

Financial Results 2Q24

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

JAN | Jun 2024

Efficiencies and lower costs allow us to recover profitability

Revenues. Jun. 24

Var % 24/23

-6.9%



EBITDA Jun.24

CL\$ millones

CL\$126,547 mill



Net Debt

Jun.24

CL\$ 1,271 Bn



OpCF Jun.24

(Ebitda – CapEx)

CL\$ 73,610 Mill.



Reported revenues (Var. 24/23): The drop in revenues in 1H24 is explained by lower revenues from the Mobile Business (-10.9%) and the Data Business for companies (-8.2%)



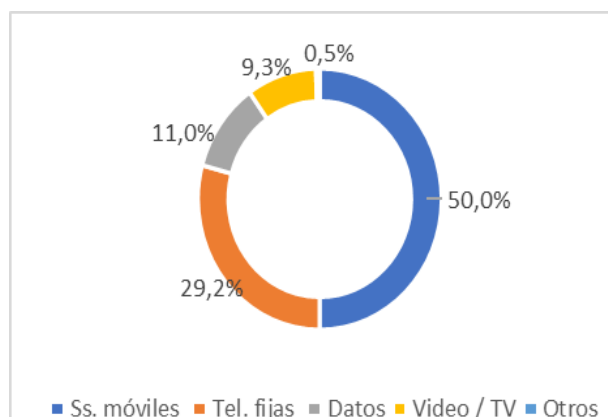
EBITDA decreased in the quarter due to lower revenues, partly offset by cost efficiency. In the case of TCH, EBITDA showed a significant recovery, due to stable revenues and lower operating costs (-3.8%).

Telefonica Móviles Chile S.A.

Jan – Jun 2024

Ch\$ million	Reported	Var % 24/23
Ordinary Revenues	798.442	-6,0%
Total Revenues	804.385	-6,9%
Expenses (Excl. Depreciation)	-677.838	-3,4%
EBITDA	126.547	-21,8%
Margen EBITDA	15,7%	-4,1 p.p.
Net Results	-58.342	85,1%

Revenues



Telefónica Chile S.A.

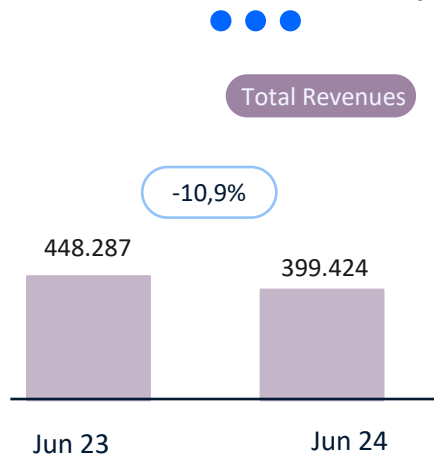
Jan– Jun 2024

Ch\$ million	Reported	Var % 23/22
Ordinary Revenues	468.870	-0,4%
Total Revenues	478.393	-1,6%
Expenses (Excl. Depreciation)	-423.764	-3,8%
EBITDA	63.252	15,8%
Margen EBITDA	11,4%	-3,4 p.p.
Net Results	-20.067	-63,2%

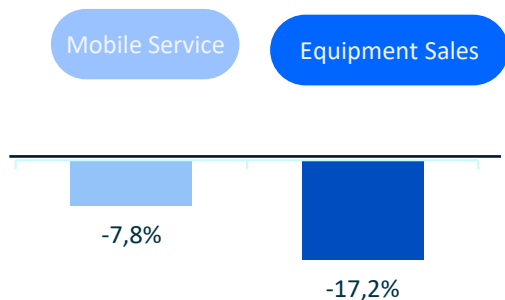
Mobile Services (Postpaid y Prepaid)



Var % 24/23 **Mobile Revenues (mill)**



Var % 24/23



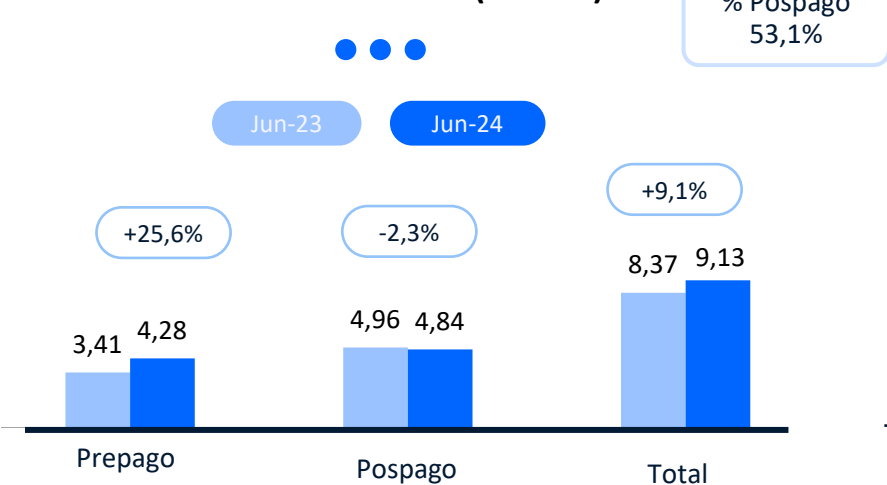
*: including postpaid, prepaid, MBB and wholesale services

Lower revenues from equipment sales and wholesale services

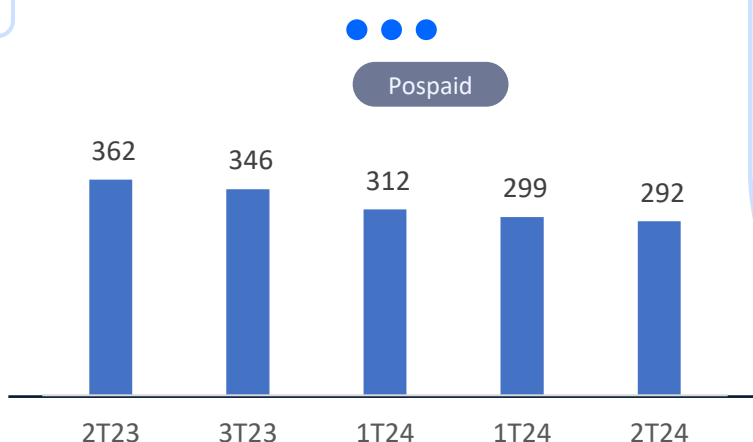
REVENUES as of June 24 fell by 10.9% YoY, mainly explained by: i) lower revenues from equipment sales due to fewer postpaid new adds and changes in equipment financing policy and ii) lower revenues from mobile services, which includes postpaid, prepaid, MBB, Wholesale and M2M services, among others. In 1H24, these revenues were mainly affected by lower revenues from MVNO wholesale services due to the integration of VTR and Claro, lower revenues from postpaid services (-3.1%) explained by a drop in the postpaid customer base (-2.3%) and lower sales from the business segment; and a drop in BAM revenues due to fewer accesses.

Mobile customer base (Voice, MBB and M2M) shows a growth of 9.1% YoY, driven by growth in voice and MBB prepaid accesses. Postpaid has been affected by lower registrations during the last quarters, reducing the base by 2.3%.

Total Accesses* (million)



Postpaid adds (Thousand)

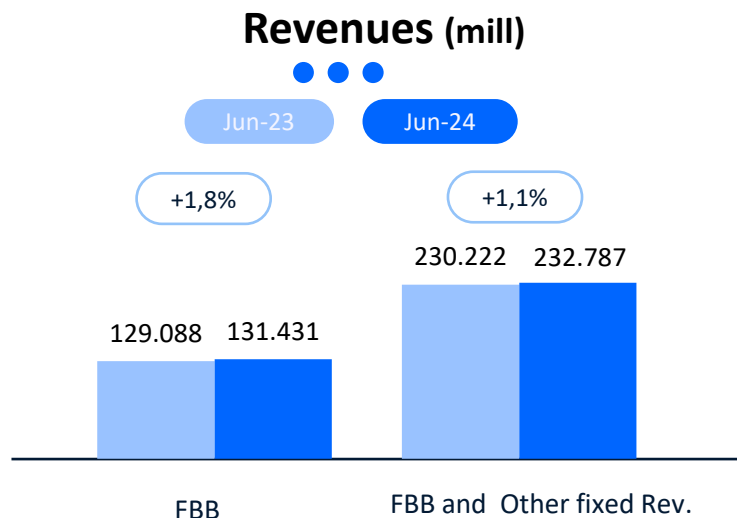


*: Including accesses of Voice, MBB and M2M

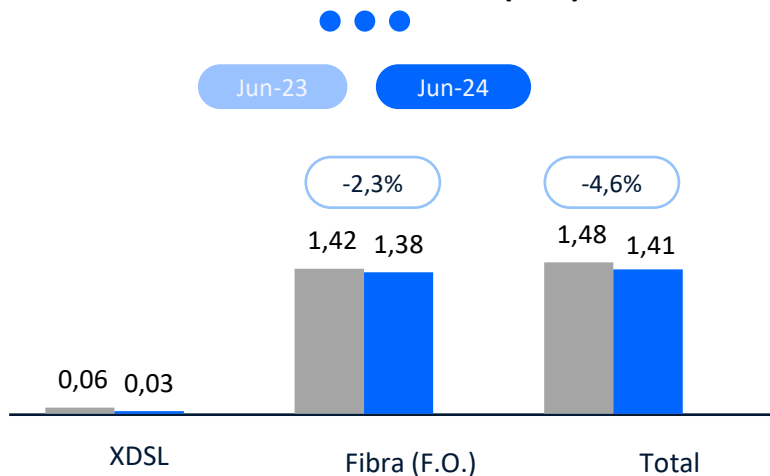
Fixed Broad Band (FBB) and Fixed Services



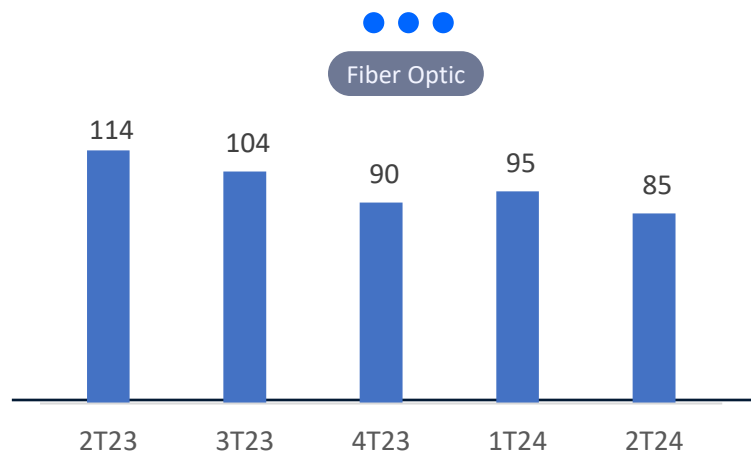
Var % 24/23



FBB Accesses (mill)



FO Net Adds (th)



Fiber Optics Drives Revenue Growth

As of June 2024, FBB and Other Fixed Telecom Services Revenues grow 1.1%, explained by growth in fiber optic revenues (+1.8%), partially offset by lower revenues from other fixed telecommunications services.

FBB accesses fall -4.6% YoY, due to lower fiber optic connections during the last quarters.

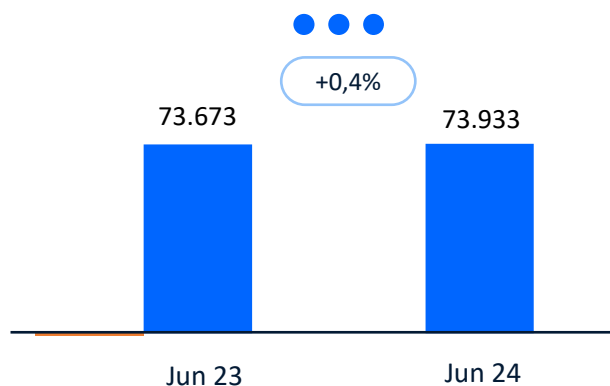
Market leadership in Fixed Broadband is maintained. Fiber Optic accesses represent 98.2% of total accesses, reaching 1,382,065 FO accesses, with a drop of -2.3% compared to June 2023..

Video & Television

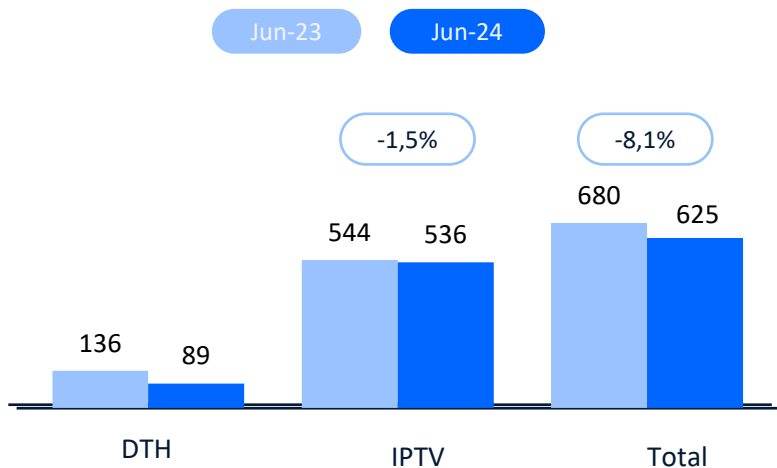


Var % 24/23

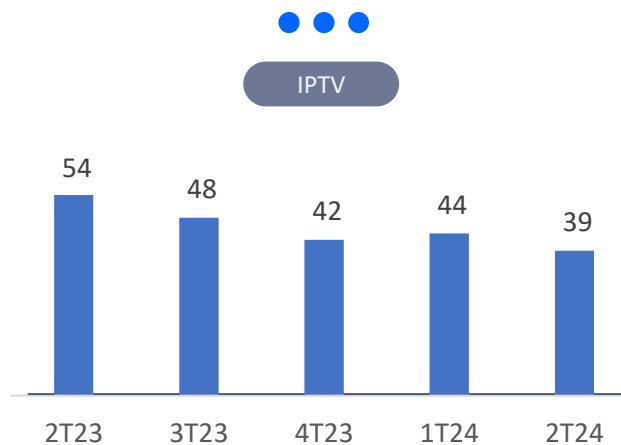
TV Revenues (mill)



TV Accesses (mill)



IPTV net adds (Th)



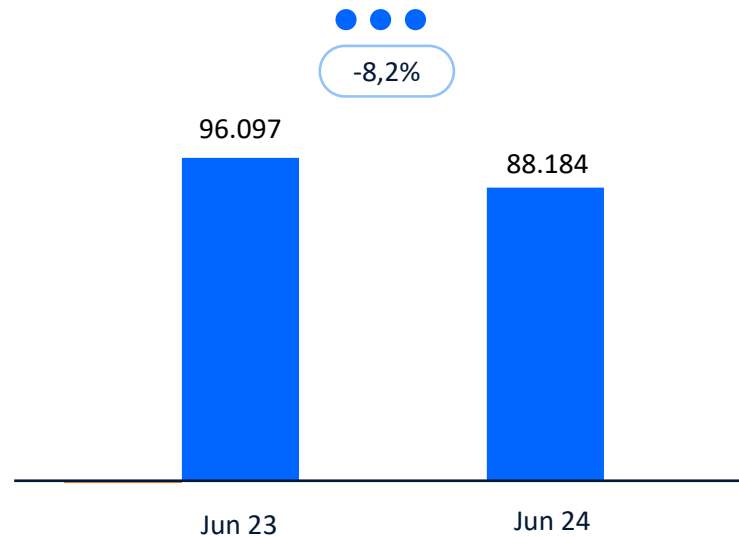
Revenues grow slightly due to ARPU recovery

TV REVENUES in June 2024 grow 0.4% compared to 2Q23, due to lower revenues from TV services for companies and DTH, offset by higher IPTV revenues, due to ARPU recovery. TV accesses (IPTV + DTH) fall -8.1% YoY, mainly explained by fewer IPTV accesses due to fewer additions of duos with Optical Fiber

IPTV accesses represent 85.8% of total TV accesses as of June 2024



Corporate Communications and Data Services (mill)



Corporate business income shows a drop in 1H24

At the close of June 2024, revenues from business data services showed a drop of 8.2%, mainly explained by lower revenues from private services (-10.9%) and Digital Services (-3.7%), mainly due to lower revenues from "Cloud" services, partly offset by higher revenues from security services, compared to the same period of the previous year.

2Q24 Results

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

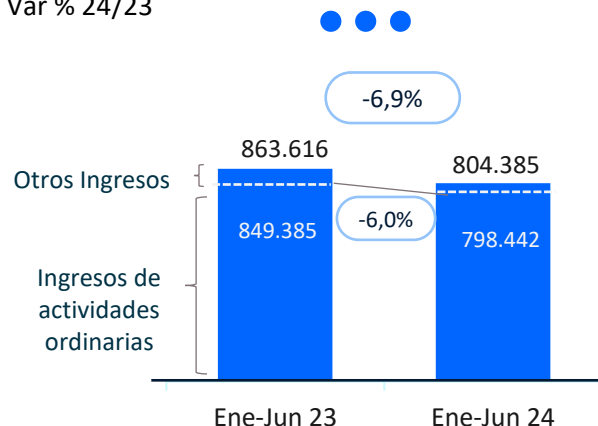
Revenues, EBITDA and OpCF

Telefónica Móviles Chile S.A.

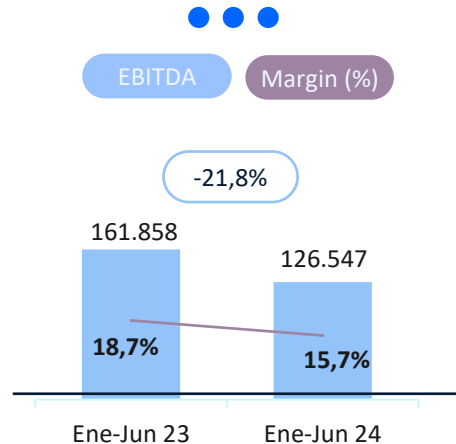


Var % 24/23

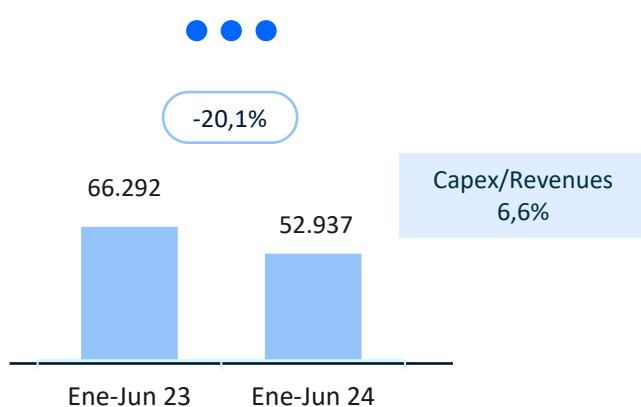
Revenues (y-o-y)



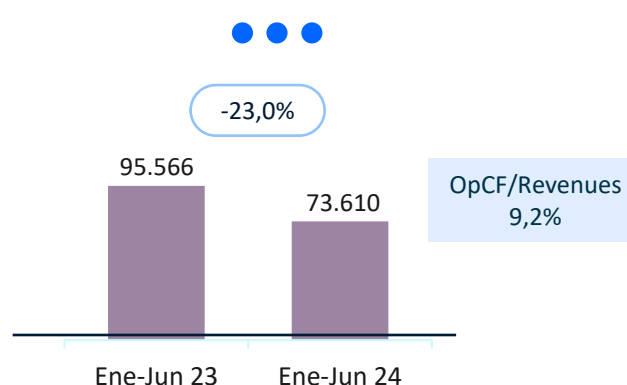
EBITDA** y Margin



CapEx



OpCF (OIBDA – CapEx)



As of Jun24, **TMCH's revenue fell 6.9%**, mainly explained by (i) lower revenue from the mobile business due to lower revenues from equipment sales, wholesale services and mobile postpaid service; and (ii) lower revenues from data services for companies.

EBITDA falls -21.8% compared to Jun 23, explained by lower revenues (-6.9%), partly offset by lower operating expenses (-3.4%), due to lower personnel expenses, connectivity to the FO network, customer services and advertising, among others, reaching a margin of 15.7% as of Jun 24, compared to a margin of 18.7% in Jun 23.

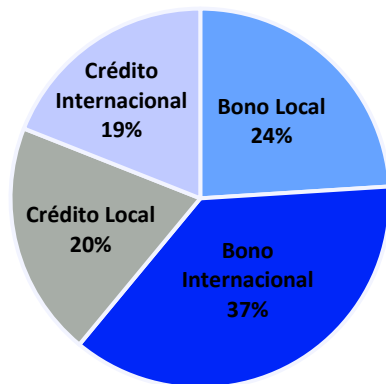
Capex shows a fall of -20.1% YoY, due to the higher CapEx in 2023 associated with the deployment of 5G network, as a result the OpCF reached \$73,610 million.



Debt of Telefónica Móviles Chile S.A.



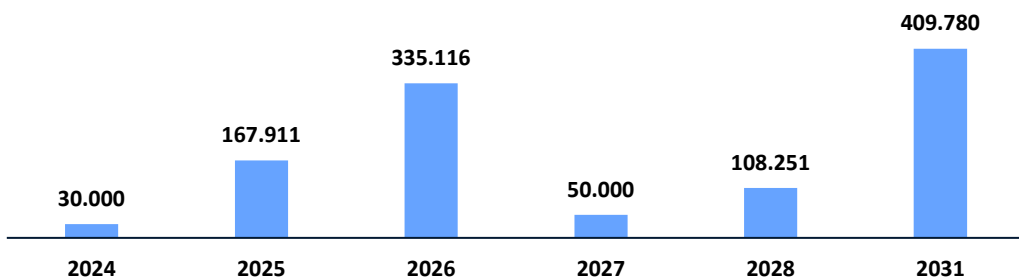
Debt Structure



- ✓ Gross debt as of jun. 2024 → Ch\$1.535.387 mills.
 - ✓ Net Debt as of jun. 2024 → Ch\$1.271.051 mills.
- Ratings:
- ✓ Domestic: ICR : AA (under observation)/ Fitch: AA- (estable)
 - ✓ International: S&P: BBB- (negative)/ Fitch: BBB- (estable)

- ✓ Gross Debt increased by 5.46% YoY.
- ✓ Net Debt decreased mainly due to an increase in the cash balance.

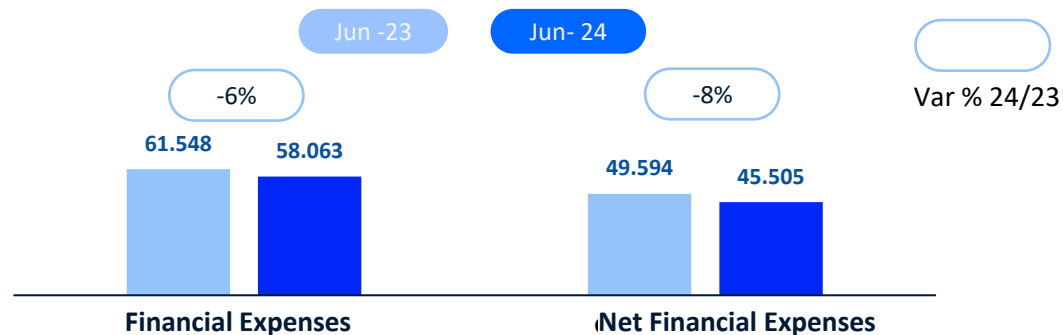
Maturity Profile Mills \$



- ✓ Payment capacity supported by EBITDA generation for the last 12 months ended in June 2024, which reached Ch\$ 298 billion.

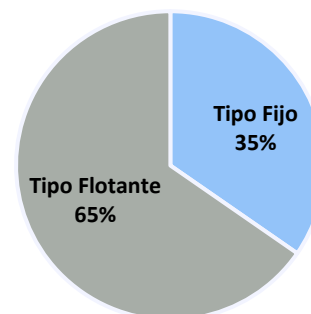
1 Deuda Bruta y Deuda Neta no incluye efecto de leases.

Financial expenses Mills. \$



- ✓ Gross and net financial expenses decreased due to a lower average market interest rate in 2024 and an increase in financial income.

Currency and Interest Rate Coverage

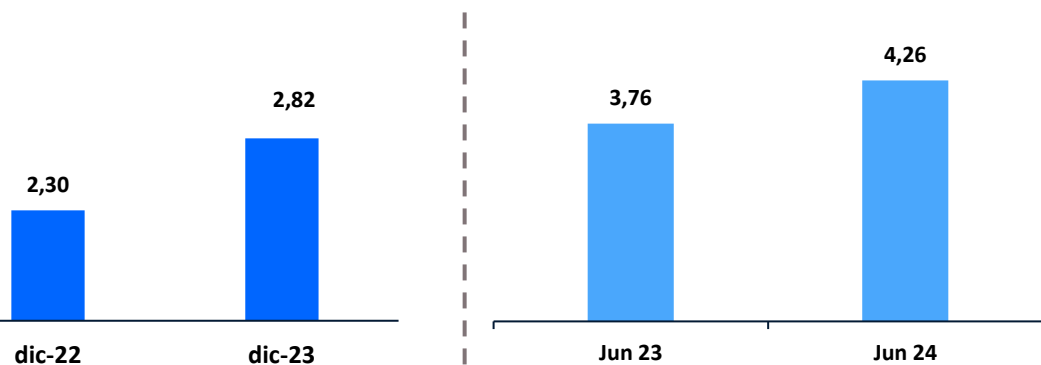


- ✓ 100% FX Coverage
- ✓ Average gross debt rate: 7,09% annually

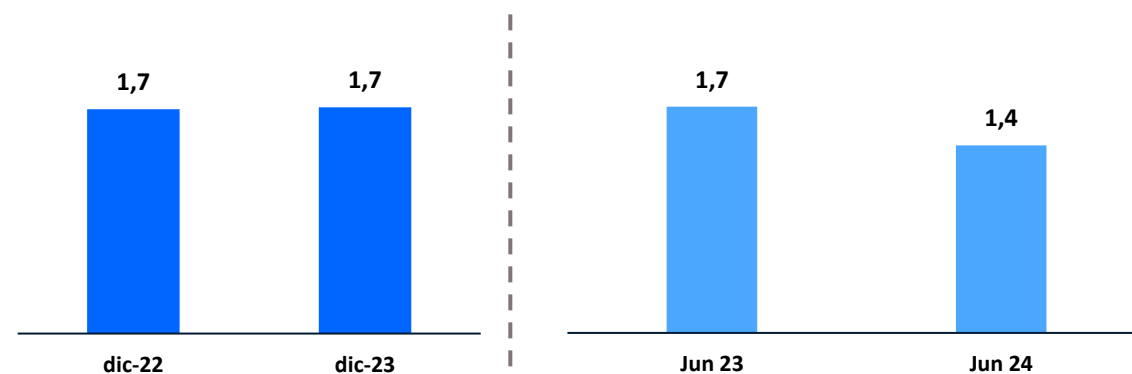
••• Solid financial indicators

Telefónica Móviles Chile S.A.

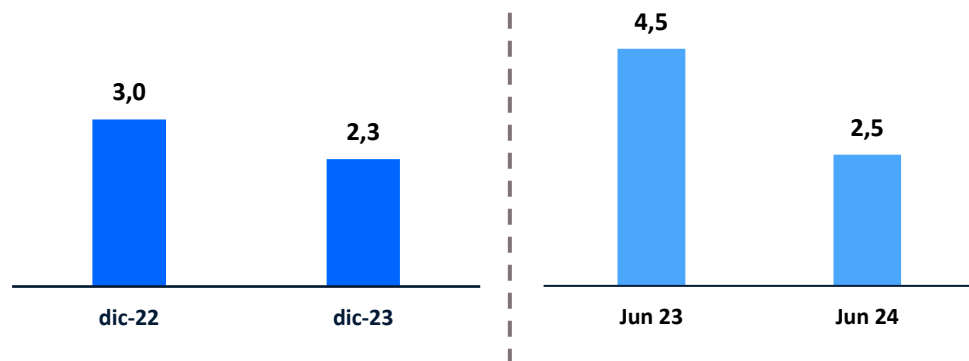
Net Debt / EBITDA⁽¹⁾⁽²⁾⁽³⁾



Total Liabilities*/ Equity



EBITDA⁽¹⁾⁽³⁾ / Net Financial Expenses



1. Net Debt includes financial debt per IFRS16.
2. Less hedging assets.
3. EBITDA and Net Financial Expenses consider 12 rolling months.

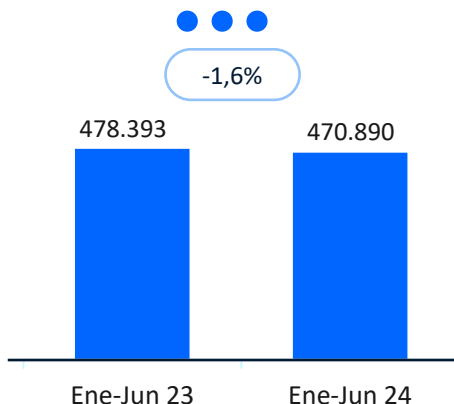
Revenues, EBITDA and OpCF

Telefónica Chile S.A.

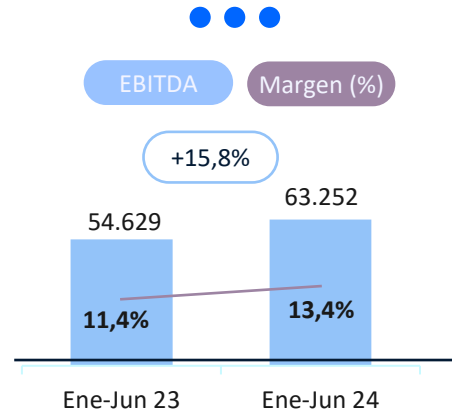


Var % 24/23

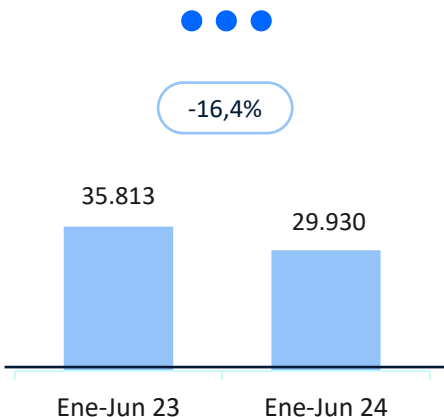
Revenues (y-o-y)



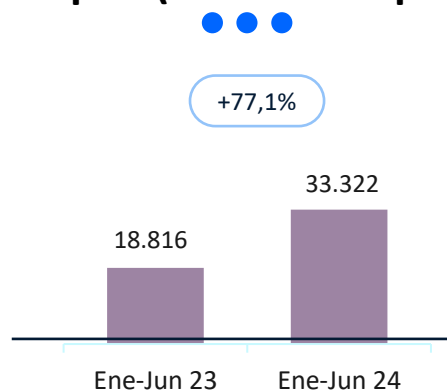
EBITDA y Margin **



CapEx



OpCF (OIBDA – CapEx)



As of Jun.24, TCH revenues fell -1.6%, explained by lower revenues from corporate data services, partly offset by higher revenues from Fixed Telephony Services and Fixed Broadband, driven by Fiber Optics.

EBITDA grows 15.8% compared to Jun23, due to lower operating costs (-3.8%) associated with fiber optic connectivity services, personnel, customer service and advertising, among others, which offset the drop in revenue in 1H24. Reaching a margin of 13.4%, which compares with a margin of 11.5% in 1H23.

Fixed business capex shows a reduction of 36.4% in the period, resulting in an OpCF (EBITDA – CapEx) of \$33,322 million as of Jun 24



Debt and Financial Ratios of Telefónica Chile S.A.

Var % 24/23



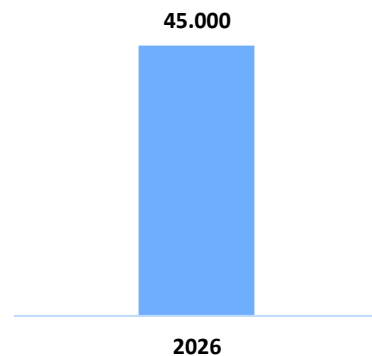
Debt Structure⁽¹⁾



- ✓ Gross Debt - jun. 2024: Ch\$72.757 mills.
- ✓ Net Debt - jun. 2024 : Ch\$30.641 mills.
- ✓ Domestic Ratings: ICR : AA + / Fitch: AA-
- ✓ 100% FX Coverage
- ✓ Average gross debt rate: 11,8% annually

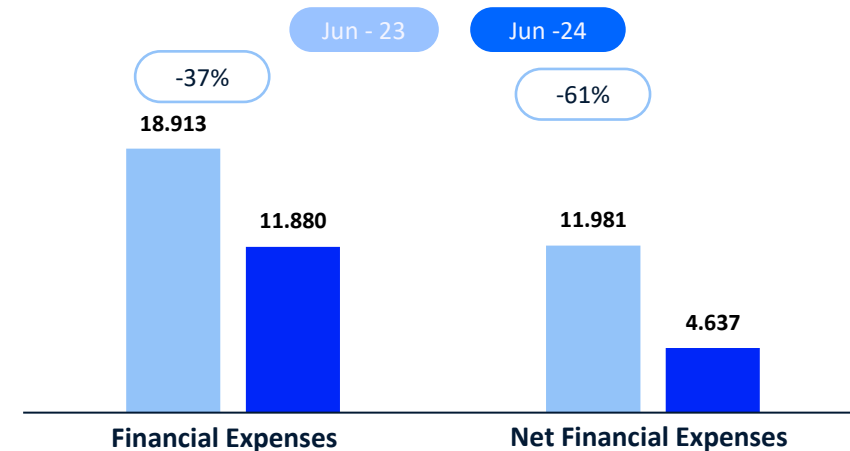
- ✓ Gross Debt decreases due to payment at maturity of international bond 144 A.
- ✓ Net Debt increases due to a decrease in cash.

Maturity Profile Mills \$

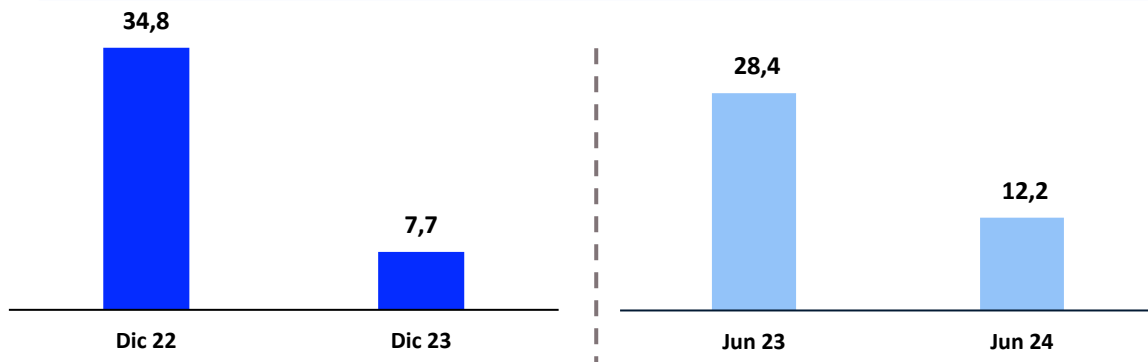


(1Gross Debt and Net Debt do not include the effect of leases.

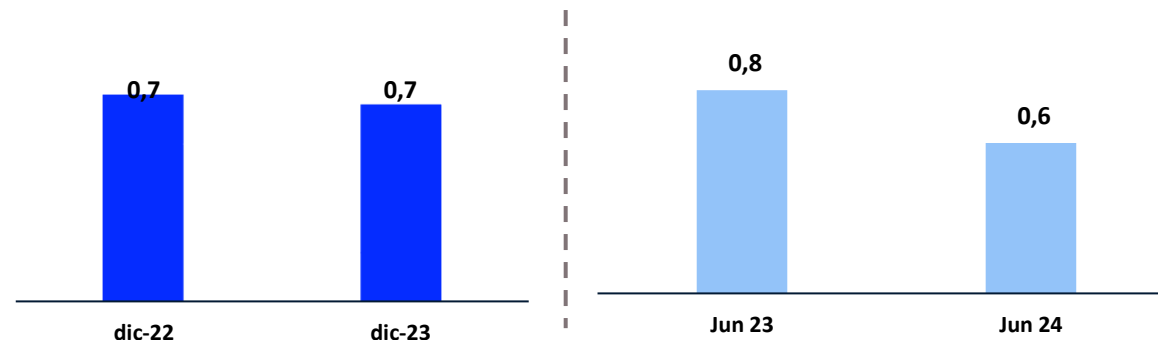
Financial expenses Mills. \$



EBITDA⁽¹⁾⁽³⁾ / Net Financial Expenses



Total Liabilities*/ Equity



1. EBITDA y Gastos Financieros Netos consideran 12 meses móviles.
 2. Menos activos de cobertura



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