThCh\$ | Total liabilities ThCh\$ | Equity ThCh\$ | Net profit ThCh\$ | Tax No, Company name 09.30.2023 ThCh\$ |
|---------------------------------|-------------|--------------------------|------------------------------|------------------------|-------------------------------|-----------------------------------|-----------------------------|------------------|----------------------|---|
| 77,374,961-2 HoldCo InfraCo SpA | 40% | 19 | 216,346,519 | 216,346,538 | 1,447 | 155,299,343 | 155,300,790 | 61,045,748 | 19,502,591 | 19,502,591 |

| Tax No, Company name | Ownership % | Current assets ThCh\$ | Non-current assets ThCh\$ | Total assets ThCh\$ | Current liabilities ThCh\$ | Non-Current liabilities ThCh\$ | Total liabilities ThCh\$ | Equity ThCh\$ | Net profit ThCh\$ | Tax No, Company name 12.31.2022 ThCh\$ |
|---------------------------------|-------------|--------------------------|------------------------------|------------------------|-------------------------------|-----------------------------------|-----------------------------|------------------|----------------------|---|
| 77,374,961-2 HoldCo InfraCo SpA | 40% | 188 | 213,227,324 | 213,227,512 | 1,715 | 168,305,559 | 168,307,274 | 44,920,238 | 4,637,116 | 4,637,116 |

| RUT | Nombre Sociedad | Cash flows provided used in operating activities ThCh\$ | cash flows provided used in investment activitie ThCh\$ | cash flows provided by financing activities ThCh\$ | Increase in cash and cash equivalents ThCh\$ | Cash and cash equivalents at beginning of year 12,31,2022 ThCh\$ | Cash and cash equivalents at end of year 09,30,2023 ThCh\$ |
|--------------|--------------------|--|--|---|---|---|---|
| 77,374,961-2 | HoldCo InfraCo SpA | (251) | (20,133,979) | 20,134,061 | (169) | 188 | 19 |

| RUT | Nombre Sociedad | Cash flows provided used in operating activities ThCh\$ | cash flows provided used in investment activitie ThCh\$ | cash flows provided by financing activities ThCh\$ | Increase in cash and cash equivalents ThCh\$ | Cash and cash equivalents at beginning of year 12,31,2021 ThCh\$ | Cash and cash equivalents at end of year 09,30,2022 ThCh\$ |
|--------------|--------------------|--|--|---|---|---|---|
| 77,374,961-2 | HoldCo InfraCo SpA | (10,796) | (35,509,595) | 35,520,418 | 27 | 23 | 50 |

19. 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 | | 09.30.2023 | | 12.31.2022 | |
|--------------------------------------|-----------------|--------------------|-----------------------|--------------------|-----------------------|
| | | Current ThCh\$ | Non-Current ThCh\$ | Current ThCh\$ | Non-Current ThCh\$ |
| Bank loans | (a) | 115,426,571 | 305,870,792 | 181,285,768 | 177,462,868 |
| Unguaranteed obligations (Bonds) (1) | (b), | 119,136,548 | 632,391,926 | 126,045,430 | 496,573,445 |
| Hedge instruments | (see Note 22,2) | 31,795,918 | 94,208,824 | 35,789,094 | 85,742,450 |
| Other financial debts | | - | - | 3,332,981 | - |
| Total | | 266,359,037 | 1,032,471,542 | 346,453,273 | 759,778,763 |

(1) Current includes fair value hedging derivatives associated to these obligations in the amount of ThCh\$124,158 and ThCh\$59,763,863 and non-current includes ThCh\$76,994,496 and ThCh\$86,846,997 as of September 30, 2023 and December 31, 2022, respectively.

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



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

a) As of September 30, 2023, the detail of bank loans is as follows:

| Types | Debtor taxpayer No, | Debtor | Debtor country | Creditor taxpayer No, | Creditor | Creditor country | Currency | Amortization type | Effective rate | Nominal rate | Nominal value | Term |
|----------------|---------------------|-------------------------------|----------------|-----------------------|---------------------|------------------|----------|-------------------|----------------|--------------|---------------|------------|
| Bilateral Loan | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,018,000-1 | Bank Scotiabank | Chile | USD | At maturity | 6,90% | 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 | 7,20% | 3,05% | US\$ 128,5 mm | 08-22-2026 |
| 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 |
| Bilateral Loan | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,030,000-7 | Banco Estado II | Chile | CLP | At maturity | 11,74% | 11,24% | CLP 20,000 mm | 07-31-2025 |
| Bilateral Loan | 90,635,000-9 | Telefónica Chile S.A. | Chile | 97,018,000-1 | Bank Scotiabank | Chile | CLP | At maturity | 8,46% | 7,80% | CLP 25.000 mm | 05-28-2026 |
| Bilateral Loan | 90,635,000-9 | Telefónica Chile S.A. | Chile | 97,030,000-7 | Banco Estado | Chile | CLP | At maturity | 12,83% | 12,32% | CLP 20.000 mm | 05-29-2026 |

| Types | Debtor taxpayer No, | Debtor | Debtor country | Creditor | Nominal amounts (capital in thousands) | | | | | | | | | Total nominal amounts in local currency ThCh\$ | |
|---------------------|---------------------|-------------------------------|----------------|---------------------|--|---------------------------|---------------------|---------------------|---------------------------|---------------------|---------------------|---------------------------|-------------------------|--|--------------------|
| | | | | | To Maturity | | | | | | | | | | |
| | | | | | Up to 90 days ThCh\$ | 90 days to 1 years ThCh\$ | 1 to 2 years ThCh\$ | 2 to 3 years ThCh\$ | Total 1 to 3 years ThCh\$ | 3 to 4 years ThCh\$ | 4 to 5 years ThCh\$ | Total 3 to 5 years ThCh\$ | 5 years and over ThCh\$ | | |
| Bilateral Loan (1) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Bank Scotiabank | 47,022,556 | - | - | - | - | - | - | - | - | - | 47,022,556 |
| Bilateral Loan (2) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Bank of Nova Scotia | - | - | - | 111,736,098 | 111,736,098 | - | - | - | - | - | 111,736,098 |
| 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 |
| Bilateral Loan (7) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco BCI | - | - | 30,000,000 | - | 30,000,000 | - | - | - | - | - | 30,000,000 |
| Bilateral Loan (8) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Estado II | - | - | - | 20,000,000 | 20,000,000 | - | - | - | - | - | 20,000,000 |
| Bilateral Loan (9) | 90,635,000-9 | Telefónica Chile S.A. | Chile | Bank Scotiabank | - | - | - | 25,000,000 | 25,000,000 | - | - | - | - | - | 25,000,000 |
| Bilateral Loan (10) | 90,635,000-9 | Telefónica Chile S.A. | Chile | Banco Estado | - | - | - | 20,000,000 | 20,000,000 | - | - | - | - | - | 20,000,000 |
| Total | | | | | 47,022,556 | 50,000,000 | 127,911,000 | 176,736,098 | 304,647,098 | - | - | - | - | - | 401,669,654 |

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



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

a) As of September 30, 2023, the detail of bank loans is as follows

| Types | Debtor taxpayer No. | Debtor | Debtor country | Creditor | Current | | | Non-current | | | | | | | |
|---------------------|---------------------|-------------------------------|----------------|---------------------|-------------------------|---------------------------------|--|---------------------------|---------------------------|------------------------------------|---------------------------|---------------------------|------------------------------------|-------------------------------|--|
| | | | | | To Maturity | | | To Maturity | | | | | | | |
| | | | | | Up to 90 days ThCh\$ | 90 days to 1 years ThCh\$ | Total current as of 09.30.2023 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\$ | Total Non-current as of 09.30.2023 ThCh\$ |
| Bilateral Loan (1) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Bank Scotiabank | 61,932,788 | - | 61,932,788 | - | - | - | - | - | - | - | - |
| Bilateral Loan (2) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Bank of Nova Scotia | - | 843,467 | 843,467 | - | 113,566,762 | 113,566,762 | - | - | - | - | 113,566,762 |
| Bilateral Loan (3) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco de Chile | - | 219,649 | 219,649 | 29,998,999 | - | 29,998,999 | - | - | - | - | 29,998,999 |
| Bilateral Loan (4) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Itaú | - | 16,667 | 16,667 | 17,846,524 | - | 17,846,524 | - | - | - | - | 17,846,524 |
| Bilateral Loan (5) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Santander | 17,889 | - | 17,889 | 49,840,663 | - | 49,840,663 | - | - | - | - | 49,840,663 |
| Bilateral Loan (6) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Estado | - | 50,274,333 | 50,274,333 | - | - | - | - | - | - | - | - |
| Bilateral Loan (7) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco BCI | 385,606 | - | 385,606 | 29,964,377 | - | 29,964,377 | - | - | - | - | 29,964,377 |
| Bilateral Loan (8) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Estado II | - | 341,727 | 341,727 | - | 19,892,921 | 19,892,921 | - | - | - | - | 19,892,921 |
| Bilateral Loan (9) | 90,635,000-9 | Telefónica Chile S.A. | Chile | Bank Scotiabank | 590,135 | - | 590,135 | - | 24,855,224 | 24,855,224 | - | - | - | - | 24,855,224 |
| Bilateral Loan (10) | 90,635,000-9 | Telefónica Chile S.A. | Chile | Banco Estado | - | 804,310 | 804,310 | - | 19,905,322 | 19,905,322 | - | - | - | - | 19,905,322 |
| Total | | | | | 62,926,418 | 52,500,153 | 115,426,571 | 127,650,563 | 178,220,229 | 305,870,792 | - | - | - | - | 305,870,792 |

- 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.
- 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%.
- 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.
- 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.
- 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.
- 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.
- 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 July 31, 2023, national credit was taken out with Banco Estado for ThCh\$ 20,000,000 with an annual interest rate ICP + 1.07%, maturity July 31, 2026.
- On May 29, 2023, Telefónica Chile S.A. obtained a domestic loan from Scotiabank for ThCh\$25,000,000 with an annual interest rate of ICP + 0.91%, due on May 28, 2026.
- On May 30, 2023, Telefónica Chile S.A. obtained a domestic loan from Banco Estado for ThCh\$20,000,000 with an annual interest rate of ICP + 1%, due on May 29, 2026.

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



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

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

| Types | Debtor taxpayer No, | Debtor | Debtor country | Creditor taxpayer No, | Creditor | Creditor country | Currency | Amortization type | Effective rate | Nominal rate | Nominal value | Term |
|----------------|---------------------|-------------------------------|----------------|-----------------------|---------------------|------------------|----------|-------------------|----------------|--------------|----------------|------------|
| Bilateral Loan | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,018,000-1 | Bank Scotiabank | Chile | USD | At maturity | 6,49% | 3,62% | US\$ 68,6 mm | 11-13-2023 |
| Bilateral Loan | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Foreign | Bank of Nova Scotia | Chile | USD | At maturity | 6,09% | 3,05% | US\$ 140,19 mm | 09-29-2023 |
| Bilateral Loan | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,004,000-5 | Banco de Chile | Chile | CLP | At maturity | 2,15% | 1,90% | CLP 30,000 mm | 10-06-2024 |
| Bilateral Loan | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,023,000-9 | Banco Itaú | Chile | CLP | At maturity | 3,62% | 3,35% | CLP 17,911 mm | 09-19-2025 |
| Bilateral Loan | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,036,000-k | Banco Santander | Chile | CLP | At maturity | 3,53% | 3,22% | CLP 50,000 mm | 03-26-2025 |
| Bilateral Loan | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,030,000-7 | Banco Estado | Chile | CLP | At maturity | 1,59% | 1,30% | CLP 50,000 mm | 03-29-2024 |
| Bilateral Loan | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,006,000-6 | Banco BCI | Chile | CLP | At maturity | 3,22% | 2,94% | CLP 30,000 mm | 03-30-2025 |

| Types | Debtor taxpayer No, | Debtor | Debtor country | Creditor | Nominal amounts (capital in thousands) | | | | | | | | Total nominal amounts in local currency ThCh\$ | |
|--------------------|---------------------|-------------------------------|----------------|---------------------|--|---------------------------|---------------------|---------------------|---------------------------|---------------------|---------------------|---------------------------|--|-------------------------|
| | | | | | To Maturity | | | | | | | | | |
| | | | | | Up to 90 days ThCh\$ | 90 days to 1 years ThCh\$ | 1 to 2 years ThCh\$ | 2 to 3 years ThCh\$ | Total 1 to 3 years ThCh\$ | 3 to 4 years ThCh\$ | 4 to 5 years ThCh\$ | Total 3 to 5 years ThCh\$ | | 5 years and over ThCh\$ |
| Bilateral Loan (1) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Bank Scotiabank | - | - | 47,022,556 | - | 47,022,556 | - | - | - | - | 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 |
| Total | | | | | - | - | 166,103,554 | 80,000,000 | 246,103,554 | 97,911,000 | - | 97,911,000 | - | 344,014,554 |

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



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

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

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

- 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 September 30, 2023 (not audited) and December 31, 2022



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

b) As of September 30, 2023 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 series F (1) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,036,000-K | Banco Santander | Chile | U,F, | At maturity | 3,82% | 3,60% | UF 3 mm | 10-04-2023 |
| Bono Serie O (2) | 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 (3) | 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 (4) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Foreign | The Bank of New York Mellon | EE,UU, | USD | At maturity | 3,74% | 3,54% | US\$ 500 mm | 11-18-2031 |
| Bond Serie T (5) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,036,000-K | Banco Santander | Chile | U,F, | At maturity | 9,26% | 2,54% | UF 3 mm | 07-04-2028 |

| Types | Debtor taxpayer No, | Debtor | Debtor country | Creditor | Nominal amounts (capital in thousands) | | | | | | | | | Total nominal amounts in local currency ThCh\$ | |
|------------------------|---------------------|-------------------------------|----------------|-----------------------------|--|---------------------------|---------------------|---------------------|---------------------------|---------------------|---------------------|---------------------------|-------------------------|--|--------------------|
| | | | | | To Maturity | | | | | | | | | | |
| | | | | | Up to 90 days ThCh\$ | 90 days to 1 years ThCh\$ | 1 to 2 Years ThCh\$ | 2 to 3 Years ThCh\$ | Total 1 to 3 Years ThCh\$ | 3 to 4 Years ThCh\$ | 4 to 5 Years ThCh\$ | Total 3 to 5 Years ThCh\$ | 5 years and Over ThCh\$ | | |
| Bono Serie F (1) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Santander | 69,392,760 | - | - | - | - | - | - | - | - | - | 69,392,760 |
| Bono Serie O (2) | 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 (3) | 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 (4) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | The Bank of New York Mellon | - | - | - | - | - | - | - | - | 409,780,000 | - | 409,780,000 |
| Bono Serie T (5) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Santander | - | - | - | - | - | - | 108,251,460 | 108,251,460 | - | - | 108,251,460 |
| Total | | | | | 69,392,760 | - | - | 160,000,000 | 160,000,000 | - | 108,251,460 | 108,251,460 | 409,780,000 | - | 747,424,220 |

Notes to the interim consolidated financial statements, continued

As of September 30, 2023 (not audited) and December 31, 2022



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

b) As of September 30, 2023 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 09.30.2023 ThCh\$ | To Maturity | | | | Total 5 years and Over ThCh\$ | Total Non-current as of 09.30.2023 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\$ |
| Bono Serie F (1) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Santander | 110,361,001 | - | 110,361,001 | - | - | - | - | - | - | - | - |
| Bono Serie O (2) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco de Chile | 894,303 | - | 894,303 | - | 70,110,597 | 70,110,597 | - | - | - | - | 70,110,597 |
| Bono Serie Q (3) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco de Santander | - | 453,692 | 453,692 | - | 90,292,139 | 90,292,139 | - | - | - | - | 90,292,139 |
| Bond Serie 144A II (4) | 90,635,000-9 | Telefónica Chile S.A. | Chile | The Bank of New York Mellon | 5,256,404 | - | 5,256,404 | - | - | - | - | - | - | 367,445,240 | 367,445,240 |
| Bono Serie F (5) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Santander | - | 2,171,148 | 2,171,148 | - | - | - | - | 104,543,950 | 104,543,950 | - | 104,543,950 |
| Total | | | | | 116,511,708 | 2,624,840 | 119,136,548 | - | 160,402,736 | 160,402,736 | - | 104,543,950 | 104,543,950 | 367,445,240 | 632,391,926 |

(1) On October 15, 2013, there was a 10-year bullet placement in the local market for an amount of UF 3,000,000, maturing on October 4, 2023.

(2) On 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.

(3) 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.

(4) 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.

(5) On August 18, 2023, a placement was made in the local market for an amount of UF 3,000,000 for a term of 5 bullet years, maturing on July 4, 2028.

On July 4, 2023 Telefónica Chile S.A. paid the fifth and final installment of the T bond for a total of ThCh\$9,600,000 in principal and ThCh\$232,387 in interest.

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

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



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

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

| Types | Debtor taxpayer No, | Debtor | Debtor country | Creditor taxpayer No, | Creditor | Creditor country | Currency | Amortization type | Effective rate | Nominal rate | Nominal value | Term |
|------------------------|---------------------|-------------------------------|----------------|-----------------------|-----------------------------|------------------|----------|-------------------|----------------|--------------|---------------|------------|
| Bond series F (1) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,036,000-K | Banco Santander | Chile | U,F, | At maturity | 3,82% | 3,60% | UF 3 mm | 10-04-2023 |
| Bond series T (2) | 90,635,000-9 | Telefónica Chile S.A. | Chile | 97,004,000-5 | Banco de Chile | Chile | CLP | At maturity | 4,72% | 4,90% | MM\$ 48,000 | 07-05-2023 |
| Bono Serie O (3) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,004,000-5 | Banco de Chile | Chile | CLP | At maturity | 3,36% | 3,50% | MM\$ 70,000 | 12-01-2025 |
| Bono Serie Q (4) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 97,004,000-5 | Banco de Santander | Chile | CLP | At maturity | 3,36% | 3,60% | MM\$ 70,000 | 03-01-2026 |
| Bond Serie 144A II (5) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | 0-E | The Bank of New York Mellon | EE,UU, | USD | At maturity | 3,74% | 3,54% | US\$ 500 mm | 11-18-2031 |

| Types | Debtor taxpayer No, | Debtor | Debtor country | Creditor | Nominal amounts (capital in thousands) | | | | | | | | | | |
|------------------------|---------------------|-------------------------------|----------------|-----------------------------|--|---------------------------|---------------------|---------------------|---------------------------|---------------------|---------------------|---------------------------|-------------------------|--------------------|--|
| | | | | | To Maturity | | | | | | | | | | Total nominal amounts in local currency ThCh\$ |
| | | | | | Up to 90 days ThCh\$ | 90 days to 1 years ThCh\$ | 1 to 2 Years ThCh\$ | 2 to 3 Years ThCh\$ | Total 1 to 3 Years ThCh\$ | 3 to 4 Years ThCh\$ | 4 to 5 Years ThCh\$ | Total 3 to 5 Years ThCh\$ | 5 years and Over ThCh\$ | | |
| Bono Serie F (1) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco Santander | - | 66,392,760 | - | - | - | - | - | - | - | - | 69,392,760 |
| Bono Serie T (2) | 90,635,000-9 | Telefónica Chile S.A. | Chile | Banco de Chile | 9,600,000 | 9,600,000 | - | - | - | - | - | - | - | - | 19,200,000 |
| Bono Serie O (3) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco de Chile | - | - | - | 70,000,000 | 70,000,000 | - | - | - | - | - | 70,000,000 |
| Bono Serie Q (4) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | Banco de Santander | - | - | - | - | - | 90,000,000 | - | - | 90,000,000 | - | 90,000,000 |
| Bond Serie 144A II (5) | 76,124,890-1 | Telefónica Móviles Chile S.A. | Chile | The Bank of New York Mellon | - | - | - | - | - | - | - | - | - | 409,780,000 | 409,780,000 |
| Total | | | | | 9,600,000 | 78,992,760 | - | 70,000,000 | 70,000,000 | 90,000,000 | - | 90,000,000 | 409,780,000 | 658,372,760 | |

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



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

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

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

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

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



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

c) As of September 30, 2023 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 | | | 09.30.2023 |
|---|--------------------|------------------|----------------------|---------------------|-----------------------------|--|----------------------|--------------------|
| | 12.31.2022 | Charges | Payments | Exchange rate | Accrued interest | Reclassification current / non-current | Others (*) movements | |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | |
| Financial liabilities | 441,647,142 | 7,071,954 | (189,559,609) | (24,673,624) | 70,215,324 | 21,234,829 | 36,353,167 | 362,289,184 |
| Banks loans (1) | 181,285,768 | - | (25,760,708) | 1,776,135 | 14,021,699 | (59,081,782) | 3,185,459 | 115,426,571 |
| Unguaranteed obligations (Bonds) (2) | 126,045,430 | - | (33,251,668) | 3,263,573 | 20,576,341 | - | 2,502,872 | 119,136,548 |
| Hedge instruments (3) | 35,789,094 | 7,071,954 | (21,663,409) | (19,568,126) | 27,396,554 | - | 2,769,851 | 31,795,918 |
| Leases (4) | 98,526,851 | - | (108,883,824) | (10,145,206) | 8,220,730 | 80,316,611 | 27,894,985 | 95,930,147 |
| Related companies commercial mandate (5) | 97,430 | - | - | - | 7,594 | - | - | 105,024 |
| Dividends payable | - | - | (105,633) | - | - | - | 105,633 | - |
| Others | 3,332,981 | - | (22,544,048) | - | 10,424 | - | 19,200,643 | - |
| Total | 445,077,554 | 7,071,954 | (212,209,290) | (24,673,624) | 70,233,342 | 21,234,829 | 55,659,443 | 362,394,208 |

(*) Others

- (1) Corresponds to recognition of amortized cost, 4% tax and stamp tax.
- (2) Includes fair value for loans subject to coverage.
- (3) Corresponds to recognition of the fair value of rate insurance.
- (4) Corresponds to recognition of the obligation for liabilities on lease contracts that qualify under IFRS 16.
- (5) Corresponds to movements of related-party transactions with Telxius Cable.

| Conciliation of financing activities, Non-current | Cash flows | | | | Items other than cash flows | | | 09.30.2023 |
|---|----------------------|--------------------|----------|-------------------|-----------------------------|--|----------------------|----------------------|
| | 12.31.2022 | Charges | Payments | Exchange rate | Accrued interest | Reclassification current / non-current | Others (*) movements | |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | |
| Financial liabilities | 1,004,899,708 | 171,375,262 | - | 19,375,693 | - | (21,234,829) | 117,852,060 | 1.292.267,894 |
| Banks loans (1) | 177,462,868 | 65,000,000 | - | 3,335,912 | - | 59,081,782 | 990,230 | 305,870,792 |
| Unguaranteed obligations (Bonds) (2) | 496,573,445 | 106,375,262 | - | 20,205,218 | - | - | 9,238,001 | 632,391,926 |
| Hedge instruments (3) | 85,742,450 | - | - | (4,165,437) | - | - | 12,631,811 | 94,208,824 |
| Leases (4) | 245,120,945 | - | - | - | - | (80,316,611) | 94,992,018 | 259,796,352 |
| Total | 1,004,899,708 | 171,375,262 | - | 19,375,693 | - | (21,234,829) | 117,852,060 | 1.292.267,894 |

(*) 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\$9,852,500 and amortized cost in the amount of ThCh\$(614,499).
- (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.



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

c) As of September 30, 2022, 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 | | | 09.30.2022 |
|---|--------------------|------------------|----------------------|-------------------|-----------------------------|--|----------------------|--------------------|
| | 12.31.2021 | Charges | Payments | Exchange rate | Accrued interest | Reclassification current / non-current | Others (*) movements | |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | |
| Financial liabilities | 484,852,557 | 2,026,394 | (115,812,305) | 52,774,193 | 78,337,798 | 250,907,149 | 14,837,300 | 767,923,086 |
| Banks loans (1) | 1,088,844 | - | (8,802,096) | 15,535,407 | 6,747,469 | 119,080,998 | 1,211,901 | 134,862,523 |
| Unguaranteed obligations (Bonds) (2) | 436,772,648 | - | (22,824,394) | 57,752,268 | 32,562,035 | 19,200,000 | (623,850) | 522,838,707 |
| Hedge instruments (3) | 5,149,880 | 2,026,394 | (11,977,994) | (115,937) | 32,597,401 | - | 8,429,460 | 36,109,204 |
| Leases (4) | 41,841,185 | - | (72,207,821) | (20,397,545) | 6,430,893 | 112,626,151 | 5,819,789 | 74,112,652 |
| Related companies commercial mandate (5) | 88,215 | 956,660 | (550,000) | - | - | - | (470,990) | 23,885 |
| Others | - | - | (3,058,236) | - | - | - | 3,058,236 | - |
| Total | 484,940,772 | 2,983,054 | (119,420,541) | 52,774,193 | 78,337,798 | 250,907,149 | 17,424,546 | 767,946,971 |

(*) Others

- (1) Corresponds to recognition of amortized cost, 4% tax and stamp tax.
- (2) Includes fair value adjustment for those loans subject to fair value coverage for ThCh\$(938,148) and amortized cost for ThCh\$(44,558).
- (3) Corresponds to recognition of the fair value of interest rate insurance.
- (4) Corresponds to recognition of the obligation for liabilities on lease contracts that qualify under IFRS 16.
- (5) Corresponds to the movement of transactions with entities related to Telxius Cable.

| Conciliation of financing activities, Non-current | Cash flows | | | | Items other than cash flows | | | 09.30.2022 |
|---|----------------------|---------|----------|-------------------|-----------------------------|--|----------------------|----------------------|
| | 12.31.2021 | Charges | Payments | Exchange rate | Accrued interest | Reclassification current / non-current | Others (*) movements | |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | |
| Financial liabilities | 1,238,241,748 | - | - | 75,355,703 | - | (250,907,149) | 131,986,357 | 1,194,676,659 |
| Banks loans (1) | 352,932,060 | - | - | 8,608,029 | - | (119,080,998) | 668,555 | 243,127,646 |
| Unguaranteed obligations (Bonds) (2) | 691,104,877 | - | - | 67,725,501 | - | (19,200,000) | (86,144,269) | 653,486,109 |
| Hedge instruments (3) | 1,044,730 | - | - | (977,827) | - | - | 85,669,579 | 85,736,482 |
| Leases (4) | 193,160,081 | - | - | - | - | (112,626,151) | 131,792,492 | 212,326,422 |
| Total | 1,238,241,748 | - | - | 75,355,703 | - | (250,907,149) | 131,986,357 | 1,194,676,659 |

(*) 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\$(85,403,604) and amortized cost in the amount of ThCh\$(740,665).
- (3) Corresponds to recognition of the fair value of rate insurance.
- (4) Corresponds to recognition of the obligation for liabilities on lease contracts that qualify under IFRS 16.

20. 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 | 09.30.2023 | | 12.31.2022 | |
|-----------------------|-------------------|--------------------|-------------------|--------------------|
| | Current M\$ | Non-current M\$ | Current M\$ | Non-current M\$ |
| Lease obligations (1) | 95,930,147 | 259,796,352 | 98,526,851 | 245,120,945 |
| Total | 95,930,147 | 259,796,352 | 98,526,851 | 245,120,945 |

(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 September 30, 2023 and December 31, 2022 is as follows:

| Due date | | Total current 09.30.2023 ThCh\$ | 1 to 3 years ThCh\$ | Due dates 3 to 5 years ThCh\$ | Over 5 years ThCh\$ | Total non-current as of 09.30.2023 ThCh\$ |
|-------------------------|-----------------------------|---------------------------------------|------------------------|-------------------------------------|------------------------|---|
| Up to 90 days ThCh\$ | 91 days to 1 year ThCh\$ | | | | | |
| 16,854,744 | 79,075,404 | 95,930,147 | 160,741,876 | 59,047,916 | 40,006,559 | 259,796,352 |

| Due date | | Total current 12.31.2022 ThCh\$ | 1 to 3 years ThCh\$ | Due dates 3 to 5 years ThCh\$ | Over 5 years ThCh\$ | Total non-current as of 12.31.2022 ThCh\$ |
|-------------------------|-----------------------------|---------------------------------------|------------------------|-------------------------------------|------------------------|---|
| Up to 90 days ThCh\$ | 91 days to 1 year ThCh\$ | | | | | |
| 38,140,122 | 60,386,729 | 98,526,851 | 163,137,476 | 49,998,913 | 31,984,556 | 245,120,945 |

21. Trade and other payables

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

| Description | 09.30.2023 | | 12.31.2022 | |
|--|--------------------|----------------------|--------------------|----------------------|
| | Current ThCh\$ | No-current ThCh\$ | Current ThCh\$ | No-current ThCh\$ |
| Debts due to purchases or services provided, invoiced (1) | 133,719,682 | - | 206,887,760 | - |
| Debts due to purchases or services provided, provisioned (1) (2) | 140,768,203 | 28,814 | 130,118,128 | 28,814 |
| Real property providers, invoiced | 41,502,845 | - | 122,836,392 | - |
| Real property providers, provisioned | 2,945,624 | - | 16,652,347 | - |
| Payables to employees | 24,627,999 | 1,231,992 | 33,480,096 | - |
| Dividends pending of payment | 506,337 | - | 605,977 | - |
| Total | 344,070,690 | 1,260,806 | 510,580,700 | 28,814 |

(1) "Debts from purchases or services rendered" corresponding to foreign and domestic suppliers, for the periods ended as of September 30, 2023 and December 31, 2022 are detailed as follows:

| Debts due to purchases or services provided | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|---|----------------------|----------------------|
| Domestic | 239,333,888 | 308,556,994 |
| Foreign | 35,153,997 | 28,448,894 |
| Total | 274,487,885 | 337,005,888 |

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

21. 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 September 30, 2023, The main suppliers, considering a minimum margin of 4% of total accounts payable correspond to: TFCF International Channels Chile with 7.8%, Lari Obras y Servicios Spa with 5.0%, Comercial Multiwireless Spa with 4.2%, and Zener Austral Ltda with 4.1%. As of December 31, 2022, the main suppliers, considering a minimum margin of 4% of total accounts payable correspond to: Huawei Chile S.A. with 10.2%, Samsung Electronics Chile Ltda. with 8.6%, Zener Austral Ltda. with 7.1%, Nokia Solutions and Networks Chile with 6.6%, Lari Obras y Servicios Spa with 6.2%, Atento Chile S.A with 5.9% and Cobra Chile Servicios S.A. with 4.1%.

The terms of accounts payable to suppliers with up to date payments as of September 30, 2023 and December 31, 2022 are detailed as follows:

| Suppliers with up to date payments As of 09.30.2023 | Goods (Immobilized) ThCh\$ | Services and Purchases ThCh\$ | Total ThCh\$ |
|---|----------------------------------|-------------------------------------|--------------------|
| Trade accounts to date | | | |
| Up to 30 days | 18,075,848 | 68,047,658 | 86,123,506 |
| From 31 to 60 days | 13,204,612 | 33,858,931 | 47,063,543 |
| From 61 to 90 days | 2,250,968 | 5,859,021 | 8,109,989 |
| From 91 to 120 days | 3,026,584 | 1,422,993 | 4,449,577 |
| From 121 to 180 days | - | 8,135 | 8,135 |
| More than 180 days | 96,856 | - | 96,856 |
| Total | 36,654,868 | 109,196,738 | 145,851,606 |
| Average period of payment of up to date accounts | 69 | 53 | |

| Suppliers with up to date payments As of 12.31.2022 | Goods (Immobilized) ThCh\$ | Services and Purchases ThCh\$ | Total ThCh\$ |
|---|----------------------------------|-------------------------------------|--------------------|
| Trade accounts to date | | | |
| Up to 30 days | 39,589,464 | 60,521,090 | 100,110,554 |
| From 31 to 60 days | 45,000,080 | 42,035,025 | 87,035,105 |
| From 61 to 90 days | 1,544,312 | 5,808,762 | 7,353,074 |
| From 91 to 120 days | 4,336,517 | 335,925 | 4,672,442 |
| Total | 90,470,373 | 108,700,802 | 199,171,175 |
| Average period of payment of up to date accounts | 66 | 56 | |

21. Trade and other payables, continued

b) Payment terms of accounts payable, continued

The terms of accounts payable to suppliers with overdue payments as of September 30, 2023 and December 31, 2022 are detailed as follows:

| Overdue suppliers by term As of 09.30.2023 | Goods (Immobilized) ThCh\$ | Services and Purchases ThCh\$ | Total ThCh\$ |
|---|----------------------------------|-------------------------------------|-------------------|
| Overdue trade accounts payable by term | | | |
| Up to 30 days | 3,878,154 | 16,374,776 | 20,252,930 |
| From 31 to 60 days | 814,001 | 1,909,565 | 2,723,566 |
| From 61 to 90 days | 16,206 | 698,523 | 714,729 |
| From 91 to 120 days | 86,492 | 744,806 | 831,298 |
| From 121 to 180 days | 6,616 | 177,153 | 183,769 |
| More than 180 days | 46,508 | 4,618,121 | 4,664,629 |
| Total | 4,847,977 | 24,522,944 | 29,370,921 |
| Average payment period of overdue accounts | 58 | 47 | |

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

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



22. 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 September 30, 2023 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\$ | |
| Other participations (net) | | - | - | - | - | - | 7,223,499 | - | 7,223,499 | 7,223,381 | 118 | - | 7,223,499 | 7,223,499 | |
| Other participations | 6-c | - | - | - | - | - | 7,223,499 | - | 7,223,499 | 7,223,381 | 118 | - | 7,223,499 | 7,223,499 | |
| Derivative instrument assets | | - | - | - | - | - | - | 50,621,313 | 50,621,313 | - | 50,621,313 | - | 50,621,313 | 50,621,313 | |
| Derivative instrument assets | 22-2 | - | - | - | - | - | - | 50,621,313 | 50,621,313 | - | 50,621,313 | - | 50,621,313 | 50,621,313 | |
| Non-current trade and other accounts receivable | | 107,722,662 | 107,722,662 | - | - | - | - | - | - | - | - | - | 107,722,662 | 107,722,662 | |
| Non-current trade and other accounts receivable | 12 | 36,249,098 | 36,249,098 | - | - | - | - | - | - | - | - | - | 36,249,098 | 36,249,098 | |
| Account receivable from relate entities | 9-b | 71,473,564 | 71,473,564 | - | - | - | - | - | - | - | - | - | 71,473,564 | 71,473,564 | |
| Non-current financial assets | | 107,722,662 | 107,722,662 | - | - | - | 7,223,499 | 50,621,313 | 57,844,812 | 7,223,381 | 50,621,431 | - | 165,567,474 | 165,567,474 | |
| Current trade accounts receivable | | 377,080,823 | 377,080,823 | - | - | - | - | - | - | - | - | - | 377,080,823 | 377,080,823 | |
| Current trade and other accounts receivable | 8-a | 341,763,880 | 341,763,880 | - | - | - | - | - | - | - | - | - | 341,763,880 | 341,763,880 | |
| Account receivable from relate entities | 9-a | 35,316,943 | 35,316,943 | - | - | - | - | - | - | - | - | - | 35,316,943 | 35,316,943 | |
| Other non-trade accounts receivable | | 22,968,381 | 22,968,381 | - | - | - | - | - | - | - | - | - | 22,968,381 | 22,968,381 | |
| Current deposits and pledges | | 73,124 | 73,124 | - | - | - | - | - | - | - | - | - | 73,124 | 73,124 | |
| Current pledges and deposits | 6-c | 73,124 | 73,124 | - | - | - | - | - | - | - | - | - | 73,124 | 73,124 | |
| Derivative instrument of assets | | - | - | - | - | - | - | 68,049,852 | 68,049,852 | - | 68,049,852 | - | 68,049,852 | 68,049,852 | |
| Derivative instrument of assets | 22-2 | - | - | - | - | - | - | 68,049,852 | 68,049,852 | - | 68,049,852 | - | 68,049,852 | 68,049,852 | |
| Cash and cash equivalents | | 182,206,830 | 182,206,830 | - | - | - | - | - | - | - | - | - | 182,206,830 | 182,206,830 | |
| Cash and cash equivalents | 5 | 182,206,830 | 182,206,830 | - | - | - | - | - | - | - | - | - | 182,206,830 | 182,206,830 | |
| Current financial assets | | 582,329,158 | 582,329,158 | - | - | - | - | 68,049,852 | 68,049,852 | - | 68,049,852 | - | 650,379,010 | 650,379,010 | |
| Total financial assets | | 690,051,820 | 690,051,820 | - | - | - | 7,223,499 | 118,671,165 | 125,894,664 | 7,223,381 | 118,671,283 | - | 815,946,484 | 815,946,484 | |

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



22. 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, 2022 is as follows:

| Description of financial assets | Note | Assets recorded at amortized cost | | Financial assets booked at fair value = book value | | | | | | | | Total financial assets | | | |
|--|--------|------------------------------------|--|--|---|---|---------------------------------------|-------------------------|------------|---|--|--|-------------|--------------------------------------|--------------------------------------|
| | | Financial assets at amortized cost | Fair Value of financial assets at amortized cost | Through profit and loss | | Through other comprehensive income (equity) | | | Hedges | Subtotal financial assets at fair value | Fair value measurement hierarchy | | | Total Book Value of Financial Assets | Total Fair Value of Financial Assets |
| | | | | Financial Assets - held for trading | Financial assets - fair value to P&L option | Financial assets - Debt instruments | Financial assets - Equity instruments | Level 1 (market prices) | | | Level 2 (observable inputs other than market prices) | Level 3 (inputs not based on observable market data) | | | |
| ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ | | |
| Other participations (net) | | - | - | - | - | - | 5,827,574 | - | 5,827,574 | 5,827,456 | 118 | - | 5,827,574 | 5,827,574 | |
| Other participations | 6-c | - | - | - | - | - | 5,827,574 | - | 5,827,574 | 5,827,456 | 118 | - | 5,827,574 | 5,827,574 | |
| Derivative instrument assets | | - | - | - | - | - | - | 5,773,067 | 5,773,067 | - | 5,773,067 | - | 5,773,067 | 5,773,067 | |
| Derivative instrument assets | 22-2 | - | - | - | - | - | - | 5,773,067 | 5,773,067 | - | 5,773,067 | - | 5,773,067 | 5,773,067 | |
| Non-current trade and other accounts receivable | | 108,296,474 | 108,296,474 | - | - | - | - | - | - | - | - | - | 108,296,474 | 108,296,474 | |
| Non-current trade and other accounts receivable | 12 | 39,787,680 | 39,787,680 | - | - | - | - | - | - | - | - | - | 39,787,680 | 39,787,680 | |
| Account receivable from relate entities | 9-b | 68,508,794 | 68,508,794 | - | - | - | - | - | - | - | - | - | 68,508,794 | 68,508,794 | |
| Non-current financial assets | | 108,296,474 | 108,296,474 | - | - | - | 5,827,574 | 5,773,067 | 11,600,641 | 5,827,456 | 5,773,185 | - | 119,897,115 | 119,897,115 | |
| Current trade accounts receivable | | 265,435,944 | 265,435,944 | - | - | - | - | - | - | - | - | - | 265,435,944 | 265,435,944 | |
| Current trade and other accounts receivable | 8-a | 238,484,136 | 238,484,136 | - | - | - | - | - | - | - | - | - | 238,484,136 | 238,484,136 | |
| Account receivable from relate entities | 9-a | 26,951,808 | 26,951,808 | - | - | - | - | - | - | - | - | - | 26,951,808 | 26,951,808 | |
| Other non-trade accounts receivable | | 27,381,521 | 27,381,521 | - | - | - | - | - | - | - | - | - | 27,381,521 | 27,381,521 | |
| Current deposits and pledges | | 73,124 | 73,124 | - | - | - | - | - | - | - | - | - | 73,124 | 73,124 | |
| Current pledges and deposits | 6-c | 73,124 | 73,124 | - | - | - | - | - | - | - | - | - | 73,124 | 73,124 | |
| Derivative instrument of assets | | - | - | - | - | - | - | 61,814,270 | 61,814,270 | - | 61,814,270 | - | 61,814,270 | 61,814,270 | |
| Derivative instrument of assets | 22-2 | - | - | - | - | - | - | 61,814,270 | 61,814,270 | - | 61,814,270 | - | 61,814,270 | 61,814,270 | |
| Cash and cash equivalents | | 466,972,364 | 466,972,364 | - | - | - | - | - | - | - | - | - | 466,972,364 | 466,972,364 | |
| Cash and cash equivalents | 5 | 466,972,364 | 466,972,364 | - | - | - | - | - | - | - | - | - | 466,972,364 | 466,972,364 | |
| Current financial assets | | 759,862,953 | 759,862,953 | - | - | - | - | 61,814,270 | 61,814,270 | - | 61,814,270 | - | 821,677,223 | 821,677,223 | |
| Total financial assets | | 868,159,427 | 868,159,427 | - | - | - | 5,827,574 | 67,587,337 | 73,414,911 | 5,827,456 | 67,587,455 | - | 941,574,338 | 941,574,338 | |

22. 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.



22. 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 September 30, 2023 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 | 19-b | 632,391,926 | 522,686,612 | - | - | - | - | - | - | - | 632,391,926 | 522,686,612 |
| Non-current debts with loan entities | 19-a | 305,870,792 | 306,006,692 | - | - | - | - | - | - | - | 305,870,792 | 306,006,692 |
| Long-term hedge derivative instrument of liabilities | 22-2 | - | - | - | - | 94,208,824 | 94,208,824 | - | 94,208,824 | - | 94,208,824 | 94,208,824 |
| Trade and other accounts payable | 21-a | 1,260,806 | 1,260,806 | - | - | - | - | - | - | - | 1,260,806 | 1,260,806 |
| Accounts payable to related entities | 9-d | 5,756,176 | 5,756,176 | - | - | - | - | - | - | - | 5,756,176 | 5,756,176 |
| Other non-current financial debts | 20 | 259,796,352 | 259,796,352 | - | - | - | - | - | - | - | 259,796,352 | 259,796,352 |
| Non-current financial liabilities | | 1,205,076,052 | 1,095,506,638 | - | - | 94,208,824 | 94,208,824 | - | 94,208,824 | - | 1,299,284,876 | 1,189,715,462 |
| Issuance of short-term obligations and other marketable securities | 19-b | 119,136,548 | 117,570,438 | - | - | - | - | - | - | - | 119,136,548 | 117,570,438 |
| Short-term debts with credit entities | 19-a | 115,426,571 | 115,290,671 | - | - | - | - | - | - | - | 115,426,571 | 115,290,671 |
| Short-term derivative instrument of liabilities | 22-2 | - | - | - | - | 31,795,918 | 31,795,918 | - | 31,795,918 | - | 31,795,918 | 31,795,918 |
| Trade and other accounts payable | 21-a | 344,070,690 | 344,070,690 | - | - | - | - | - | - | - | 344,070,690 | 344,070,690 |
| Accounts payable to related entities | 9-c | 102,481,517 | 102,481,517 | - | - | - | - | - | - | - | 102,481,517 | 102,481,517 |
| Other non-current financial debts | 20 | 95,930,147 | 95,930,147 | - | - | - | - | - | - | - | 95,930,147 | 95,930,147 |
| Current financial liabilities | | 777,045,473 | 775,343,463 | - | - | 31,795,918 | 31,795,918 | - | 31,795,918 | - | 808,841,391 | 807,139,381 |
| Total financial liabilities | | 1,982,121,525 | 1,870,850,101 | - | - | 126,004,742 | 126,004,742 | - | 126,004,742 | - | 2,108,126,267 | 1,996,854,843 |

Notes to the interim consolidated financial statements, continued
As of September 30, 2023 (not audited) and December 31, 2022



22. 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, 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 | 19-b | 496,573,445 | 421,496,496 | - | - | - | - | - | - | - | 496,573,445 | 421,496,496 |
| Non-current debts with loan entities | 19-a | 177,462,868 | 177,462,868 | - | - | - | - | - | - | - | 177,462,868 | 177,462,868 |
| Long-term hedge derivative instrument of liabilities | 22-2 | - | - | - | - | 85,742,450 | 85,742,450 | - | 85,742,450 | - | 85,742,450 | 85,742,450 |
| Trade and other accounts payable | 21-a | 28,814 | 28,814 | - | - | - | - | - | - | - | 28,814 | 28,814 |
| Accounts payable to related entities | 9-d | 5,548,164 | 5,548,164 | - | - | - | - | - | - | - | 5,548,164 | 5,548,164 |
| Other non-current financial debts | 21 | 245,120,945 | 245,120,945 | - | - | - | - | - | - | - | 245,120,945 | 245,120,945 |
| Non-current financial liabilities | | 924,734,236 | 849,657,287 | - | - | 85,742,450 | 85,742,450 | - | 85,742,450 | - | 1,010,476,686 | 935,399,737 |
| Issuance of short-term obligations and other marketable securities | 19-b | 126,045,430 | 121,684,665 | - | - | - | - | - | - | - | 126,045,430 | 121,684,665 |
| Short-term debts with credit entities | 19-a | 181,285,768 | 181,285,768 | - | - | - | - | - | - | - | 181,285,768 | 181,285,768 |
| Short-term derivative instrument of liabilities | 22-2 | - | - | - | - | 35,789,094 | 35,789,094 | - | 35,789,094 | - | 35,789,094 | 35,789,094 |
| Trade and other accounts payable | 21-a | 507,070,998 | 507,070,998 | - | - | - | - | - | - | - | 507,070,998 | 507,070,998 |
| Accounts payable to related entities | 9-c | 121,121,862 | 121,121,862 | - | - | - | - | - | - | - | 121,121,862 | 121,121,862 |
| Other non-current financial debts (1) | 20 | 101,859,832 | 101,859,832 | - | - | - | - | - | - | - | 101,859,832 | 101,859,832 |
| Current financial liabilities | | 1,037,383,890 | 1,033,123,125 | - | - | 35,789,094 | 35,789,094 | - | 35,789,094 | - | 1,073,172,984 | 1,068,812,219 |
| Total financial liabilities | | 1,962,118,126 | 1,882,680,412 | - | - | 121,531,544 | 121,531,544 | - | 121,531,544 | - | 2,083,649,670 | 2,004,211,956 |

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

22. 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 19).

Notes to the interim consolidated financial statements, continued

As of September 30, 2023 (not audited) and December 31, 2022



22. Financial instruments, continued

2. Hedging instruments

As of September 30, 2023, 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 | 2,659,743 | - | (9,932,273) | - | - | - | - | - |
| Exchange rate hedge – fair value (2) | Debt to suppliers and customers | 58,518,480 | - | (2,357,445) | - | - | - | - | (967,413) |
| Interest rate hedge – cash flow (3) | Financial Debt | 6,871,629 | - | (641,857) | - | - | - | - | (93,241,411) |
| Exchange rate and interest rate hedge – fair value (4) | Financial Debt | - | - | (18,864,343) | - | - | 50,621,310 | - | - |
| Total | | 68,049,852 | - | (31,795,918) | - | - | 50,621,310 | - | (94,208,824) |

As of September 30, 2023, the hedging instruments have generated a net effect on the profit period result of ThCh\$1,045,912 and the accumulated effect on equity net of taxes is ThCh\$2,951,468 (see note 26d).

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

| Type of hedge | Underlying | To Maturity | | | | | | | |
|--|---------------------------------|-------------------------|-----------------------------|-------------------------|-----------------------------|------------------------|------------------------|------------------------|------------------------|
| | | Current Assets | | Current Liabilities | | Non-current Assets | | Non-current Assets | |
| | | Up to 90 days ThCh\$ | 90 days to 1 year ThCh\$ | Up to 90 days ThCh\$ | 90 days to 1 year ThCh\$ | 1 to 3 years ThCh\$ | 3 to 5 years ThCh\$ | 1 to 3 years ThCh\$ | 3 to 5 years ThCh\$ |
| Exchange rate hedge – cash flow (1) | Suppliers Debt | 238,024 | 28,548 | (16,746,856) | (6,832,632) | 5,773,064 | - | (1,112,142) | (247) |
| Exchange rate hedge – fair value (2) | Debt to suppliers and customers | - | 18,092,578 | (5,695,011) | - | - | - | - | (4,509,830) |
| Interest rate hedge – cash flow (3) | Financial Debt | 11,145,211 | - | (1,749,380) | (267,845) | - | - | - | (80,120,231) |
| Exchange rate and interest rate hedge – fair value (4) | Financial Debt | - | 32,309,909 | (4,497,370) | - | - | - | - | - |
| Total | | 11,383,235 | 50,431,035 | (28,688,617) | (7,100,477) | 5,773,064 | - | (1,112,142) | (84,630,308) |

As of December 31, 2022, the hedging instruments have generated a net effect on the profit period result of ThCh\$20,147,370 and the accumulated effect on equity net of taxes is ThCh\$3,630,329 (see note 26d)

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.

22. 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 22,1):

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.

23. Other currents provisions

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

| Concepts | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|---------------------------|----------------------|----------------------|
| Local police courts | 1,267,266 | 1,169,520 |
| Administrative litigation | 357,170 | 532,330 |
| Labor | 717,864 | 470,200 |
| Others | 139,063 | 630,746 |
| Total | 2,481,364 | 2,802,796 |

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 33a, 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 September 30, 2023 and December 31, 2022, the movements in provisions are as follows:

| Movements | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|---------------------------------|----------------------|----------------------|
| Beginning balance | 2,802,796 | 8,013,274 |
| Increase in existing provisions | 1,163,125 | 3,353,700 |
| Provision application | (1,484,555) | (8,564,178) |
| Movements subtotal | (321,430) | (5,210,478) |
| Ending balance | 2,481,364 | 2,802,796 |

b) Other non-currents provisions:

As of September 30, 2023 and December 31, 2022 the balance of other non-current provisions are detailed as follows:

| Concepts | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|---------------------------|----------------------|----------------------|
| Dismantling provision (1) | 16,506,391 | 18,078,266 |
| Total | 16,506,391 | 18,078,266 |

(1) Movements of the dismantling provision as of September 30, 2023 and December 31, 2022 are detailed as follows:

| Movements | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|--------------------------|----------------------|----------------------|
| Beginning balance | 18,078,266 | 17,662,669 |
| Financial update | 544,528 | 156,929 |
| Upward | 155,765 | 258,668 |
| Application | (2,272,168) | - |
| Movement subtotal | (1,571,875) | 415,597 |
| Ending balance | 16,506,391 | 18,078,266 |

24. 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 September 30, 2023 and December 31, 2022 current and non-current employee benefits accrual are as follows:

| Concepts | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|---|----------------------|----------------------|
| Current amount of liability recognized for termination benefits | 6,770,094 | 5,216,457 |
| Non-current amount of liability recognized for termination benefits | 31,946,382 | 31,235,592 |
| Total | 38,716,476 | 36,452,049 |

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

As of September 30, 2023 and December 31, 2022 the movements for current employee benefits provisions are detailed as follows:

| Movements | 09.30.2023 ThCh\$ | 12.31.2022 ThCh\$ |
|--|----------------------|----------------------|
| Beginning balance | 36,452,049 | 32,283,636 |
| Service costs | 194,865 | 247,476 |
| Interest costs (see note 31 a) | 1,411,515 | 1,912,430 |
| Actuarial profits, net due to experience | 898,810 | 3,736,290 |
| Benefits paid | (240,763) | (1,812,178) |
| Others | - | 84,395 |
| Movement subtotal | 2,264,427 | 4,168,413 |
| Ending balance | 38,716,476 | 36,452,049 |

24. 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 September 30, 2023 and December 31, 2022:

- **Discount rate:** An annual nominal rate of 5.690% and 5.163% is used as of September 30, 2023 and December 31, 2022, 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 September 30, 2023 and December 31, 2022 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 ended September 30, 2023 and December 31, 2022 are as follows:

| Benefit group | Turnover rate for resignation | Turnover rate for dismissal |
|--------------------------|-------------------------------|-----------------------------|
| Frozen Compensation | 0.05% | 1.39% |
| Post-frozen Compensation | 3.82% | 7.39% |
| 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 September 30, 2023, the sensitivity of the main assumptions has been reviewed, determining the following possible effects on Equity:

| Description | Base | Plus 1% ThCh\$ | Less 1% ThCh\$ |
|---------------|--------|----------------|----------------|
| Discount rate | 5.690% | (1,632,766) | 1,787,421 |

24. 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 | 10,600,647 |

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 | 07.01.2023 to 09.30.2023 | 09.30.2023 | 07.01.2022 to 09.30.2022 | 09.30.2022 |
|---|-----------------------------|--------------------|-----------------------------|--------------------|
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| Wages and salaries | 39,557,266 | 113,819,441 | 31,484,883 | 99,822,783 |
| Post employment benefit obligations expense | 61,760 | 194,865 | 53,669 | 185,086 |
| Total | 39,619,026 | 114,014,306 | 31,538,552 | 100,007,869 |

25. Other current and non-current non-financial liabilities

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

| Concepts | 09.30.2023 | | 12.31.2022 | |
|--|-------------------|-----------------------|-------------------|-----------------------|
| | Current ThCh\$ | Non-current ThCh\$ | Current ThCh\$ | Non-current ThCh\$ |
| Contractual liabilities | 11,856,622 | 68,856,351 | 15,170,520 | 74,683,401 |
| Optical fiber business sale exclusivity (1) | 7,177,275 | 66,767,136 | 6,760,646 | 72,203,382 |
| Handsets sold and not activated | 1,243,440 | - | 1,278,944 | - |
| Services charged and not rendered | 2,912,273 | - | 6,609,169 | - |
| IRUS rights of use | 523,634 | 2,089,215 | 521,761 | 2,480,019 |
| Deferred income | 5,034,630 | 1,332,994 | 3,586,819 | 1,174,287 |
| Corporate projects to be undertaken (2) | 2,994,985 | 1,131,516 | 2,331,168 | 682,956 |
| Sale of telecommunications infrastructure | 379,977 | 201,478 | 466,209 | 231,099 |
| Other Deferred income (3) | 1,659,668 | - | 789,442 | 260,232 |
| Subsidies | 296,057 | 1,412,140 | 359,756 | 1,620,888 |
| Extreme zones | 80,941 | 68,773 | 118,942 | 126,889 |
| Subsidy for Tierra del Fuego base stations | 70,355 | 510,076 | 70,355 | 562,843 |
| Puerto Natales and Cerro Castillo Fiber Optics Network | 52,623 | 206,107 | 52,623 | 245,575 |
| Connectivity for service networks and telecentre | 64,682 | 32,488 | 90,380 | 70,292 |
| Juan Fernandez Island Satellite links | 27,456 | 594,696 | 27,456 | 615,289 |
| Taxes | 8,223,142 | - | 19,423,959 | - |
| VAT (4) | 5,400,591 | - | 17,716,029 | - |
| Other taxes (5) | 2,822,551 | - | 1,707,930 | - |
| Others non-financial liabilities | 25,410,451 | 71,601,486 | 38,541,054 | 77,478,576 |

- (1) Corresponds to the transaction price that is being remunerated to Telefónica Chile S.A. for the purchase of the fiber optic business
- (2) Corresponds to billing of company projects that are recorded in revenue based on their level of progress.
- (3) Corresponds mainly to collection management commissions, generated by the sale of the portfolio to the BID.
- (4) Corresponds to the net effect between the VAT debit and the VAT credit.
- (5) Includes withholding taxes and other taxes, the most relevant being the additional tax on remittances to foreign suppliers.

25. Other current and non-current non-financial liabilities, continued

Movements of contractual liabilities, deferred income and subsidies as of September 30, 2023 and December 31, 2022 are as follows:

| Movements | 09.30.2023 | | | | | |
|--------------------------|-------------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|
| | Contractual liabilities | | Deferred Income | | Subsidies | |
| | Current ThCh\$ | Non-Current ThCh\$ | Current ThCh\$ | Non-Current ThCh\$ | Current ThCh\$ | Non-Current ThCh\$ |
| Beginning balance | 15,170,520 | 74,683,401 | 3,586,819 | 1,174,287 | 359,756 | 1,620,888 |
| Endowments | 133,900,281 | - | 9,111,773 | 1,088,581 | - | - |
| Reduction/applications | (143,041,229) | - | (8,526,423) | (67,413) | (234,641) | (37,806) |
| Transfers | 5,827,050 | (5,827,050) | 862,461 | (862,461) | 170,942 | (170,942) |
| Movement subtotal | (3,313,898) | (5,827,050) | 1,447,811 | 158,707 | (63,699) | (208,748) |
| Ending balance | 11,856,622 | 68,856,351 | 5,034,630 | 1,332,994 | 296,057 | 1,412,140 |

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

b) The detail of the expirations of the current non-financial liabilities as of September 30, 2023 and December 31, 2022 are as follows:

| Expirations | | Total Current to 09.30.2023 ThCh\$ | Expirations | | | | Total non-current to 09.30.2023 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\$ | | |
| 21,174,621 | 4,235,830 | 25,410,451 | 18,373,399 | 20,518,038 | 32,710,048 | 71,601,485 | |

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

26. 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 September 30, 2023 and December 31, 2022.

a) Equity

As of September 30, 2023 and December 31, 2022 the Company's paid-in capital is composed as follows:

Number of shares

| Series | 09.30.2023 | | | 12.31.2022 | | |
|--------------|--------------------------|------------------------|----------------------------------|--------------------------|------------------------|----------------------------------|
| | 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 |
| Total | 960,392,966,349 | 960,392,966,349 | 960,392,966,349 | 960,392,966,349 | 960,392,966,349 | 960,392,966,349 |

Equity

| Series | 09.30.2023 | | 12.31.2022 | |
|--------------|----------------------|----------------------|----------------------|----------------------|
| | 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 |
| Total | 1,364,872,285 | 1,364,872,285 | 1,364,872,285 | 1,364,872,285 |

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.

26. Equity, continued

Based on the above, as of September 30, 2023, 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 |
| Total | 960,392,966,349 |

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 September 30, 2023, 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 |
| Total | 100.0000 | 2 |
| 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.

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

As of December 31, 2022, there was a dividend distribution charged to the profits for the year 2022 that exceeded 30% of the distributable net profit generated during the year.

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

| Date | Dividend | Distributed amount ThCh\$ | Value per share ThCh\$ | Charge to utilities | Payment date |
|------------|-------------|------------------------------|---------------------------|------------------------|--------------|
| 12.28.2022 | Provisional | 28,887,000 | 0.0301 | Exercise | 12.28.2022 |

26. Equity, continued

d) Other reserves:

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

| Concepts | Balance as of | Net movement | Balance as of |
|---|----------------------|---------------|----------------------|
| | 12.31.2022 | | 09.30.2023 |
| | ThCh\$ | ThCh\$ | 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) | (10,318,342) | (653,919) | (10,972,261) |
| Foreign currency translation difference reserve (v) | (58,310) | - | (58,310) |
| Cash flow hedges reserve (vi) | 3,630,329 | (678,861) | 2,951,468 |
| Reserve for financial assets (vii) | 148,204 | 1,386,697 | 1,534,901 |
| Total | (457,048,524) | 53.917 | (456,994,607) |

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.

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

Corresponds to corporate reorganizations performed in previous periods.

iv) Employee benefits reserve

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

v) Foreign currency translation difference reserve

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

vi) Cash Flow hedges reserves

Transactions Transactions designated as expected transaction cash flow hedges are probable, the Company can carry out the transaction, and the Company has the positive intention and ability to consummate the expected transaction. Expected transactions designated in our cash flow hedges will probably occur on the same date and for the same amount as originally designated, otherwise, the ineffectiveness will be measured and recorded when appropriate. In addition, the effects of the fair value associated to rate insurance are included. This account also includes hedges recognized on the equity share of HoldCo InfraCo SpA.

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 September 30, 2023 and December 31, 2022 recognition of the portion of Equity belonging to third parties is detailed as follows:

| Subsidiaries | Percentage | | Non-controlling interest | |
|-----------------------|--------------------------|-----------|--------------------------|------------------|
| | Non-controlling interest | | Shareholders' Equity | |
| | 2023 | 2022 | 09.30.2023 | 12.31.2022 |
| | % | % | ThCh\$ | ThCh\$ |
| Telefonica Chile S.A. | 0.6611207 | 0.6611207 | 8,988,446 | 9,078,482 |
| Total | | | 8,988,446 | 9,078,482 |

As of September 30, 2023 and 2022 recognition of the portion of Results belonging to third parties is detailed as follows:

| Subsidiaries | Percentage | | Non-controlling interest in result | |
|-----------------------|--------------------------|-----------|------------------------------------|----------------|
| | Non-controlling interest | | Profit (loss) | |
| | 2023 | 2022 | 09.30.2023 | 09.30.2022 |
| | % | % | ThCh\$ | ThCh\$ |
| Telefonica Chile S.A. | 0.6611207 | 0.8594402 | 658,683 | 390,951 |
| Total | | | 658,683 | 390,951 |

27. Earnings per Share

The detail of Earnings per share is as follows:

| Basic earnings per share | 09.30.2023 ThCh\$ | 09.30.2022 ThCh\$ |
|--|----------------------|----------------------|
| Earnings attributable to parent owners | (71,132,595) | 62,847,507 |
| Resultado disponible para accionistas | (71,132,595) | 62,847,507 |
| Weighted average number of shares | 960,392,966,349 | 960,392,966,349 |
| Basic earnings per share in Ch\$ | (0.074) | 0.065 |

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

28. Incomes

a) The detail of incomes from ordinary operations, as of September 30, 2023 and 2022, is as follows:

| Ordinary incomes | 07.01.2023 to 09.30.2023 ThCh\$ | 09.30.2023 ThCh\$ | 07.01.2022 to 09.30.2022 ThCh\$ | 09.30.2022 ThCh\$ |
|--|---------------------------------------|----------------------|---------------------------------------|----------------------|
| Mobile Telecommunications | 218,526,224 | 666,813,464 | 215,019,586 | 649,856,261 |
| Fixed Telecommunications | 104,907,963 | 335,129,701 | 111,787,399 | 331,220,667 |
| Data services and technology solutions companies | 47,853,007 | 143,950,401 | 48,070,264 | 127,872,602 |
| Television services and equipment | 36,721,087 | 110,393,852 | 37,458,334 | 111,337,721 |
| Personnel services (1) | 3,627,330 | 4,733,214 | 5,417,127 | 7,566,165 |
| Total | 411,635,611 | 1,261,020,632 | 417,752,710 | 1,227,853,416 |

(1) Corresponds to services provided to Telefónica Hispanoamérica S.L. and operators Hispam.

b) The detail of Other operating incomes, as of September 30, 2023 and 2022, is as follows:

| Other incomes | 07.01.2023 to 09.30.2023 ThCh\$ | 09.30.2023 ThCh\$ | 07.01.2022 to 09.30.2022 ThCh\$ | 09.30.2022 ThCh\$ |
|--|---------------------------------------|----------------------|---------------------------------------|----------------------|
| Exclusivity for sale of the fiber optic business (1) | 3,208,370 | 9,625,111 | 5,140,561 | 9,625,111 |
| Surcharges due to default | 1,381,421 | 4,467,132 | 1,488,183 | 4,061,214 |
| Subsidies | 77,090 | 246,746 | 101,686 | 281,564 |
| Profits from sale of fixed assets (2) | - | - | (44,587) | 36,080,456 |
| Incomes from indemnities, complaints and others | 764,374 | 1,496,010 | 496,119 | 1,092,883 |
| Other current management income | 1,202,199 | 5,029,785 | 649,215 | 3,149,253 |
| Total | 6,633,454 | 20,864,784 | 7,831,177 | 54,290,481 |

(1) Corresponds to the deferral due to exclusivity in the sale of the fiber optic business (see note 25a (1)).

(2) As of September 2022, it corresponds to the sale of the Data Center business and the sale of rooftops.

29. Expenses

a) Impairment loss, net:

| Provision for impairment | 07.01.2023 to | 09.30.2023 | 07.01.2022 to | 09.30.2022 |
|---|-------------------|-------------------|-------------------|-------------------|
| | 09.30.2023 | | 09.30.2022 | |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| Trade accounts receivable (see note 8b) | 19,838,907 | 57,278,200 | 14,225,909 | 41,619,789 |
| Inventories | 101,189 | 360,112 | 183,818 | 427,970 |
| Total | 19,940,096 | 57,638,312 | 14,409,727 | 42,047,759 |

b) The detail of Other expenses, by nature, as of September 30, 2023 and 2022, is as follows:

| Other expenses | 07.01.2023 to | 09.30.2023 | 07.01.2022 to | 09.30.2022 |
|--|--------------------|--------------------|--------------------|--------------------|
| | 09.30.2023 | | 09.30.2022 | |
| | ThCh\$ | ThCh\$ | ThCh\$ | ThCh\$ |
| Sale cost of inventory and commissions (1) | 115,023,162 | 355,548,304 | 111,838,364 | 326,061,972 |
| Media rental and other exterior services (2) | 114,951,159 | 340,676,986 | 109,724,160 | 326,232,980 |
| Fiber optic network connectivity (3) | 33,139,573 | 97,070,428 | 29,138,677 | 80,452,616 |
| Customer service | 10,246,853 | 33,542,739 | 11,163,281 | 33,932,893 |
| Interconnections and roaming | 10,206,813 | 26,881,800 | 9,375,927 | 26,992,155 |
| Advertising | 4,819,585 | 17,328,087 | 5,264,773 | 16,317,788 |
| Expenses for compensation, lawsuits and others (4) | 4,635,829 | 11,639,585 | 6,357,413 | 21,479,414 |
| Total | 293,022,974 | 882,687,929 | 282,862,595 | 831,469,818 |

- (1) Corresponds mainly to amortization of compliance costs for fixed broadband and television equipment, cost of sales associated to privateservices equipment, amortization of the costs of obtaining customers and cost of sales of mobile handsets.
- (2) Mainly includes media rental, external services, plant maintenance, information services, energy supply, TV content and real estate expenses.
- (3) Corresponds mainly to the optic fiber connectivity service provided by InfraCo SpA.
- (4) This account includes indemnities and fines

30. Financial incomes and expenses

a) The detail of net financial incomes and expenses, as of September 30, 2023 and 2022, is as follows:

| Financial expenses, net | 07.01.2023 al | 09.30.2023 | 07.01.2022 al | 09.30.2022 |
|--|---------------------|---------------------|---------------------|---------------------|
| | 09.30.2023 | ThCh\$ | 09.30.2022 | ThCh\$ |
| Financial incomes | | | | |
| Interest earned on deposits and others | 2,347,606 | 10,733,574 | 12,471,439 | 31,209,502 |
| Interest earned on subordinate promissory | 656,840 | 2,964,770 | 3,712,251 | 10,169,355 |
| Interest earned on projects | 355,887 | 1,055,381 | 309,629 | 690,694 |
| Interest earned on earn out | - | 61,952 | 53,958 | 187,582 |
| Incomes on compliance with indicators (See note 6a) | - | - | - | 15,444,008 |
| Others financial incomes (1) | 73,958 | 572,799 | 35,513 | 547,048 |
| Total financial incomes | 3,434,291 | 15,388,476 | 16,582,790 | 58,248,189 |
| Financial expenses | | | | |
| Interest on obligations (bonds) and interest on loans from bank institutions (2) | 27,434,318 | 67,749,598 | 26,878,805 | 74,631,073 |
| Financial expenses Portfolio sale / Factoring | 7,156,407 | 17,881,985 | 478,907 | 2,371,802 |
| Leasing costs | 3,143,048 | 8,212,633 | 2,359,115 | 5,952,472 |
| Financial expenses exclusivity | 1,501,703 | 4,605,494 | 4,990,192 | 4,990,192 |
| Interest on update of employee termination benefits | 470,504 | 1,411,514 | 478,094 | 1,434,335 |
| Cost of remittances abroad | 292,857 | 1,060,907 | 720,691 | 1,124,912 |
| Interest on projects | 531 | 400,709 | 207,775 | 799,042 |
| Other financial expenses | 129,996 | 354,928 | 105,372 | 901,905 |
| Total costos financieros | 40,129,364 | 101,677,768 | 36,218,951 | 92,205,733 |
| Total ingresos y costos financieros neto | (36,695,073) | (86,289,292) | (19,636,161) | (33,957,544) |

(1) Includes forward points.

(2) This item is presented net of interest rate hedge and forward points.

b) The detail of the differences and units of currency exchange readjustments as of September 30, 2023 and 2022 is as follows:

| Differences exchange | 07.01.2023 al | 09.30.2023 | 07.01.2022 al | 09.30.2022 |
|---|------------------|--------------------|----------------|--------------------|
| | 09.30.2023 | ThCh\$ | 09.30.2022 | ThCh\$ |
| Cash and cash equivalents | 517,358 | 185,196 | 302,663 | 1,102,048 |
| Current accounts receivable from related entities | 3,851,455 | 2,157,377 | 496,250 | 4,852,269 |
| Current trade and other accounts receivable | 22,940 | 63,236 | 94,542 | 28,834 |
| Trade and other accounts payable | (6,027,905) | (3,517,801) | (1,644,964) | (8,612,489) |
| Current accounts payable to related entities | (3,609,225) | (2,706,647) | (370,645) | (3,207,174) |
| Financial debt | (66,097,378) | (27,711,772) | (34,678,829) | (139,640,407) |
| Hedge instruments | 70,730,323 | 28,759,263 | 36,771,594 | 142,303,447 |
| Total | (612,432) | (2,771,148) | 970,611 | (3,173,472) |

| Units readjustments | 07.01.2023 al | 09.30.2023 | 07.01.2022 al | 09.30.2022 |
|---|----------------|------------------|----------------|----------------|
| | 09.30.2023 | ThCh\$ | 09.30.2022 | ThCh\$ |
| Other current non-financial assets | 62,331 | 1,134,232 | (85,150) | - |
| Current accounts receivable from related entities | 2,503 | 25,171 | 30,747 | 79,283 |
| Current trade and other accounts receivable | (104,540) | 242,247 | (76,325) | 334,715 |
| Trade and other payables | 296,559 | 482,749 | 265,742 | (12,717) |
| Current accounts payable to related entities | 5,065 | 20,098 | (4,901) | (63,376) |
| Financial debt | (659,040) | (3,590,557) | (3,522,617) | (9,786,296) |
| Hedge instruments | 707,100 | 3,642,600 | 3,514,200 | 9,799,470 |
| Cash and cash equivalents | - | - | - | (7,305) |
| Total | 309,978 | 1,956,540 | 121,696 | 343,774 |

31. 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 September 30, 2023, lease expenses amount to ThCh\$1,250,370.

Future lease obligations, as of September 30, 2023 and 2022 are detailed as follows:

| Concept | 09.30.2023 | | | Total ThCh\$ |
|--|------------------------|--------------------------------|--------------------------------|-----------------|
| | Up to 1 year ThCh\$ | From 1 to 5 years ThCh\$ | More than 5 years ThCh\$ | |
| Minimum operating lease payments payable | 1,179,018 | 263,107 | 398 | 1,442,523 |

| Concept | 09.30.2022 | | | Total ThCh\$ |
|--|------------------------|--------------------------------|--------------------------------|-----------------|
| | Up to 1 year ThCh\$ | From 1 to 5 years ThCh\$ | More than 5 years ThCh\$ | |
| Minimum operating lease payments payable | 252,143 | 64,217 | 829 | 317,189 |

32. Local and Foreign Currency

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

| Currents assets | 09.30.2023 | 12.31.2022 |
|--|--------------------|----------------------|
| | ThCh\$ | ThCh\$ |
| Cash and cash equivalents | 182,206,830 | 466,972,364 |
| Chilean Pesos | 177,635,693 | 463,035,790 |
| Euros | 3,167,537 | 2,473,197 |
| US Dollars | 1,348,199 | 1,410,926 |
| Other currencies | 55,401 | 52,451 |
| Other current financial assets | 91,091,357 | 89,268,915 |
| U.F. | 36,678,413 | 32,309,908 |
| Chilean Pesos | 29,913,134 | 38,599,856 |
| US Dollars | 24,499,810 | 18,359,151 |
| Current trade and other accounts receivable | 341,763,880 | 241,993,838 |
| Chilean Pesos | 341,117,232 | 241,372,482 |
| U.F. | 444,498 | 549,231 |
| Euros | 107,175 | 72,125 |
| US Dollars | 94,975 | - |
| Current receivables from related companies | 35,576,924 | 26,951,808 |
| Chilean Pesos | 21,988,853 | 13,595,148 |
| Euros | 9,790,535 | 10,037,501 |
| US Dollars | 2,820,530 | 2,247,938 |
| U.F. | 838,559 | 813,388 |
| Other currencies | 138,447 | 257,833 |
| Other current assets (1) | 311,143,963 | 276,955,588 |
| Chilean Pesos | 311,143,963 | 276,955,588 |
| Total current assets | 961,782,954 | 1,102,142,513 |
| Chilean Pesos | 881,798,875 | 1,033,558,864 |
| U.F. | 37,961,470 | 33,672,527 |
| US Dollars | 28,763,514 | 22,018,015 |
| Euros | 13,065,247 | 12,582,823 |
| Other currencies | 193,848 | 310,284 |

(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 | 09.30.2023 | 12.31.2022 |
|---|----------------------|----------------------|
| | ThCh\$ | ThCh\$ |
| Other non-current financial assets | 57,844,812 | 11,600,641 |
| US Dollars | 50,621,310 | 5,773,064 |
| Chilean Pesos | 7,223,502 | 5,827,577 |
| Right of use | 340,994,407 | 304,785,725 |
| Chilean Pesos | 340,340,077 | 304,177,655 |
| U.F. | 654,330 | 608,070 |
| Other non-current assets (2) | 2,267,487,086 | 2,289,417,886 |
| Chilean Pesos | 2,267,487,086 | 2,289,417,886 |
| Total non-current assets | 2,666,326,305 | 2,605,804,252 |
| Chilean Pesos | 2,615,050,665 | 2,599,423,118 |
| US Dollars | 50,621,310 | 5,773,064 |
| U.F. | 654,330 | 608,070 |

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

32. 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 | |
|--|--------------------|--------------------|------------------------|--------------------|
| | 09.30.2023 | 12.31.2022 | 09.30.2023 | 12.31.2022 |
| | ThCh\$ | | ThCh\$ | |
| Other current financial liabilities | 211,234,044 | 43,998,635 | 55,124,993 | 302,454,638 |
| U.F. | 110,361,001 | - | 2,171,148 | 103,673,707 |
| US Dollars | 75,132,595 | 19,215,435 | 843,467 | 188,589,847 |
| Chilean Pesos | 22,677,279 | 22,262,689 | 52,110,378 | 10,191,084 |
| Euros | 3,063,169 | 2,520,511 | - | - |
| Finance leases | 16,854,743 | 38,140,123 | 79,075,404 | 60,386,728 |
| U.F. | 11,933,985 | 27,871,203 | 58,076,775 | 30,859,267 |
| Chilean Pesos | 4,851,057 | 10,106,092 | 20,673,672 | 29,045,849 |
| US Dollars | 69,701 | 162,828 | 324,957 | 481,612 |
| Trade and other payables | 344,070,690 | 510,580,700 | - | - |
| Chilean Pesos | 278,121,035 | 459,993,794 | - | - |
| U.F. | 29,043,024 | 10,621,533 | - | - |
| US Dollars | 34,700,357 | 32,386,889 | - | - |
| Euros | 2,188,507 | 7,558,420 | - | - |
| Other currencies | 17,767 | 20,064 | - | - |
| Current payables to related companies | 102,741,498 | 121,121,862 | - | - |
| Chilean Pesos | 47,543,792 | 81,385,365 | - | - |
| US Dollars | 31,715,583 | 30,917,198 | - | - |
| U.F. | 16,090,097 | 631,898 | - | - |
| Euros | 7,392,026 | 8,187,401 | - | - |
| Other current liabilities (1) | 30,513,394 | 42,930,622 | 4,235,830 | 4,385,913 |
| Chilean Pesos | 30,513,394 | 42,930,622 | 4,235,830 | 4,385,913 |
| Total current liabilities | 705,414,369 | 756,771,942 | 138,436,227 | 367,227,279 |
| Chilean Pesos | 383,706,557 | 616,678,562 | 77,019,880 | 43,622,846 |
| U.F. | 167,428,107 | 39,124,634 | 60,247,923 | 134,532,974 |
| US Dollars | 141,618,236 | 82,682,350 | 1,168,424 | 189,071,459 |
| Euros | 12,643,702 | 18,266,332 | - | - |
| Other currencies | 17,767 | 20,064 | - | - |

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

32. 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 | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 09.30.2023 | 12.31.2022 | 09.30.2023 | 12.31.2022 | 09.30.2023 | 12.31.2022 |
| | ThCh\$ | | ThCh\$ | | ThCh\$ | |
| Other non-current financial liabilities | 466,273,528 | 248,754,287 | 104,543,950 | 90,440,543 | 461,654,064 | 420,583,933 |
| Chilean Pesos | 352,706,766 | 247,642,145 | - | 90,440,543 | 93,241,411 | 80,120,231 |
| US Dollars | 113,566,762 | 1,112,142 | - | - | 367,445,240 | 340,463,702 |
| U.F. | - | - | 104,543,950 | - | 967,413 | - |
| Finance leases | 160,741,877 | 163,137,476 | 59,047,916 | 49,998,913 | 40,006,559 | 31,984,556 |
| U.F. | 112,281,854 | 110,296,705 | 39,275,242 | 32,805,914 | 30,798,182 | 22,610,223 |
| Chilean Pesos | 47,679,801 | 51,920,334 | 19,483,089 | 16,919,731 | 9,195,111 | 9,361,814 |
| US Dollars | 780,222 | 920,437 | 289,585 | 273,268 | 13,267 | 12,519 |
| Other non-current liabilities (1) | 119,889,875 | 120,879,238 | 27,111,364 | 28,331,429 | 75,247,348 | 88,926,274 |
| Chilean Pesos | 119,889,875 | 120,879,238 | 27,111,364 | 28,331,429 | 75,247,348 | 88,926,274 |
| Total Non-current liabilities | 746,905,280 | 532,771,001 | 190,703,230 | 168,770,885 | 576,907,971 | 541,494,763 |
| Chilean Pesos | 520,276,442 | 420,441,717 | 46,594,453 | 135,691,703 | 177,683,870 | 178,408,319 |
| U.F. | 112,281,854 | 110,296,705 | 143,819,192 | 32,805,914 | 31,765,595 | 22,610,223 |
| US Dollars | 114,346,984 | 2,032,579 | 289,585 | 273,268 | 367,458,507 | 340,476,221 |

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

33. 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 September 30, 2023, which altogether amounts to ThCh\$2,481,364, of which ThCh\$1,658,010 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\$1,075,035 on its part, during the fourth quarter of 2023 and the rest before the end the first quarter of 2024.

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\$4,157,087 in the Parent company and the amount of ThCh\$2,100,853 in the subsidiaries.

33. Contingencies and restrictions, continued

b) Financial restrictions:

As of September 30, 2023, the Company has no financial restrictions.

c) Guarantee deposits:

The detail of guaranteed deposits is as follows:

| Guarantee creditor | Debtor | | | Current guaranteed deposits ThCh\$ | Liberated guarantees | | |
|--|--------|--------------|-------------------|---------------------------------------|----------------------|-------------------|------------------|
| | Name | Relationship | Type of guarantee | | 2023 | 2024 | 2025 and more |
| | | | | | ThCh\$ | ThCh\$ | ThCh\$ |
| Public and Private Organisms | | | | 1,243,689 | 639,943 | 570,877 | 32,868 |
| Public Organisms - Others | TCH | Subsidiary | Deposit | 241,957 | 59,002 | 7,403 | - |
| Public Organisms - Municipalities | TCH | Subsidiary | Deposit | 516,959 | 287,539 | 457,956 | 4,712 |
| Public Organisms - Undersecretaries and Ministries | TCH | Subsidiary | Deposit | 190,454 | 223,399 | 103,450 | 11,156 |
| Private Organisms - Others | TCH | Subsidiary | Deposit | 294,319 | 70,003 | 2,068 | 17,000 |
| Public and Private Organisms | | | | 39,489,942 | 11,689,285 | 21,015,528 | 6,785,129 |
| Public Organisms - Undersecretaries and Ministries | TEM | Subsidiary | Deposit | 23,524,190 | 6,857,427 | 16,473,979 | 192,785 |
| Public Organisms - Others | TEM | Subsidiary | Deposit | 9,482,392 | 3,768,928 | 2,888,657 | 2,824,805 |
| Private Organisms - Others | TEM | Subsidiary | Deposit | 3,691,735 | 1,004,639 | 810,247 | 1,876,849 |
| Public Organisms - Municipalities | TEM | Subsidiary | Deposit | 1,384,248 | 39,125 | 536,678 | 808,446 |
| Banks | TEM | Subsidiary | Deposit | 1,056,850 | - | 288,447 | 768,403 |
| Universities | TEM | Subsidiary | Deposit | 350,527 | 19,166 | 17,520 | 313,841 |
| Public and Private Organisms | | | | 22,063,172 | 1,461,059 | 18,407,391 | 2,194,722 |
| Public Organisms - Undersecretaries and Ministries | TMCH | Parent | Deposit | 17,245,821 | 838,128 | 16,351,377 | 56,317 |
| Private Organisms - Others | TMCH | Parent | Deposit | 3,589,915 | 414,708 | 1,437,905 | 1,737,302 |
| Public Organisms - Others | TMCH | Parent | Deposit | 763,742 | 139,322 | 456,385 | 168,035 |
| Public Organisms - Municipalities | TMCH | Parent | Deposit | 359,563 | 63,909 | 100,363 | 195,291 |
| Banks | TMCH | Parent | Deposit | 85,892 | - | 57,491 | 28,401 |
| Universities | TMCH | Parent | Deposit | 18,239 | 4,992 | 3,870 | 9,377 |
| Total | | | | 62,796,803 | 13,790,287 | 39,993,796 | 9,012,719 |

TMCH: Telefónica Móviles Chile S.A.
TCH: Telefónica Chile S.A.
TEM: Telefónica Empresas Chile S.A.

34. 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.

34. Environment, continued

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 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. In September of this year, the first valuation goal that affects the Company will begin to be in force, the one for containers and packaging, where the paper, cardboard and plastic of imports made in 2022, must be recycled.

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 RUEA, DAE y REP environmental declaration for this year.

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

34. Environment, continued

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

After launching the Movistar Environmental Plan in July 2022, this gave way to different activities carried out during the year such as the Corporate Building recycling and circular economy project, under the 3Rs rule: “Reduce, Reuse and Recycle”. Communicating to our collaborators, with the support of Foundation volunteers, the correct way to recycle in the Company’s internal containers.

During 2023, through a workshop in which different areas of the company participate, we have continued with this great work to be able to comply with both the internal and external environmental objectives. We continue to make progress in terms of communicational issues, sending our customers a powerful message that “Choosing digitalization to take care of the planet, is advantageous” through the “Movistar Circle” (<https://ww2.movistar.cl/circulomovistar/>) and the communication of the commercial on this web site. During June the Marketing Area organized a concert at the Movistar Arena for the million 5G customers, whereby through the communications media, customers were invited to bring their old cell phones for recycling while participating for a great prize. Approximately 240 telephones were collected which were sent to an authorized waste manager for recycling.

Lastly, one of the large projects which the Company is intensely working on, is that of shutting down power plants, with planning of environmentally responsible removal, recycling a large amount of materials due to the technology change that this implies.

On the other hand, on August 17, the Official Gazette published the Law on Economic and Environmental Crimes, which establishes amendments that seek to prevent the commission of crimes including more requirements for boards of directors and large companies in environmental matters.

Lastly, as of September 16, 2023, the goal for recollection and valuation of priority product containers and packaging came into effect, whereby producers must comply for the first year, with recollection of 48% of paper and cardboard and 13% of plastic (in respect to imports from the previous year). Those that do not comply with these and other obligations for producers may be risking fines of up to 10,000 “Unidades Tributarias Anuales”.

35. 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. The new rate review process for the 2024-2029 five-year period began during the first quarter of 2023.

In the case of fixed telephone service, the current Decree applies from May 9, 2019, for a 5-year term. The new rate review process for the 2024-2029 five-year period began during the first quarter of 2023.

On June 23, 2023, Subtel filed a consultation with the Antitrust Commission (“Tribunal de Defensa de la Libre Competencia” or “TDLC”) for the purpose of reviewing and updating the qualification of concessionary services subject to rate regulation issued by that Tribunal in the non-contentious proceeding that resulted in the February 2009 Report. September 30, 2023 was the deadline for all interested parties to contribute information, leaving the proceeding at the stage of establishing a hearing for allegations before that Tribunal.

c) Radio electric spectrum assignation:

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

5G Public tenders

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

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

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

35. Risk management, continued

c) Radio electric spectrum assignation, continued

5G Public tenders, continued

Telefónica Móviles Chile S.A. complied with delivery of all the documentation and the technical deployment of all the 5G sites corresponding to the first phase of the project, leaving all the information in the hands of the authority in order to culminate with the normal process of reception of the project, notwithstanding which, Subtel filed charges due to possible non-compliance with the deadline to begin 5G services in certain locations. Ultimately, the Minister of Transportation and Telecommunications dismissed the disclaimers filed by Telefónica, applying a fine of UTM 330 (approximately US\$26,000), for which an appeal was filed before the Santiago Court of Appeals which is pending resolution.

On September 27, 2023, Telefónica Móviles Chile S.A., together with Subtel, publicly announced that 100% of the 5G sites committed for implementation in Phase 2 of the 5G Project, whose deadline for implementation was October 2, 2023, had already been implemented and were operating.

The deadline for deployment of Phase 3 of the project is October 2, 2024.

Petition for Clarification from Subtel to the TDLC for the 3.5 GHz band spectrum

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

On December 7, 2022, the TDLC rejected the petition for clarification. On December 14, 2022, Subtel filed an appeal against this resolution which was partially accepted through resolutions issued on January 6, 2023. Concessionary WOM filed a complaint against that resolution, which was rejected by the TDLC, therefore WOM filed an appeal before the Supreme Court which was accepted by the latter, which implies that the complaint is admissible and will be heard and resolved by the Supreme Court. However, this does not in any way alter what we have sustained, i.e., that for SUBTEL to be able to change the current fixed-wireless service concessions (to mobile), a prior Public Tender is required, and the regulator cannot modify the type of service in an administrative manner, since, if they did so, it would be a breach of the telecommunications regulations and free competition.

Notwithstanding the above, on April 6, 2023, Subtel issued a public announcement informing that they will temporarily and with no public tender, authorize Claro Chile to use the 3.5 GHz band spectrum for 5G services. Notwithstanding the above, the Supreme Court suspended the effects of the interim authorization granted to Claro when it decreed a temporary injunction (Orden de Innovar) in this respect.

Finally, on September 7, 2023, the Supreme Court handed down its sentence which established that SUBTEL cannot modify, in an administrative manner, the fixed-wireless telephone service concessions in the 3400 – 3600 MHz band, in order for them to be able to provide 5G mobile services, and that this necessarily requires a Public Tender or a new consultation process must be initiated that merits modification of Resolution 62/2020 issued by the TDLC.

35. Risk management, continued

c) Radio electric spectrum assignation, continued

Public Consultation from Telefónica Móviles Chile S.A. to the TDLC in relation to the application of Spectrum Caps

On August 1, 2023, Telefónica Móviles Chile S.A. filed a Consultation with the TDLC in order to request that it make a pronouncement on the following matters related to the application of caps or limits of use of the radioelectric spectrum:

- (i) Whether the manner and timing of the application of the Caps in the spectrum allocation public tenders, which grants winning bidders a period of six months after the award to adjust to the maximum limits of ownership, complies with free competition legislation; and,
- (ii) Whether determination of the calculation basis for the Caps which considers, not only the allocated radioelectric spectrum, but also the one that is projected to be allocated in future public tenders, complies with free competition legislation.

The Tribunal extended the deadline for the interested parties to provide information to November 17.

New 5G Public Tender in the 3.40 – 3.60 GHz band

On October 2 and October 16, Subtel published in the Official Gazette the call for a new public tender to award 50 MHz that it has available for mobile service in the 3.40 – 3.60 GHz band.

On October 16, the tender documents for the new tender were published, with a deadline of November 7, 2023 for the interested parties to be able to consult regarding the tender documents.

Proposals must be presented by January 24, 2024.

d) New Law: Internet access minimum guaranteed speed

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

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

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

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

Based on the deadlines established in the regulation itself, it is in force as of January 31, 2022 and the maximum deadline for network operators to present the RAN and OMV Facilities Offer to Subtel is March 14, 2022. Subtel has a deadline of 90 business days to approve the offers process. Subtel issued observations in March 2023, which were all duly answered by Telefónica Móviles Chile S.A.. To date the Regulator has not completed the approval process for the mentioned Bids.

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

f) International Roaming at a local price between Chile-Brazil

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

On January 25 the Undersecretary of International Economic Relations published a notice in the Official Gazette informing a 6-month suspension of the coming into effect of the clause referring to International Roaming with Brazil as of January 25, 2023.

Finally, On July 25, Subtel published in the Official Gazette, Exempt Resolution No. 1596 which regulates roaming with Brazil and its application comes into effect as of that same day. This regulation establishes that roaming traffic with Brazil must be charged at a local rate, without applying additional charges.

On August 1, 2023, Telefónica Móviles Chile S.A. filed an administrative appeal against the mentioned resolution which was rejected by Subtel.

g) Bill declaring Internet as a Public Service

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

35. Risk management, continued

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

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

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

The Executive presented new indications for the Project, through which the “Fondo de Desarrollo de las Telecomunicaciones” can also be destined to financing last mile projects (Home access); processing of a budgetary comment that allows the financing of a public policy for demand subsidies and increase fines for violation of the Telecommunications Law by 5 times.

The Bill was approved by the Chamber of Deputies who introduced changes, sending this project to the third legislative procedure in the Joint Commission.

h) **Bill to facilitate the Internet for education**

The bill seeks to introduce amendments to the General Telecommunications Law (LGT) and additionally to the Public Education Law. The LGT seeks to force ISPs to provide Internet at discounted prices to all public educational establishments and to provide free service to more vulnerable families or students that cannot pay for it, based on specific socioeconomic conditions. The Public Education Law seeks for the State to guarantee connectivity to educational establishments, and to family homes of vulnerable students that are not able to pay. It also seeks to guarantee connectivity to all students of public establishments when they cannot operate in person due to an exceptional circumstance. On September 13, 2022, the Chamber of Deputies finally approved the wording which was dispatched to the Senate for the second stage, eliminating the proposed changes to the LGT.

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

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

The bill continue in first legislative process.

35. Risk management, continued

j) 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.

k) Financial risk management objectives and policies

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

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

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

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

Market Risk

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

35. Risk management, continued

k) Financial risk management objectives and policies, continued

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 September 30, 2023 the Company had 39% of its short and long-term financial debt bearing a fixed interest rate and 61% 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 September 30, 2023, 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 2023, of approximately ThCh\$146,498; whereas a drop in the TCPN would mean a reduction of ThCh\$146,498 in the accrual monthly financial cost for 2023.

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 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.

35. Risk management, continued

k) Financial risk management objectives and policies, continued

Interest rate risk, continued

As of September 30, 2023, the Company had loans and derivatives associated to the LIBOR benchmark rate. Changes will be made in loans and derivatives simultaneously, in order not to alter the hedging. To date, no substantial change in finance costs is expected due to the change in the variable rate in USD.

Foreign currency risk

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

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

As of September 30, 2023 the financial debt in foreign currency amounted to US\$ 697.1 million, which is all directly exposed to variations in the dollar exchange rate. Simultaneously, the Company has cross currency swaps, USD/CLP exchange insurance and assets denominated in US dollars, which as of September 2023 closing date, resulted in an average exposure of 0% to financial debt in foreign currency.

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

Credit risk

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

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

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

35. Risk management, continued

k) Financial risk management objectives and policies, continued

Credit risk, continued

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 September 30, 2023, is -5.60%, 10.10 p.p. of decrease in comparison to September 2022, when it reached 4.50%. This is mainly due to a lower result for increase of expenses compared with incomes.

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 September 30, 2023 and 2022.

36. Subsequent events

The consolidated financial statements of Telefónica Móviles Chile S.A. and subsidiaries, for the period ended as of September 30, 2023, were approved and authorized for issuance at the Board of Directors Meeting held on October 26, 2023.

In the period from October 1, 2023 and October 26, 2023, there have been no other significant subsequent events that affect these consolidated financial statements.

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