



Quarterly Results

Telefónica del Perú S.A.A.

October-December 2024

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1. FOURTH QUARTER MILESTONES

IN 2024, WE CONTINUE TO PROMOTE THE MASSIFICATION OF FIBER OPTICS AND INITIATED THE COMPREHENSIVE TECHNOLOGICAL RENOVATION OF OUR MOBILE NETWORK TO IMPROVE THE EXPERIENCE OF OUR CUSTOMERS



Nationwide fiber-optic home coverage expansion



Accesses / Clients:

Mobile services	Fixed services
9.8 million	3.1 million

We have surpassed one million fiber optic customers in Peru

More than one million customers have chosen our fiber optic service, registering an increase of more than 40% compared to the previous year and consolidating our position as the operator with the largest fiber deployment in the country. We promoted the expansion of our network in 23 regions, most notably in Trujillo, Arequipa, Cusco, Chiclayo, Huancayo, and Ica.



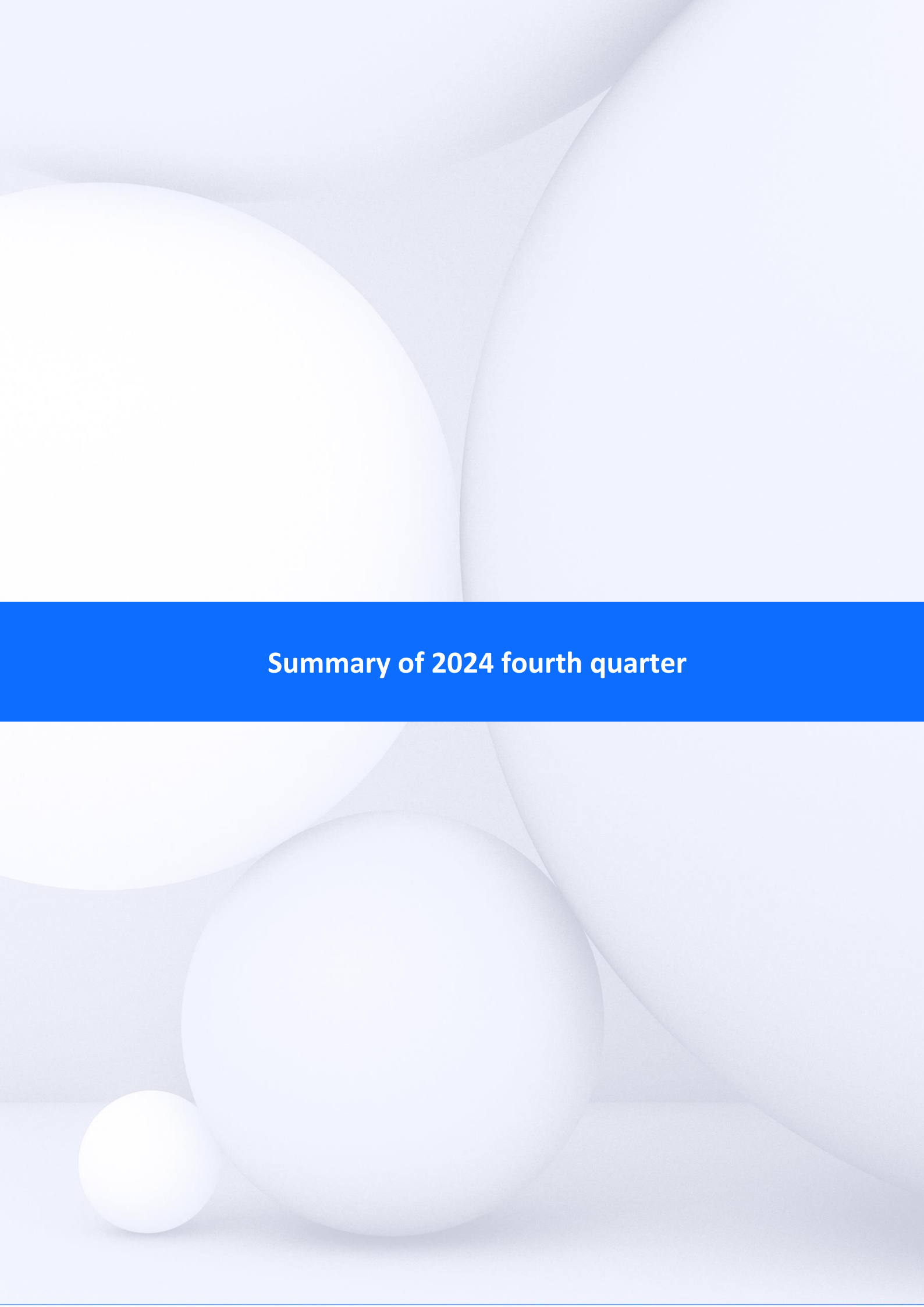
We launched the "Nueva Red Móvil Movistar" (New Movistar Mobile Network) Project

We announced the start of the technological renovation of more than 5,000 base stations throughout the country with state-of-the-art technology. This implementation, which began in San Juan de Lurigancho and will extend to the rest of the country, will provide greater speed, coverage, and data traffic capacity.

The Fundación Telefónica Movistar benefited more than 1 million people in 2024

More than 550,000 schoolchildren and teachers improved their learning with technological tools, while 185,000 young people acquired digital skills through free courses. In addition, we impacted more than 310,000 people with cultural initiatives and benefited 23,000 citizens through volunteer activities.





Summary of 2024 fourth quarter

2. SUMMARY OF 2024 FOURTH QUARTER

Telefónica del Perú reported financial results for 2024

- In 4Q24, Telefónica del Perú's revenues amounted to S/1.493 billion. At the end of 2024, accumulated revenues were S/6.02 billion, 7% lower than in 2023.
- Operations in fiscal year 2024 were covered with financing from its parent company Telefónica Hispanoamérica, S.A. - T. Hispam, its controlling shareholder, for a total of S/2.3 billion.
- Telefónica del Perú, despite the financial difficulties, continued with its transformation process, carrying on with the intensive increase in fiber optic accesses and exceeded one million customers who have chosen this technology at the end of 2024.
- On the mobile sector, the company launched the plan for the transformation and improvement of its mobile services, which consists of the comprehensive technological renovation of more than 5,000 cellular base stations nationwide.
- In order to meet operational needs exclusively, a mercantile credit (loan) has been obtained from T. Hispam, which can be partially capitalized and will be disbursed as opportunities arise and subject to compliance with conditions agreed between the parties.
- Likewise, at the Board of Directors' meeting on February 14, 2025, it was authorized to submit a request to initiate a restructuring procedure under the bankruptcy framework. Telefónica continues to provide and offer all its services as usual.

Lima, February 14, 2025. In the fourth quarter of 2024, revenues amounted to S/1.493 billion, 6.7% less than in 4Q23. Cumulative revenue for 2024 was S/6.02 billion, which represents a decrease of 7% compared to the previous year. This performance was affected by intense competition in the fixed and mobile services markets.

Amid a complex financial context, the company made progress in its operations as a result of its strategy of technological transformation and service improvement. Telefónica del Perú ended the year with over a million customers connected to fiber optics and launched the "Nueva Red Móvil Movistar" (New Movistar Mobile Network) Project, which aims to completely renew the mobile network nationwide with state-of-the-art technology.

Mobile Business

In the mobile business, Telefónica del Perú reported revenues of S/824 million in 4Q24, which represents a reduction of 3.7% compared to the same period in 2023.

In 4Q24, the Contract segment reported revenues of S/456 million, 1.2% less than in 4Q23, managing to maintain revenues in this segment in a context of intense competitive activity focused on portability management. However, compared to 3Q24, there was a 1.1% increase in revenues. In the Pre-pay segment, revenues in 4Q24 were S/100 million, 8.5% less than in 4Q23, affected by a lower number of customers. Meanwhile, revenues from

handset sales amounted to S/209 million in the last quarter, a decrease of 6.6% compared to 4Q23, although with an improvement in the margin on devices.

In October, Telefónica's major milestone in the mobile segment was the launch of the "Nueva Red Móvil Movistar" project to transform and improve its mobile network. Thanks to the comprehensive technological renovation of more than 5,000 cellular base stations in most of the country, the customer experience will be improved through greater speed, coverage, and traffic capacity. This implementation began in the district of San Juan de Lurigancho and continued in Ate, Santa Anita, and Independencia.

Fixed Business

In 4Q24, Telefónica's fixed business reported revenues of S/668 million, which represents a reduction of 10.2% compared to 4Q23. This result can be explained by the high level of competition in the Internet and Pay TV segment, as well as by the growth of streaming platforms and piracy, which have had a significant impact on the sector.

During 2024, Telefónica del Perú continued with the intensive deployment of fiber optics so that more households can contract or migrate to this technology. Another 1.2 million households gained access to fiber, bringing the cumulative total at the end of the year to more than 4.5 million households in 23 regions of the country with the possibility of contracting or migrating to fiber optics. Among the cities with the greatest expansion of coverage are Trujillo, Arequipa, Cusco, Chiclayo, Huancayo, and Ica. In addition, the company undertook a major technological migration effort at no cost to its fixed internet customers, resulting in 72% having fiber optics. In 4Q24, the company exceeded one million fiber optic customers, a 44% increase over 4Q23.

This leadership in the fiber optic segment translated into an improved customer experience. According to the 2023 Telecommunications User Satisfaction Survey, presented by Osiptel in June 2024, Movistar increased its fixed internet satisfaction index by 25 percentage points, ranking second in the national ranking.

Results for the fiscal year

The results for 4Q24 were –S/858 million, mainly affected by tax contingencies due to financial burdens from the 2004 and 2005 periods and their effects until 2007. The cumulative annual result was –S/3.392 billion, due to the asset impairment of S/1.216 billion recorded in 3Q24 and the tax asset write-off of S/598 million.

During 2024, its parent company Telefónica Hispanoamérica, S.A. approved loans of S/771 million and S/1.529 billion, receiving disbursements of S/2.070 billion during the year, which were substantially capitalized, as well as the loan received in 2023.

In this context, in December the company's Board of Directors approved a capital reduction of S/1.038 billion, which together with the reduction of S/1364 made in April 2024 sought to re-establish the equity balance by offsetting accumulated losses.

The Company's working capital at the end of the 2024 fiscal year was negative by S/3.382 billion, for which a mercantile credit (loan) agreement approved by the Board of Directors

has been signed on this date (February 14, 2025) to cover exclusively the operating deficit. Likewise, the Board approved for the Company to initiate a restructuring process under the bankruptcy framework.

Social impact

In 2024, Telefónica del Perú, through the Fundación Telefónica Movistar, consolidated its commitment to social development and sustainability through initiatives that benefited more than 1 million people in all regions of the country. More than 550,000 schoolchildren and teachers strengthened their learning through the use of technological tools, while 185,000 young people developed digital skills through free courses. In addition, exhibitions and cultural projects impacted more than 310,000 people, and more than 23,000 citizens benefited from volunteer activities that improved their quality of life.

Within the framework of its environmental strategy, Telefónica reasserted its leadership in the responsible management of electronic waste through the “Message to the Planet” initiative. During the year, the company recycled 580 tons of WEEE (waste electrical and electronic equipment) and reconditioned another 278 tons, totaling 858 tons managed. Furthermore, Telefónica obtained the second star on the Ministry of Environment's "Huella de Carbono Perú" (Peru's Carbon Footprint) platform, being the only telecommunications operator recognized for six consecutive years for measuring, reporting, and verifying its carbon footprint.

The company will continue to implement the technological improvement projects it has underway to improve the service for its customers.

3. MAIN SIGNIFICANT EVENTS OF 2024 FOURTH QUARTER

The following are the main significant events that took place during the fourth quarter of 2024:

1. On October 28, a communication was received in relation to File No. 2024044575 of the Board of Directors' meeting where the following resolutions were passed:
 - i) In exercise of the powers delegated by the General Shareholders' Meeting of January 19, 2023, approval was given for the capitalization of S/2,069,444,431.20 of the loans that the Company owes to Telefónica Hispanoamérica, S.A. to date, with S/60,205,821.09 still pending payment of the remaining capital.
 - ii) Within the framework of the capital increase by capitalization of credits referred to in the preceding paragraph, the Board of Directors agreed that the price to be paid per share will be S/14.90, which implies a premium of S/14.54 for each share to be subscribed. As a result of the aforementioned capitalization, the Company's capital will be increased by S/49,999,999.68 and the sum of S/2,019,444,43.52 will be recorded in the additional capital account as a capital premium, with the issue of 138,888,888 new Class B registered shares with a nominal value of S/0.36 each in favor of Telefónica Hispanoamérica, S.A.
 - iii) It is hereby put on record that in order to determine the aforementioned capitalization, the Board of Directors has made its decision considering the report issued by Ernst & Young Consultores S. Civil de R.L. and presented to the Company on the date hereof.
 - iv) The Board of Directors agreed to initiate the process of increasing the capital stock through new cash contributions upon exercising the preemptive subscription right by all shareholders other than Telefónica Hispanoamérica, S.A. or the persons to whom they transfer their preemptive subscription right (hereinafter, the Holders), considering a cash contribution of up to S/ 14,636,657.40, with the resulting issuance of up to 977,054 Class B shares with a nominal value of S/0.36 each and up to 5,272 Class C shares with a nominal value of S/0.36 each.
 - v) As a consequence of the capitalization of credits referred to in paragraphs (i) and (ii) above and the new contributions that could be made as mentioned in paragraph (iv), the capital stock could increase from the current amount of S/ 1,818,873,480.24 (one billion, eight hundred eighteen million, eight hundred seventy-three thousand, four hundred eighty with twenty-four/100 soles) up to the new amount of S/ 1,869,227,117.28 (one billion, eight hundred and sixty-nine million, two hundred and twenty-seven thousand, one hundred and seventeen soles with 28/100) if all of the Holders exercise their preemptive subscription rights. The total number of shares with the right to subscribe amounts to 35,483,574, including 35,293,138 Class B shares and 190,436 Class C shares. Once the process of increasing the capital through new contributions has been completed, it will be up to the Board of Directors to determine the final amount of the Company's capital stock.
 - vi) Approved the preemptive subscription right procedure.
 - vii) Approved the separate financial statements for the third quarter of 2024, submitted in a separate document. It should be noted that the capital increase by capitalization of credits referred to in paragraph (i) constitutes a remedial measure that immediately rectifies the equity imbalance that can be seen in the prepared financial

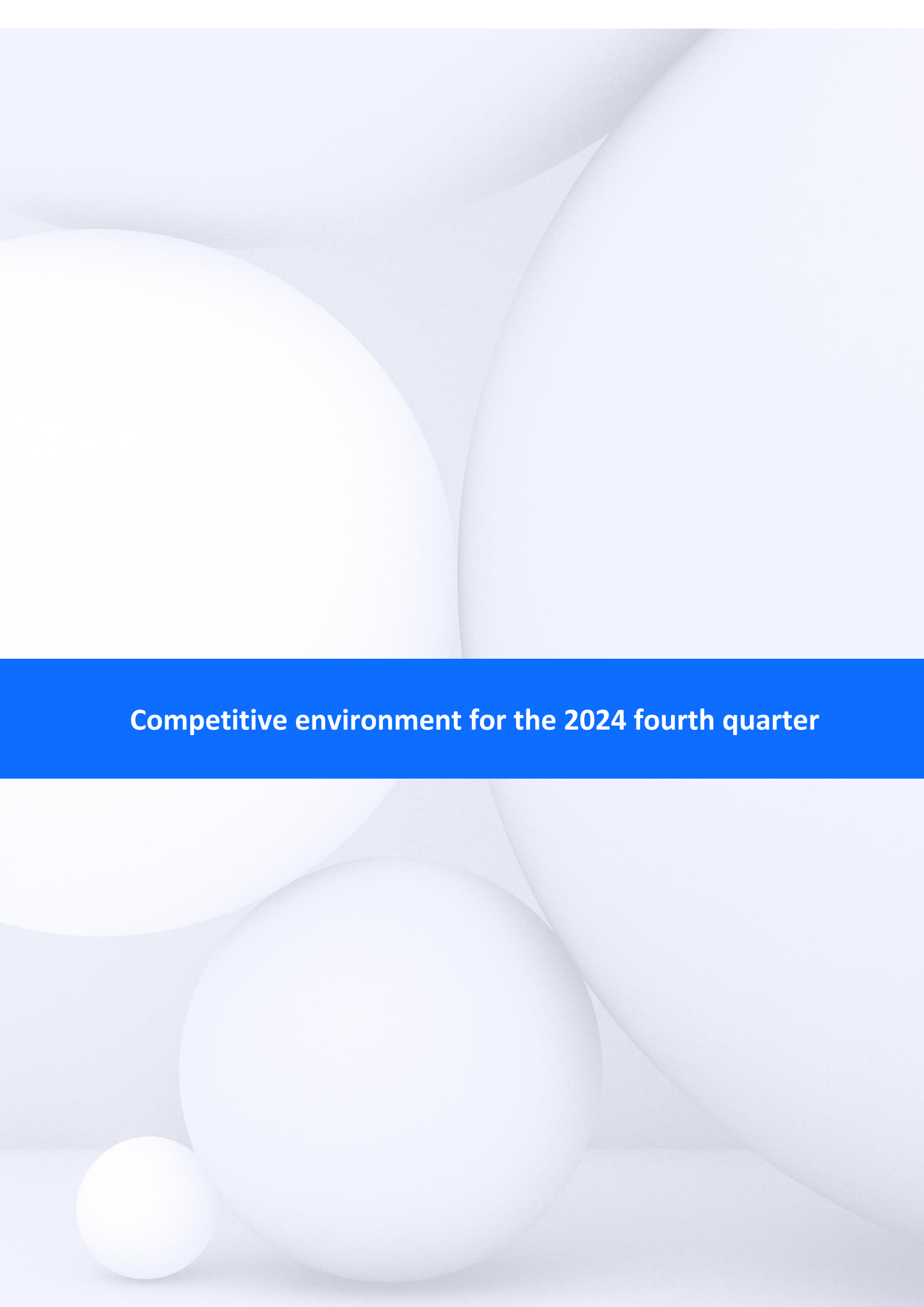
statements, derived from registering an adjustment for asset impairment. As a result, the Board of Directors, in accordance with the law, agreed to hold a General Shareholders' Meeting, remotely, on November 26, 2024, to address the following agenda:

1. Report on management and economic and financial situation.
 2. Reduction of the capital stock up to S/1,150,000,000.00 to offset the losses carried forward by the Company as of September 30, 2024, or the next interim financial statements.
 3. Delegation of powers to the Board of Directors for determining the conditions and execution of the capital stock reduction referred to in the preceding paragraph, as well as for amending Article 5 of the bylaws.
 4. Delegation of powers to the Board of Directors for new capital stock increases under the provisions of paragraph 2 of Article 206 of the General Companies Law.
 5. Delegation of powers to the Board of Directors to adopt the appropriate and/or necessary measures to maintain the Company's equity balance, including but not limited to the offsetting of losses against capital premiums, capital reductions, among other measures.
- viii) The Board of Directors delegated powers to certain officers to expand and/or modify the agenda items indicated above, for the publication of the notices of the meeting and other powers required for holding the meeting.
2. On November 26, the resolutions passed by the General Shareholders' Meeting were communicated with regard to File No. 2024048825. Given the Company's current situation, Telefónica Hispanoamérica, S.A. urged the Company to seek out and evaluate other financing options in order to achieve its strategic objectives. The following points were discussed:
1. Report on management and economic and financial situation: The General Shareholders' Meeting took note of the Company's economic and financial situation.
 2. Reduction of the capital stock up to S/1,150,000,000.00 to offset the losses carried forward by the Company as of September 30, 2024, or the next interim financial statements. The General Shareholders' Meeting approved the reduction of the capital stock up to the amount requested.
 3. Delegation of powers to the Board of Directors for determining the conditions and execution of the reduction of the capital stock, as well as for the amendment of Article 5 of the Company's bylaws: The General Shareholders' Meeting approved the request.
 4. Delegation of powers to the Board of Directors for new capital stock increases under the provisions of paragraph 2 of Article 206 of the General Companies Law.
 5. Delegation of powers to the Board of Directors for (i) new capital increases under the provisions of paragraph 2 of Article 206 of the General Companies Law; and (ii) for the implementation of appropriate and/or necessary measures to maintain the Company's equity balance, including but not limited to the offsetting of losses against capital premiums, capital reductions, among others.
3. On December 3, File No. 2024048825 was notified regarding the regularization of the Significant Event reported on November 26: In this regard, it should be noted that the amount of the reduction will be used to restore the balance between shareholders' equity and capital stock and will materialize through a reduction in the nominal value of the share,

maintaining the same number of shares issued, without resulting in the return of any amount to the shareholders. The General Shareholders' Meeting delegated powers to the Board of Directors so it may, considering the maximum amount referred to in the preceding paragraph, determine: (i) the exact amount by which the capital stock will be reduced and the amount at which the capital stock will be fixed; (ii) the amount of the reduction and the new nominal value of the share and the date on which the capital stock reduction will become effective; (iii) the other conditions of the operation; as well as, (iv) arranging for the publication of the notices regarding the capital stock reduction in the media; (iv) establishing the corresponding cutoff, registration and delivery dates and carrying out all other necessary and/or convenient actions until the total execution of the agreement adopted by the General Shareholders' Meeting.

4. On December 23, File No. 2024052261 was notified regarding the Board of Directors Meeting where the following resolutions were passed:
 1. It approved the process of closing the accounts as of November 30, 2024, which includes the recording of an accounting provision of S/369,325,914 as a result of the administrative procedure impact linked to the deductibility of financial charges in the income tax for the 2002 and 2003 periods and its effects in that period until 2007; likewise, the readjustment of the provision for the 2000 and 2001 periods, which meant a reduction of S/177,036,673. All of which will be reflected in the Company's next separate quarterly financial information to be released to the market in accordance with applicable standards.
 2. Exercising the powers delegated by the General Shareholders' Meeting of January 19, 2023, the total amount of the capital increase was set at S/50,000,002.92 as a result of the capitalization of credits held by Telefónica Hispanoamérica, S.A. as of October 28, 2024, and the exercise of the preemptive right by a minority shareholder. In view of this, the Company's capital stock increased from S/1,818,873,480.24 to S/1,868,873,483.16, which will be materialized through the creation and issuance of 138,888,897 new Class B registered shares with a nominal value of S/0.36 each, of which 138,888,888 will be subscribed by Telefónica Hispanoamérica, S.A. and 9 by the aforementioned minority shareholder.
 3. Exercising the powers delegated by the General Shareholders' Meeting of November 26, 2024, the allocation of S/2,022,119,190.01 of the full legal reserve and the share premium constituted as a result of the capital increase of October 28, 2024 was approved, to partially offset the accumulated loss recorded by the Company as of November 30, 2024, which amounts to S/3,098,647,061.97, leaving the latter at S/1,076,527,871.96.
 4. Exercising the powers delegated by the General Shareholders' Meeting of November 26, 2024, the capital stock reduction of Telefónica del Perú S.A.A. was approved in the amount of S/1,038,263,046.20. Thus, the capital was reduced from S/1,868,873,483.16 to S/830,610,436.96. The amount of the capital reduction will be used to partially cover the balance of the accumulated loss recorded by the Company as of November 30, 2024 and will materialize through the decrease of the nominal value from S/0.36 to S/0.16, that is, by S/0.20, maintaining the same number of issued shares representing the capital stock.
 5. Modified the first paragraph of Article 5 of the Company's Bylaws, which is worded as follows: "Article 5.- The capital of the Company is S/830,610,436.96 (eight hundred and

thirty million, six hundred and ten thousand, four hundred and thirty-six with ninety-six/100 soles), represented by 5,191,315,231 registered shares of S/0.16 (16/100 soles) each, fully subscribed and paid and divided into two classes as follows: (i) 5,191,124,885 Class “B” shares (ii) 190,346 Class “C” shares (...)



Competitive environment for the 2024 fourth quarter

4. COMPETITIVE ENVIRONMENT FOR THE 2024 FOURTH QUARTER

In 2024, the country faced a complex political context in which the executive and legislative authorities ended up with high levels of disapproval. Meanwhile, the Peruvian economy showed signs of recovery thanks to improved performance in the second half of the year.

The telecommunications sector is experiencing greater competitive intensity, with a focus on Contract services and fiber optic (FTTH). In addition, operators increased their investments in order to enhance their commercial offer and improve capacity and coverage in the mobile and fixed business. In this challenging context, Telefónica has become the first operator to exceed one million fiber optic customers. In addition, the company managed to improve its NPS (+13 p.p.), reaching a positive figure in 2024 as part of the process of transforming its relationship with the customer.

Compared to the end of 2023, Telefónica's total revenue decreased mainly due to the performance of the fixed business.

Mobile Business

According to official information from OSIPTEL at the end of 3Q24, Telefónica achieved a 27.5% share of mobile accesses, up 0.1 p.p. compared to 3Q23.

In the mobile business, portability drove increased competition. By the end of 2024, the total number of ported lines in the market, according to OSIPTEL, reached 6.3 million, which meant an increase of 12.3% compared to 2023. Portability from the Contract segment grew by 17.3%, reaching 4.7 million ported customers, which meant 73.8% of total portability. Compared to 2023, Telefónica was the operator with the highest uptake of Pre-pay customers, with a growth of 25.9%, while Contract uptake increased by 7.9%.

During 2024, the Contract segment was the main lever of growth for the mobile business. Operators updated their lineups with new plans and increased GB, offered discounts on fixed charges for additional lines and bonuses. In a context of increased aggressive competition, Telefónica's Contract accesses according to OSIPTEL fell by -2.0% in 3Q24 compared to the same period of the previous year. Telefónica's Contract revenues remained stable at the end of 2024.

In the Pre-pay segment, operators launched new packages and offered bonuses for digital recharges, new customers and portability benefits. According to OSIPTEL, Telefónica's Pre-pay accesses grew by 8.2% in 3Q24 compared to the same period last year.

Market revenues from mobile handsets have been growing since 2Q24 as a result of financing and payment alternatives offered by operators and the release of resources (pension funds [AFP], severance payments [CTS], etc.). In this context, Telefónica's handset revenues in the second half of the year grew compared to the first half.

Telefónica has started the technological renovation project of its mobile network. This initiative involves the renovation of more than five thousand cellular base stations, equipped with state-of-the-art technology to provide improved speed, coverage and capacity, strengthening its network to withstand greater demands for data traffic.

Fixed Business

According to data from OSIPTEL at the end of Q3 2024, Telefónica leads the fixed market with a 41.4% share in fixed telephony, 32.3% in broadband and 49.8% in Pay TV. In fiber optics, Telefónica continues to grow its accesses and remains the business leader.

In fixed broadband, the increased competition is due to the accelerated growth of fiber optics. The market has seen the entry of new fiber companies, acquisitions of companies by investment groups and announcements of increased investment aimed at short-term results. In addition, operators offered discounts on fixed charges, increased speeds and value-added services. In this context, Telefónica continued to accelerate the massification of fiber optics and a progressive migration of technology, which allowed it to be the first operator to exceed one million fiber optic customers and maintain its leadership in the country. Telefónica's fiber optic customers grew by 44.2% compared to the end of 2023 and represented 70.3% (+27.3 p.p.) of total fixed Internet customers at the end of 2024.

Traditional Pay TV accesses in the market continue to decline as a result of the growth of OTTs and informality. Operators remain focused on offering exclusive content, access to OTT platforms, and promoting IPTV services supported by fiber optic technology.

The convergence of services in the sector is an alternative which addresses consumer behavior, with customers demanding more options and convenience in the management of their services. It will also be key for operators to improve customer loyalty among their most valuable customers. Telefónica remains committed to convergence, which is why it relaunched Movistar Total, a new value proposition that includes flexibility in plans, more savings for its customers, and additional benefits to cover new connectivity needs.

5. ECONOMIC ENVIRONMENT

In the third quarter of 2024, the Peruvian economy showed that GDP had grown by 3.8% year-on-year compared to the third quarter of 2023, driven mainly by government spending (+4.1% year-on-year) and the foreign trade component given an increase in exports (+10.4% year-on-year) and, to a lesser extent, imports (+8.0% year-on-year). Meanwhile, household consumption showed more moderate growth (+3.5% year-on-year).

In cumulative terms, GDP in 3Q24 shows an average growth of 3.0% YTD, driven by the growth in domestic demand of +3.3% YTD (where government spending accumulates an increase of 4.8% YTD and Gross Capital Formation 5.6% YTD). The absence of social conflicts, a lower incidence of inflation on real income and the withdrawal of provisional funds all contributed to a more favorable environment. Meanwhile, the recovery of business expectations and higher terms of trade boosted private investment.

However, the downside of the fiscal stimulus to boost the economy is reflected in a deterioration of the National Government's budget balance (deficit of 4.1% of GDP in the 12 months ending in Nov24), which jeopardizes compliance with the fiscal rule (2.8% of GDP).

Inflation, Exchange Rate, and Taxes

Year-on-year inflation fell rapidly in 2024, from 3.0% in March to 2.3% in June, 1.8% in September, and 1.97% in December. The evolution of inflation was explained by the adjustment of food prices following the upward impact of climatic factors in 2023, as well as by the weakening of inertia effects on core inflation, the latter having fallen to 2.6% in December. The board of the Central Bank decided to cut the benchmark interest rate by 150 bps during 2024 to 5.0%. Its statement maintained a cautious tone, indicating that future rate cuts will depend on new information on inflation and activity at the local level and a new global trade scenario. Meanwhile, the Nuevo Sol (PEN) depreciated by 1.35% in the fourth quarter of 2024 compared to the end of September 2024 to S/3.75 (this level represents an annual increase of 1.35%, although it has fluctuated between S/3.66 and S/3.86 throughout the year). This evolution was influenced by the lessening of international financial conditions, a positive internal institutional climate and better terms of trade thanks to the rise in the price of copper.

Financial Markets

After the economic contraction and non-compliance with the fiscal regulation in 2023, Standard & Poor's downgraded the country's rating from BBB to BBB-, leaving it one notch away from losing its investment grade rating. In turn, Moody's and Fitch maintained their ratings at Baa1 and BBB. In September, Moody's improved the outlook from negative to stable, recognizing a lessening of risks and political tensions. In November, Fitch Ratings did the same, improving its outlook from negative to stable.

6. RESULTS OF 2024 FOURTH QUARTER

Revenues from ordinary activities

Revenues amounted to S/1.493 billion in 4Q24, 6.7% lower than in 4Q23. The cumulative figure is S/6,020.0 with a decrease of S/456.3 million compared to the previous year.

Mobile revenues

Mobile telephony revenues in 4Q24 reached S/825.0 million, a decrease of 3.7% compared to 4Q23, equivalent to S/31.4 million. As of 4Q24, we have S/3,297.7, a decrease of S/104.3 million compared to the previous year.

Contract revenues in 4Q24 closed at S/455.6 million, a decrease of S/5.4 million compared to 4Q23. The decline is associated with the commercial offer for portability management. The cumulative figure as of 4Q24 is S/1.8041 billion, a reduction of S/14.5 million compared to the previous year.

Revenues from **handset sales** from in 4Q24 amounted to S/209.1 million, a decrease of 6.6% compared to 4Q23, equivalent to S/14.7 million. Despite lower revenues, the margin on devices was optimized. The cumulative figure for 4Q24 is S/830.0 million, with a year-on-year decrease of S/62.7 million.

On the **Pre-pay** segment, revenues amounted to S/99.7 million in 4Q24, which is S/9.3 million less than in 4Q23. The reduction corresponds to the lower recurrence of recharges. In cumulative terms, we have S/415.5, with a decline of S/41.6 million compared to the same period last year.

Revenues from **Wholesale Mobile** services amounted to S/25.7 million in 4Q24, 2% lower than in 4Q23, due to lower volumes of interconnection traffic. The accumulated annual figure is S/99.2 million, which represents a slight decline of S/0.7 million compared to the same period last year.

Fixed revenues

Revenue from **Services (Voice + Broadband + TV)** amounted to S/469.5 million, 13.3% less than in 4Q23. This decrease is mainly due to intense aggressive competition. As of 4Q24, we have S/1,943.3, a decrease of S/369.0 million compared to the previous year.

Data and IT revenues amounted to S/123.6 million in 4Q24, a decrease of 6.8% compared to 4Q23, affected by the impossibility of renewing contracts with the public sector. The cumulative figure as of 4Q24 is S/492.4 million, a decline of S/10.2 million compared to the previous year.

Other Fixed revenues reached S/18.1 million in 4Q24, S/2.9 million less than in 4Q23. The cumulative figure is S/83.5 million, an increase of S/21.8 million compared to the previous year due to a greater income from public works.

Operating Activities Income

Operating Activities Income in 4Q24 was -S/491.0 million, S/362.0 million less than in 4Q23, mainly due to the loss in fixed/mobile revenues due to aggressive competition in mobile Contract and Fixed services from fiber companies. The cumulative figure is -S/2.4115 billion, a decrease of S/2.0638 billion compared to the previous year, mainly due to the aggressive competition in the sector, as mentioned above, which also led to Asset Impairment being recorded, amounting to S/1.216 billion in 3Q24.

Non-Operating Income

The Non-Operating Income in 4Q24 was negative at -S/109.7 million, an improvement of S/85.2 compared to 4Q23, mainly explained by lower financial expenses. The cumulative figure is -S/582.4 million, which represents a decrease of S/217.6 million compared to the previous year, which was positively impacted by interest resulting from using the credit balance of the Nortel Plant tax dispute.

Net income for the fiscal year

The net income for the fiscal year in 4Q24 was -S/857.9 million, S/576.8 million lower than in 4Q23, explained by the lower operating result. In 4Q24 we have a cumulative figure of -S/3.3916 billion, down S/2.7781 billion compared to the previous year due to the decrease in revenues in 2024, which was impacted by aggressive competition and the impairment of assets recorded in 3Q24 and of tax assets.

7. STATEMENT OF FINANCIAL POSITION

Total current assets in 4Q24 amounted to S/2.534 billion, S/708 million less than in the previous quarter. This is mainly due to a decrease in Cash as a result of industry seasonality, Trade account receivables, and Non-current assets held for sale, which were reclassified to Property, plant and equipment, net related to fiber optic assets, as the sale to Pangeaco S.A. was dismissed.

Total non-current assets closed the fourth quarter of 2024 at S/6.861 billion, S/269 million higher than the previous quarter, mainly due to the increase in Property, plant and equipment, which is explained by the reclassification of fiber optic assets from current to non-current but offset by intangible assets and right-of-use assets due to the natural depreciation of the assets.

As a result, total assets amounted to S/9.395 billion, showing a decrease of S/440 million compared to the amount recorded at the end of 3Q24.

At the end of 4Q24, total current liabilities amounted to S/5.916 billion, S/1.426 billion below 3Q24. The variation is mainly due to a decrease in Other financial liabilities and Other accounts payable to related entities due to the amortization of debt related to bank promissory notes and a local bond, in addition to the intra-group debt capitalization.

Total non-current liabilities amounted to S/3 billion at the end of the fourth quarter, S/225 million less than in the previous quarter. This is mainly due to the decrease in Other long-term accounts payable to related entities that relates to the intra-group debt capitalization, which was offset by an increase in Long-term income tax liabilities and other provisions resulting from the tax contingency provision for the 2002-2006 fiscal years, net of the rebates of tax contingency provisions for the 2000-2001 fiscal years, as indicated in the significant events.

Lastly, Total Equity increased by S/1.211 billion in 4Q24, reaching S/479 million, mainly explained by the capitalization of S/2.069 billion from the loans from Telefónica Hispanoamérica, S.A., which offset the results of 4Q24

Relevant Financial Ratios

At the end of 4Q24, liquidity ($[\text{Total current assets} - \text{Cash and cash equivalents}] / \text{Total current liabilities}$) closed at 0.35x, the same ratio as in the previous quarter.

Financial leverage ($\text{Financial liabilities}^* / \text{Total equity}$) reached 4.94x in the fourth quarter of the year, compared to -4.45x in the previous quarter, mainly explained by the capitalization of intra-group debt of S/2.069 billion.

*Does not include lease debt recorded from the adoption of IFRS16.

TABLE 1
TELEFONICA DEL PERU S.A.A.
INCOME STATEMENT IN SOLES (000) FOR THE PERIOD ENDED DECEMBER 31st, 2024 AND 2023
(Prepared in accordance with International Financial Reporting Standards - IFRS)

	4Q24		4Q23		Variation of 4Q24 vs 4Q23		12M24		12M23		Variation of 12M24 vs 12M23	
	S/000	%	S/000	%	S/000	%	S/000	%	S/000	%	S/000	%
Revenues from ordinary activities	1,492,969	100.0	1,599,899	100.0	(106,930)	(6.7)	6,020,030	100.0	6,476,335	100.0	(456,305)	(7.0)
Mobile revenues	824,985	55.3	856,368	53.5	(31,383)	(3.7)	3,297,739	54.8	3,402,084	52.5	(104,345)	(3.1)
Contract	455,612	30.5	460,975	28.8	(5,363)	(1.2)	1,804,096	30.0	1,818,642	28.1	(14,546)	(0.8)
Handsets (Engagement + Loyalty)	209,130	14.0	223,796	14.0	(14,666)	(6.6)	830,030	13.8	892,723	13.8	(62,693)	(7.0)
Pre-pay	99,731	6.7	108,986	6.8	(9,255)	(8.5)	415,496	6.9	457,071	7.1	(41,575)	(9.1)
Wholesale	25,710	1.7	26,235	1.6	(525)	(2.0)	99,197	1.6	99,899	1.5	(702)	(0.7)
Other mobile revenues	34,802	2.3	36,376	2.3	(1,574)	(4.3)	148,920	2.5	133,749	2.1	15,171	11.3
Fixed revenues	667,984	44.7	743,531	46.5	(75,547)	(10.2)	2,722,291	45.2	3,074,251	47.5	(351,960)	(11.4)
Service revenues (Voice + Broadband + TV)	469,489	31.4	541,660	33.9	(72,171)	(13.3)	1,943,268	32.3	2,312,293	35.7	(369,025)	(16.0)
Data + TI	123,593	8.3	132,540	8.3	(8,947)	(6.8)	492,382	8.2	502,626	7.8	(10,244)	(2.0)
Wholesale	51,291	3.4	45,736	2.9	5,555	12.1	189,243	3.1	175,112	2.7	14,131	8.1
Equipment (Voice + Broadband + TV)	5,489	0.4	2,558	0.2	2,931	114.6	13,851	0.2	22,508	0.3	(8,657)	(38.5)
Other fixed revenues	18,122	1.2	21,037	1.3	(2,915)	(13.9)	83,547	1.4	61,712	1.0	21,835	35.4
Operating expenses	1,956,316	131.0	1,731,725	108.2	224,591	13.0	8,424,795	139.9	6,841,822	105.6	1,582,973	23.1
General, Administration, and Sales	971,626	65.1	937,642	58.6	33,984	3.6	3,904,411	64.9	3,779,525	58.4	124,886	3.3
Cost of equipment sales	288,042	19.3	251,329	15.7	36,713	14.6	1,022,807	17.0	1,034,581	16.0	(11,774)	(1.1)
Depreciation and amortization	441,258	29.6	311,414	19.5	129,844	41.7	1,381,669	23.0	1,136,656	17.6	245,013	21.6
Personnel	191,699	12.8	158,583	9.9	33,116	20.9	644,182	10.7	609,670	9.4	34,512	5.7
Depreciation of rights of use	63,691	4.3	59,640	3.7	4,051	6.8	256,155	4.3	216,729	3.3	39,426	18.2
Asset impairment	-	-	13,117	0.8	(13,117)	-	1,215,571	20.2	64,661	1.0	1,150,910	1,779.9
Operating income before other revenues and expenses, net	(463,347)	(31.0)	(131,826)	(8.2)	(331,521)	251.5	(2,404,765)	(39.9)	(365,487)	(5.6)	(2,039,278)	558.0
Other revenues - operating expenses, net	(27,676)	(1.9)	2,847	0.2	(30,523)	(1,072.1)	(6,751)	(0.1)	17,790	0.3	(24,541)	(137.9)
Operating activities loss	(491,023)	(32.9)	(128,979)	(8.1)	(362,044)	280.7	(2,411,516)	(40.1)	(347,697)	(5.4)	(2,063,819)	593.6
Financial revenues	15,956	1.1	2,255	0.1	13,701	607.6	40,242	0.7	288,049	4.4	(247,807)	(86.0)
Financial expenses	(135,070)	(9.0)	(197,425)	(12.3)	62,355	(31.6)	(630,395)	(10.5)	(653,918)	(10.1)	23,523	(3.6)
Net exchange rate differential	7,812	0.5	3,221	0.2	4,591	142.5	7,631	0.1	(421)	(0.0)	8,052	(1,912.6)
Equity in related party income	1,557	0.1	(3,002)	(0.2)	4,559	(151.9)	73	0.0	1,400	0.0	(1,327)	(94.8)
Non-operating income	(109,745)	(7.4)	(194,951)	(12.2)	85,206	(43.7)	(582,449)	(9.7)	(364,890)	(5.6)	(217,559)	59.6
Income before income tax	(600,768)	(40.2)	(323,930)	(20.2)	(276,838)	85.5	(2,993,965)	(49.7)	(712,587)	(11.0)	(2,281,378)	320.2
Income tax	(257,082)	(17.2)	42,904	2.7	(299,986)	(699.2)	(397,629)	(6.6)	99,099	1.5	(496,728)	(501.2)
Net loss for the fiscal year	(857,850)	(57.5)	(281,026)	(17.6)	(576,824)	205.3	(3,391,594)	(56.3)	(613,488)	(9.5)	(2,778,106)	452.8

This document should be read together with the corresponding Financial Statements and the notes thereto presented simultaneously, which are an integral part of this document and contain complementary information.

TABLE 2
TELEFONICA DEL PERU S.A.A.
STATEMENT OF FINANCIAL POSITION IN SOLES (000) AT DECEMBER 31ST, 2024
(Prepared in accordance with International Financial Reporting Standards - IFRS)

Assets						Liabilities and equity					
	4Q24	3Q24	2Q24	1Q24	4Q23		4Q24	3Q24	2Q24	1Q24	4Q23
Current assets						Current liabilities					
Cash and cash equivalents	434,020	706,471	643,956	184,121	520,844	Other financial liabilities	753,055	1,653,094	1,960,218	359,869	297,632
Trade accounts receivables, net	568,394	654,894	734,556	726,924	632,233	Lease liabilities	392,973	394,059	423,446	443,091	416,660
Contract assets	34,716	36,786	37,391	38,028	37,268	Trade accounts payables	1,897,660	1,705,951	1,675,101	1,582,055	1,737,678
Other accounts receivables, net	126,783	100,779	137,953	99,763	81,684	Contractual liabilities	88,942	102,508	92,417	104,640	109,493
Accounts receivable to related entities	-	-	-	36,506	3,072	Other accounts payable to related entities	6,524	837,873	801,439	8,808	733,226
Inventory	146,375	151,821	198,813	217,767	241,136	Other accounts payable	183,861	156,408	153,652	248,974	191,852
Other non-financial assets	687,382	684,062	665,785	635,492	575,761	Deferred income	24,219	25,526	14,568	15,774	26,214
Income tax asset	536,413	509,332	133,512	162,845	162,845	Other provisions	419,714	397,365	406,904	412,410	462,468
	2,534,083	2,844,145	2,551,966	2,101,446	2,254,843	Income tax liabilities	2,148,746	2,069,040	1,676,475	2,747,878	2,706,896
Non-current assets held for sale	-	398,418	398,418	398,418	398,418	Total current liabilities	5,915,694	7,341,824	7,204,220	5,923,499	6,682,119
Total current assets	2,534,083	3,242,563	2,950,384	2,499,864	2,653,261						
Trade accounts receivables, net	-	1	280	403	509	Other financial liabilities	1,612,916	1,603,924	1,593,229	2,259,629	2,255,252
Contract assets	1,365	1,683	1,786	2,288	1,743	Lease liabilities	625,227	646,176	693,233	752,936	791,856
Other accounts receivables, net	51,614	55,268	65,252	63,352	63,200	Contractual liabilities	16,145	17,840	19,688	22,547	26,385
Investments in subsidiaries and associates	224,646	223,089	222,265	222,288	224,573	Other accounts payable to related entities	63,746	442,914	2,064	1,090	877
Property, plant, and equipment, net	3,637,818	3,278,355	3,454,305	3,578,065	3,726,489	Other accounts payable	21,328	22,116	22,860	22,327	22,238
Intangible assets other than goodwill (net)	1,138,838	1,194,053	1,501,875	1,564,340	1,617,836	Deferred income	21,658	23,910	31,815	30,103	28,490
Right-of-use assets	721,487	744,622	783,842	839,878	868,962	Other provisions	451,066	417,929	429,097	424,602	421,150
Deferred tax assets	358,600	368,463	612,326	560,469	510,600	Non-current income tax liabilities	188,183	50,308	47,036	45,545	48,724
Current tax assets, non-current	315,401	315,401	315,401	315,401	315,401	Total non-current liabilities	3,000,269	3,225,117	2,839,022	3,558,779	3,594,972
Goodwill	-	-	959,137	959,137	959,137	Total liabilities	8,915,963	10,566,941	10,043,242	9,482,278	10,277,091
Other non-financial assets	411,475	411,541	408,358	407,221	415,472	Equity					
Total non-current assets	6,861,244	6,592,476	8,324,827	8,512,842	8,703,922	Issued capital	830,610	1,818,873	1,818,873	3,183,029	2,638,274
						Issue premiums	-	-	-	341,613	168,675
						Other capital reserves	-	2,675	-	-	-
						Accumulated income	(349,522)	(2,552,054)	(598,414)	(1,996,095)	(1,724,078)
						Other equity reserves	(1,724)	(1,396)	11,510	1,881	(2,779)
						Total equity	479,364	(731,902)	1,231,969	1,530,428	1,080,092
Total assets	9,395,327	9,835,039	11,275,211	11,012,706	11,357,183	Total liabilities and equity	9,395,327	9,835,039	11,275,211	11,012,706	11,357,183

This document should be read together with the corresponding Financial Statements and the notes thereto presented simultaneously, which are an integral part of this document and contain complementary information.

TELEFONICA DEL PERU

ACCESSSES

Data expressed in Thousands, PEN

	2023				2024				Var. %
	March	June	September	December	March	June	September	December	
Retail accesses	15,253	14,552	13,889	13,874	13,747	13,684	13,389	13,191	-5%
Fixed telephony accesses	1,155	1,064	927	837	775	720	679	641	-23%
Broadband	1,920	1,860	1,760	1,661	1,588	1,524	1,483	1,464	-12%
UBB	1,837	1,787	1,695	1,604	1,537	1,479	1,443	1,428	-11%
FTTH	576	606	654	710	775	845	934	1,024	44%
Mobile accesses	10,490	9,995	9,689	9,878	9,965	10,066	9,903	9,757	-1%
Pre-pay	5,909	5,360	4,987	5,178	5,274	5,372	5,218	5,078	-2%
Contract	4,581	4,635	4,702	4,700	4,691	4,693	4,685	4,679	0%
IoT (M2M)	557	559	506	548	522	489	451	471	-14%
Pay TV	1,131	1,074	1,006	949	897	884	873	858	-10%
Cable	1,048	998	935	884	830	785	746	702	-21%

Source: Telefónica del Perú

TELEFONICA DEL PERU

CONTRACT OPERATIONAL DATA

Data expressed in (%) and Thousands, PEN

	2023				2024				Var. %
	March	June	September	December	March	June	September	December	
Mobile churn (quarterly)	5.3%	5.6%	5.6%	5.1%	5.5%	5.4%	6.1%	6.0%	0.9 p.p.
Contract	3.5%	3.6%	3.8%	3.9%	4.0%	4.0%	4.1%	4.2%	0.3 p.p.
Mobile churn (cumulative)	5.3%	5.5%	5.5%	5.3%	5.5%	6.1%	5.7%	5.8%	0.5 p.p.
Contract	3.5%	3.6%	3.6%	3.7%	4.0%	4.1%	4.0%	4.1%	0.4 p.p.
FBB churn	2.8%	3.2%	3.6%	4.0%	3.8%	3.5%	3.1%	2.9%	-1.1 p.p.
Mobile ARPU	16.8	17.4	18.7	18.3	17.6	17.3	17.7	18.0	-1.9%
Contract	32.1	32.1	33.6	32.6	31.7	31.7	32.1	32.4	-0.6%
FBB ARPU	55.3	54.0	55.7	57.1	55.0	53.8	55.0	56.0	-1.9%

OWN FTTH NETWORK COVERAGE - PERU

Unaudited data (Thousands)

	2023				2024				
	March	June	September	December	March	June	September	December	% Var
Total FTTH (TdP + Pangea)	2,232	2,544	2,840	3,154	3,443	3,800	4,156	4,391	39.2%
Own (TdP)	1,417	1,426	1,439	1,448	1,448	1,448	1,448	1,448	0.1%
Up-take FTTH	28%	26%	25%	24%	24%	23%	23%	24%	0 p.p.

Notes:

- Up-take FTTH is calculated as the number of FTTH accesses or FTTH connectors divided by the total number of real estate units connected to FTTH.

TELEFONICA DEL PERU

FINANCIAL DEVELOPMENT

Data expressed in Thousands, PEN

	2023				2024				% Var
	March	June	September	December	March	June	September	December	
Net amount	1,629	1,603	1,645	1,600	1,515	1,603	1,483	1,493	-7%
Mobile Business	823	842	881	856	821	842	828	825	-4%
Handsets	205	232	232	224	200	232	209	209	-7%
Fixed Business	807	761	763	744	694	761	655	668	-10%
Operating income before D&A (OIBDA)	325	309	296	317	211	203	120	83	-74%
% margin	20%	19%	18%	20%	14%	13%	8%	6%	-72%
CapEx	74	121	122	255	69	120	137	348	36%
OIBDA-CapEx	251	188	173	62	142	83	-18	-265	-523%

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