Colombia Telecomunicaciones S. A. E.S.P. BIC and its Subsidiary

Condensed Consolidated Interim Financial Statements

As of September 30, 2024, and for the nine-month period ended September 30, 2024, with the report of the Statutory Auditor.

Table of Contents

Certification of the Legal Representative and Public Accountant

To the Shareholders of
COLOMBIA TELECOMUNICACIONES S. A. E.S.P. BIC

November 7, 2024

1. The undersigned Legal Representative and Certified Public Accountant of Colombia Telecomunicaciones S. A. E.S.P. BIC (hereinafter "the Company") certify that for the issuance of the Condensed Consolidated Interim Statement of Financial Position as of September 30, 2024, and the Condensed Consolidated Interim Statement of Comprehensive Income, Condensed Consolidated Interim Statement of Changes in Equity, and Condensed Consolidated Interim Statement of Cash Flows for the nine-month period ended on that date, in accordance with the regulations made available to shareholders and third parties, , the statements contained therein have been previously verified, and the figures have been faithfully taken from the books. Such explicit and implicit assertions are as follows:All assets and liabilities included in the Company's condensed consolidated interim financial statements as of September 30, 2024, exist, and all transactions included in such condensed consolidated interim financial statements were carried out during the nine-month period ended on that date.

2. All economic events conducted by the Company during the nine-month period ended September 30, 2024, have been recognized in the condensed consolidated interim financial statements.

3. The assets represent the potential to generate future economic benefits (rights), and the liabilities represent the obligation to transfer the economic resource (obligations), obtained or payable by the Company as of September 30, 2024.

4. All items have been recognized at their appropriate values, in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (NCIF).

5. All economic events affecting the Company have been correctly classified, described, and disclosed in the condensed consolidated interim financial statements.

COLOMBIA TELECOMUNICACIONES S.A. E.S.P. BIC AND ITS SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2024
(Figures expressed in thousands of Colombian pesos, except for net earnings per share or unless otherwise indicated)

		As of september, 30		As of december, 31	
		2024		2023	
	Notes	(No Auditado)		(Auditado)	
		(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Assets					
Current Assets					
Cash and cash equivalents	5	19.304	80.655.862	86.687	362.205.669
Financial assets	6	65.687	274.460.800	68	284.742
Debtors and other receivables, net	7	351.013	1.466.637.993	271.710	1.135.287.569
Prepaid expenses	8	135.782	567.335.924	119.094	497.612.298
Contractual assets	9	1.844	7.702.719	2.650	11.072.674
Inventories	10	32.338	135.117.767	43.182	180.428.613
Taxes and public administration	11	146.545	612.310.605	90.954	380.034.553
Assets held for sale	12	442.603	1.849.329.539	-	-
Total current assets		**1.195.116**	**4.993.551.209**	**614.345**	**2.566.926.118**
Non-current assets:					
Financial assets	6	10.464	43.720.110	14.025	58.598.897
Debtors and other receivables, net	7	195.769	817.982.730	215.542	900.598.544
Investments in companies	13	7.500	31.335.252	14.225	59.436.247
Prepaid Expenses	8	178.746	746.854.016	170.264	711.415.811
Contractual Assets	9	126	526.938	522	2.182.814
Right of use assets	14	81.055	338.673.136	272.127	1.137.026.730
Property, plant and equipment	15	840.879	3.513.443.681	946.886	3.956.375.044
Investment Properties		1.925	8.045.056	1.925	8.045.056
Intangibles	16	139.566	583.149.388	242.265	1.012.254.122
Goodwill	17	307.441	1.284.581.389	324.494	1.355.833.946
Taxes and Public Administration	11	107.732	450.136.860	114.028	476.444.494
Deferred taxes, net	11	256.472	1.071.615.243	279.857	1.169.326.314
Total Non-current assets		**2.127.675**	**8.890.063.799**	**2.596.160**	**10.847.538.019**
Total assets		**3.322.791**	**13.883.615.008**	**3.210.505**	**13.414.464.137**
Liabilities					
Current liabilities:					
Financial liabilities	18	132.264	552.640.437	186.759	780.335.881
Lease debts	19	34.417	143.803.826	95.550	399.236.077
Suppliers and accounts payable	20	548.261	2.290.798.954	574.620	2.400.934.218
Contractual liabilities	9	41.936	175.220.202	40.847	170.669.840
Taxes and public administration	11	56.400	235.655.686	23.560	98.441.268
Deferred liabilities		620	2.590.540	621	2.595.769
Provisions and pension liabilities	21	45.537	190.265.501	40.097	167.535.438
Liabilities directly associated with assets held for sale	12	376.232	1.572.011.961	-	-
Total current liabilities		**1.235.667**	**5.162.987.107**	**962.054**	**4.019.748.491**
Non-current liabilities					
Financial liabilities	18	1.002.085	4.187.011.289	782.480	3.269.437.949
Lease debts	19	83.745	349.912.888	294.827	1.231.876.268
Suppliers and accounts payable	20	54.024	225.724.488	112.480	469.976.217
Contractual liabilities	9	36.556	152.743.147	44.854	187.424.759
Deferred liabilities		1.266	5.289.600	1.349	5.635.377
Provisions and pension liabilities	21	56.544	236.256.294	66.344	277.204.146
Total Non-current liabilities		**1.234.220**	**5.156.937.706**	**1.302.334**	**5.441.554.716**
Total Liabilities		**2.469.887**	**10.319.924.813**	**2.264.388**	**9.461.303.207**
Total equity, attributable to controlling interests	22	**852.904**	**3.563.690.195**	**946.117**	**3.953.160.930**
Total liabilities and shareholders' equity		**3.322.791**	**13.883.615.008**	**3.210.505**	**13.414.464.137**

Notes 1 to 32 are an integral part of these condensed interim financial statements.

COLOMBIA TELECOMUNICACIONES S.A. E.S.P. BIC AND ITS SUBSIDIARY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024 AND 2023
(figures expressed in thousands of Colombian pesos, except for net earnings per share or unless otherwise indicated)

		For the nine-month period ended september 30,			
		(Unaudited)			
	Notes	2024		2023	
		(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Operating income:					
Income from contracts with customers	23	1.097.613	4.586.156.195	1.206.552	5.041.334.927
Other operating income	24	68.390	285.753.941	49.871	208.377.233
		1.166.003	**4.871.910.136**	**1.256.423**	**5.249.712.160**
Operating costs and expenses	25	(905.773)	(3.784.593.286)	(999.093)	(4.174.508.208)
Operating result before depreciation and amortization		**260.230**	**1.087.316.850**	**257.330**	**1.075.203.952**
Depreciation and amortization	26	(195.030)	(814.893.810)	(251.396)	(1.050.407.197)
Operational result		**65.200**	**272.423.040**	**5.934**	**24.796.755**
Financial expense, net	27	(106.249)	(443.940.932)	(96.058)	(401.360.172)
Method of participation	13	(6.491)	(27.120.122)	(2.903)	(12.127.754)
Income tax and complementary taxes		**(47.540)**	**(198.638.014)**	**(93.027)**	**(388.691.171)**
Income and supplementary taxes	11	(27.842)	(116.332.757)	(4.798)	(20.047.079)
Net result for the period		**(75.382)**	**(314.970.771)**	**(97.825)**	**(408.738.250)**
Other comprehensible results:					
Items reclassified to the income statement:					
Measurement of hedging derivative instruments, net of tax	11	(17.678)	(73.862.396)	(50.052)	(209.130.363)
Participation on another comprehensive result in associate	11	(153)	(637.568)	544	2.272.468
		(17.831)	**(74.499.964)**	**(49.508)**	**(206.857.895)**
Items not reclassified to the income statement					
Revaluation of real estate, net of taxes		(1.493)	(6.237.656)	(11.519)	(48.128.598)
	11 y 22	**(19.324)**	**(80.737.620)**	**(61.027)**	**(254.986.493)**
Net comprehensive income for the period		**(94.706)**	**(395.708.391)**	**(158.852)**	**(663.724.743)**

Notes 1 to 32 are an integral part of these condensed interim financial statements.

COLOMBIA TELECOMUNICACIONES S. A. E.S.P. BIC AND ITS SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024 AND 2023
(figures expressed in thousands of Colombian pesos, except for net earnings per share or unless otherwise indicated)

	Subscribed and paid-in capital	Premium on share placement	Reserves	Revaluation surplus and hedging derivatives	Accumulated results	Total
			(In thousands of US$)			
Balances as of December 31, 2022	**816**	**2.350.808**	**17.000**	**72.954**	**(1.309.823)**	**1.131.755**
Net profit for the period	-	-	-	-	(97.824)	**(97.824)**
Transfers (Note 22)	-	-	-	(11.519)	11.519	**-**
Other comprehensive income for the period (Note 22)	-	-	-	(49.508)	-	**(49.508)**
Balances as of September 30, 2023 (Unaudited)	**816**	**2.350.808**	**17.000**	**11.927**	**(1.396.128)**	**984.423**
Balances as of December 31, 2023	**816**	**2.350.808**	**17.000**	**39.259**	**(1.461.766)**	**946.117**
Net profit for the period	-	-	-	-	(75.382)	**(75.382)**
Transfers (Note 22)	-	-	-	(1.493)	1.493	**-**
Other comprehensive income for the period (Note 22)	-	-	-	(17.831)	-	**(17.831)**
Balances as of September 30, 2024 (Unaudited)	**816**	**2.350.808**	**17.000**	**19.935**	**(1.535.655)**	**852.904**

	Subscribed and paid-in capital	Premium on share placement	Reserves	Revaluation surplus and hedging derivatives	Accumulated results	Total
			(In thousands of COP$)			
Balances as of December 31, 2022	**3.410.076**	**9.822.380.645**	**71.030.665**	**304.823.104**	**(5.472.832.458)**	**4.728.812.032**
Net profit for the period	-	-	-	-	(408.738.250)	(408.738.250)
Transfers (Note 22)	-	-	-	(48.128.598)	48.128.598	-
Other comprehensive income for the period (Note 22)	-	-	-	(206.857.895)	-	(206.857.895)
Balances as of September 30, 2023 (Unaudited)	**3.410.076**	**9.822.380.645**	**71.030.665**	**49.836.611**	**(5.833.442.110)**	**4.113.215.887**
Balances as of December 31, 2023	**3.410.076**	**9.822.380.645**	**71.030.665**	**164.036.859**	**(6.107.697.314)**	**3.953.160.930**
Net profit for the period	-	-	-	-	(314.970.771)	(314.970.771)
Transfers (Note 22)	-	-	-	(6.237.656)	6.237.656	-
Other comprehensive income for the period (Note 22)	-	-	-	(74.499.964)	-	(74.499.964)
Balances as of September 30, 2024 (Unaudited)	**3.410.076**	**9.822.380.645**	**71.030.665**	**83.299.239**	**(6.416.430.429)**	**3.563.690.195**

COLOMBIA TELECOMUNICACIONES S. A. E.S.P. BIC AND ITS SUBSIDIARY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024 AND 2023
(figures expressed in thousands of Colombian pesos unless otherwise indicated)

		For the nine-month period ended september 30, (Unaudited)			
	Notes	2024		2023	
		(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Net cash flows from operating activities					
Cash received from customers		1.298.218	5.424.342.469	1.342.823	5.610.718.858
Cash paid to suppliers and other accounts payable		(1.046.164)	(4.371.187.945)	(1.056.501)	(4.414.376.399)
Net interest paid and other financial expenses		(90.255)	(377.111.731)	(86.087)	(359.695.582)
Direct taxes paid		(36.918)	(154.253.997)	(49.616)	(207.310.936)
Self-withholding on income tax		(58.981)	(246.439.720)	(51.255)	(214.157.991)
Interest paid on finance leases	19	(24.362)	(101.791.670)	(20.828)	(87.023.562)
Payment of spectrum license		(27.443)	(114.665.495)	(13.286)	(55.513.680)
Net cash provided by operating activities		**14.095**	**58.891.911**	**65.250**	**272.640.708**
Net cash flows used in investing activities					
Collections for the sale of real estate and equipment		1.478	6.170.255	11.382	47.560.200
Payments for investments in plant and equipment and intangibles		(104.256)	(435.612.273)	(157.740)	(659.083.781)
Net cash used in investing activities		**(102.778)**	**(429.442.018)**	**(146.358)**	**(611.523.581)**
Net cash flows provided by (used in) financing activities					
New financial debt		269.339	1.125.378.878	71.809	300.040.975
Payment of financial debt		(175.310)	(732.495.840)	(29.909)	(124.982.215)
Finance lease payments	19	(71.146)	(297.270.750)	(54.217)	(226.533.642)
Exchange rate hedging payments		(1.582)	(6.611.988)	(10.125)	(42.307.098)
Net cash flows provided by (used in) financing activities		**21.301**	**89.000.300**	**(22.442)**	**(93.781.980)**
Net decrease in cash and cash equivalents		**(67.382)**	**(281.549.807)**	**(103.550)**	**(432.664.853)**
Cash and cash equivalents as of January 1		86.686	362.205.669	115.443	482.357.458
Cash and cash equivalents as of September 30	5	**19.304**	**80.655.862**	**11.893**	**49.692.605**
Cash and cash equivalents as of January 1		**86.686**	**362.205.669**	**115.443**	**482.357.458**
Cash, cash and banks		57.189	238.957.607	97.010	405.344.578
Temporary investments		29.497	123.248.062	18.433	77.012.880
Cash and cash equivalents as of September 30		**19.304**	**80.655.862**	**11.893**	**49.692.605**
Cash, cash and banks		15.247	63.706.979	11.418	47.707.113
Temporary investments		4.057	16.948.883	475	1.985.492

Notes 1 to 32 are an integral part of these condensed interim financial statements.

1. GENERAL INFORMATION

a) Economic Entity

Colombia Telecomunicaciones S. A. E.S.P. BIC (hereinafter "the Company") was incorporated as a commercial corporation by shares in Colombia by Public Deed No. 1331 of June 16, 2003, with a duration, until December 31, 2092, and with its main domicile in Bogotá D.C. located at transversal 60 No.114 A 55. A 55. The Company, whose capital is majority-owned by individuals, is subject to the legal regime set forth in Law 1341 of 2009 and other applicable regulations, thus classified as a public utility company (E.S.P.).

The Company's main corporate purpose is the organization, operation, provision, supply and exploitation of network activities and telecommunications services, such as local, extended local and national and international long distance basic public switched telephony, mobile services, cellular mobile telephony services in any territorial, national or international order, carriers, teleservices, telematic services, value added services, satellite services in their different modalities, television services in all their modalities including cable television, broadcasting services, wireless technologies, video, computer application hosting services, data center services, operation services of private and public telecommunication networks and total operations of information systems, services of provision and/or generation of contents and applications, information services and any other activity, product or service qualified as telecommunication and/or information and communication technologies (ICT) such as resources, tools, equipment, computer programs, applications, networks and media, which allow the provision and/or generation of contents and applications, information services and any other activity, product or service qualified as telecommunication and/or information and communication technologies (ICT) such as resources, tools, equipment, computer programs, applications, networks and means, which allow the compilation, processing, storage, transmission of information such as voice, data, text, video and images, including their complementary and supplementary activities, within the national territory and abroad and in connection with the exterior, using for this purpose goods, assets and rights of its own or exercising the use and enjoyment of goods, assets and rights of third parties.

The company may also engage in the following activities: (i) provision of telecommunications and computer services that support e-commerce activities, as well as the communication of data messages in general, specialized messaging services, and courier services; (ii) Representation of national or foreign firms involved in the telecommunications industry, either as equipment and/or service providers; (iii) Production, distribution, sale, and marketing of products and elements related to telecommunications, electricity, electronics, informatics, and related fields; (iv) Provision of technical advisory services, equipment and network maintenance, and consultancy in the fields of electricity, electronics, informatics, telecommunications, and related areas; (v) Provision of delegated management services for a company's technology and application functions; (vi) Manufacture, design, installation, commissioning, and marketing of all types of electrical and electronic equipment and systems; (vii) Provision of technical, technological, consultancy, auditing, and any other business advisory support services to companies in Colombia and/or abroad; (viii) Establish, exploit, use, install, expand, extend, renew, or modify telecommunications networks and services and their different elements, for private or public use, nationally or internationally; (ix) Importation, commercialization, installation, and leasing of equipment for private surveillance and security.

Likewise, the Company may develop the commercial activities that have been defined in its bylaws.

On September 27, 2017, the Company acquired the majority shareholding of the companies Empresa de Telecomunicaciones de Bucaramanga S. A. E.S.P. and Metropolitana de Comunicaciones S. A. E.S.P. equivalent to 99.99% and 99.97%, respectively. In this way, Telefónica S. A. acquired control of these companies through Colombia Telecomunicaciones S. A. E.S.P. BIC, and on November 9 and 8, 2017, the aforementioned control situation was registered in the Chamber of Commerce of Bucaramanga and Barranquilla, respectively. On April 9, 2018, the Company registered the situation of Business Group of the Company, Empresa de Telecomunicaciones de Bucaramanga S. A. E.S.P. and Metropolitana de Comunicaciones S. A. E.S.P. with the controlling company Telefónica S. A. at the Chamber of Commerce.

On May 27, 2020, by means of Public Deed No. 769 granted in the Notary Office Sixteen (16) of the Circle of Bogotá D.C., the statutory reform of merger was solemnized, by virtue of which Colombia Telecomunicaciones S. A. E.S.P. BIC absorbed Metrotel and Telebucaramanga. The referred public deed was registered in the Mercantile Registry of the Chamber of Commerce of Bogotá D.C. on May 28, 2020.

On July 28, 2020, the Company registered in the Chamber of Commerce the modification of the Company's Business Group status, in the sense of indicating that it is only between the Company and the controlling company Telefónica S. A.

The companies Empresa de Telecomunicaciones de Bucaramanga S. A. E.S.P. and Metropolitana de Comunicaciones S. A. E.S.P. were owners of 100% of the shares of the company Operaciones Tecnológicas y Comerciales S. A. S. - "Optecom", S. S., this company proceeded to (i) cancel the titles of Metrotel and Telebucaramanga; (ii) issue in the name of Colombia Telecomunicaciones S. A. E.S.P. BIC the titles corresponding to the 2,330 shares owned by Metrotel and Telebucaramanga; and (iii) register in the share registry book the company Colombia Telecomunicaciones S. A. E.S.P. BIC as shareholder of Optecom. Consequently, Colombia Telecomunicaciones S. A. E.S.P. BIC has a share corresponding to 100% of the capital stock of Optecom. The situation of control over Optecom is predicated on Telefónica S. A., who registered it before the Chamber of Commerce of Barranquilla on November 8, 2018.

The company Operaciones Tecnológicas y Comerciales S. A. S. - "Optecom" was incorporated under Colombian law on October 22, 2013 as a simplified joint stock company (S. A. S.). The main corporate purpose consists of the performance of one or more of the activities provided for in Law 1341 of 2009, for providers of networks and services of information and communications technologies and other activities proper and complementary to the information and communications technologies sector. The term of the company is indefinite; the address registered as the domicile and main office is located at Calle 74 No. 57 - 35, 2nd floor (Barranquilla, Colombia).

b) Transaction with Kohlberg Kravis Roberts ("KKR")

On January 11, 2022, after obtaining the necessary regulatory authorizations and the fulfillment of certain conditions agreed on July 16, 2021, the transactions approved by the Board of Directors of Colombia Telecomunicaciones S. A. E.S.P. BIC were completed. Consequently, Colombia Telecomunicaciones S. A. E.S.P. BIC perfected the sale of the fiber optic business (hereinafter FTTH) to Onnet Fibra Colombia S. A. S. ("Onnet") for an amount equivalent to USD 328.9 million ($1,307,473.1) million.

The negotiation included the agreement of an Earn-Out, which was agreed between the parties based on the analysis of the Master business plan. On March 23, 2022, the modification of the operation entered into with KKR was signed so that Colombia Telecomunicaciones S.A. E.S.P. BIC will be able to: (i) receive a higher income by way of an increase in the sale price of fiber optic assets in the amount of USD 50.00 million in cash in three payments over time, subject to the fulfillment of conditions outlined in the Master Business Plan over the years 2022, 2023, and 2024 and (ii) USD 33.33 million for capitalization in Alamo HoldCo Sp for a total of USD 83.33 million. The amendment will not alter the Company's interest in Alamo HoldCo S.L., equivalent to 40% of the capital stock.

At the close of September 2023, the Company conducted a conciliation with Onnet Fibra Colombia S.A.S. to validate the fulfillment of the agreed conditions for the first year. By achieving the Earn-Out and surpassing two of the three established goals, the result was a payment of USD 16,000,000 equivalent to $62,515.4 million. In addition to this, USD 10,666,667 was capitalized, equivalent to $41,819.1 million, as an increased value in the investment in Álamo Holdco, S.L. Regarding the third condition, it was verified that the goal was met, and payment to the Company will proceed.

On October 30, 2023, Colombia Telecomunicaciones S.A. E.S.P. BIC signed an amendment to the agreements with Alamo SpainCo, S.L.U. and Onnet Fibra Colombia S.A.S., allowing it to exercise the option to release the exclusivity agreed upon in the wholesale agreement before the expiration of its contractual term. To exercise this right, the Company must reach a certain number of homes connected.

At the end of March 2024, the reconciliation to validate compliance with the third agreed condition related to the corporate segment was completed, confirming that the target was met for all three periods, and the collection is agreed to take place from 2026 to 2029.

At the end of September 2024, the Company carried out the reconciliation with Onnet Fibra Colombia S.A.S. to validate compliance with the agreed conditions for the second year, verifying the Earn-Out compliance with respect to the two established targets, meeting one of the two targets and thus obtaining a receivable right for USD 24,000,000, equivalent to COP 100,279 million. Additionally, a right of USD 16,000,000, equivalent to COP 66,853 million, was generated, which is expected to be capitalized in Álamo Holdco, S.L

c) Agreement - Single Network Project

On June 9, 2023, Colombia Telecomunicaciones S.A. ESP BIC and Colombia Móvil S.A. ESP (Tigo) entered into a non-binding Memorandum of Understanding to explore the possibility of sharing their mobile access networks and other network resources.

On December 14, 2023, the Company's Board of Directors comprehensively authorized the transaction, and on February 19, 2024, the General Shareholders' Meeting of Colombia Telecomunicaciones S.A. ESP BIC authorized the execution of a binding agreement between Tigo and the Company for the sharing of mobile access networks and radio spectrum

On February 26, 2024, Colombia Telecomunicaciones S.A. ESP BIC and Colombia Móvil S.A. ESP signed a framework agreement for the implementation of a single mobile access network, through an independent company, as well as for sharing radio spectrum usage permits through a Temporary Union. The closing of the transaction is subject to obtaining the corresponding regulatory approvals and the respective contractual stipulations.

d) Capital Repayment of the Ordinary Bond of Colombia Telecomunicaciones S.A. E.S.P BIC, 2019 issuance.

In accordance with the terms set forth in the Ordinary Bonds prospectus issued on May 29, 2019, for the amount of COP$500 billion. On May 29, 2024, the Company paid its holders the principal associated with Subseries A-5 for the amount of COP$347.590 billion along with its corresponding interest.

2. OPERATIONS

2.1. Ongoing Business

In conducting its business activities, the Group analyzes not only the measurement of assets and liabilities, accounting estimates, and appropriate disclosures but also the Group's ability to continue as a going concern.

Management continues to have a reasonable expectation that the Group has adequate resources to continue as a going concern for at least the next 12 months and that the going concern basis of accounting remains appropriate. The Group has resources comprising cash and cash equivalents of $80.655.862, other highly liquid assets, and if necessary, initiatives will be activated to generate sufficient working capital for operations.

The Group's management, with the support of the shareholders, is jointly analyzing the necessary measures to strengthen the liquidity and financial indicators of the Group and ensure the ability to continue operating as a going concern. These measures have already been implemented through the execution of the Strategic Plan for the years 2024 to 2026. Additionally, in response to a severe negative scenario, the Group maintains the capacity to take mitigation actions to reduce costs, optimize cash flow, and preserve liquidity.

These consolidated financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of reported assets, liabilities, and expenses that might otherwise be required if the going concern basis were not appropriate.

2.2. Impacts of the international conflict

The Group has implemented internal control measures through a protocol so that any transaction with third parties whose location is in Russia or third parties from other countries that were reached by the sanctions imposed by the European Union, United Kingdom, United States, and other countries, are authorized by the intervention area, internal audit, and compliance area. As of the nine-month period ended September 30, 2024, there is no relationship with third parties subject to sanctions, therefore no risks have been generated in the financial information

No significant impacts have been identified in the financial information or the operation of the Group arising from the current situation of geopolitical conflicts in the Middle East or Western Europe.

2.3. Main Regulatory Matters

The main regulatory aspects as of September 30, 2024, are as follows

a) Spectrum Licenses

- In accordance with the procedures stipulated by the Ministry of Information and Communications Technologies (hereinafter MINTIC), the Group applied for the renewal of the 30 MHz in the AWS band in June 2023, as well as the 25 MHz in the 850 band and the 15 MHz of spectrum in the 1900 MHz band in September 2023.Through Resolution No. 01053 of 2024 from MinTic, the conditions for the renewal of spectrum in the AWS band were established, and in April 2024, an appeal was filed requesting better conditions, which was settled through Resolution No. 3046 of August 13, 2024. On July 22, 2024, we were notified via Resolution 02657 issued by the Ministry of Information and Communication Technologies regarding the renewal of the radio spectrum in the 850 MHz and 1900 MHz bands for eighteen (18) months, from March 29, 2024, to September 28, 2025.

- MINTIC conducted the auction on December 20, 2023, and the Company participated and acquired, in a Temporary Union with Colombia Móvil S.A. ESP (hereinafter TIGO),the participation will be in equal percentages (50% for each party), and a block of 80 MHz in the 3.5 GHz band was acquired for the reserve value of $318 billion pesos, which includes the amount to be recognized for obligations to be fulfilled. The acquired block has coverage obligations on primary and secondary roads, as well as connecting educational institutions through fiber optics, which must be completed within a maximum period of 18 months, extendable to 24 months in some cases. The maximum value that MINTIC will recognize for the execution of these obligations is $69 billion pesos. The teams from both companies are working on the execution of the obligations to perform.

b) Approved laws

No new laws relevant to the ICT sector were recorded as having been approved during the first nine months of 2024

c) Non-binding Agreement to Combine the Operations of Millicom and Telefónica in Colombia

On July 31, 2024, Telefónica Hispanoamérica signed a non-binding agreement with Millicom to explore the combination of their operations in Colombia. This potential transaction is subject to the signing of definitive agreements between the companies and obtaining the necessary regulatory approvals, and it contemplates the sale of Telefónica's shares, as well as the extension of Millicom's offer to the Colombian Nation.

d) Main bills related to the TIC sector currently under consideration by the Congress:

- Bill 10 of 2023; Senate of the Republic: Establishes the National Digital Security Agency.
- Bill 89 of 2023; Senate of the Republic: Provisions to develop healthy and safe digital environments for children and teenagers.
- Bill 91 of 2023; Senate of the Republic: Establishes the duty of information for the responsible use of artificial intelligence.
- Bill 116 of 2023; House of Representatives: Public policy guidelines to expand coverage of rural public goods and services.
- Bill 130 of 2023; Senate of the Republic: Establishes the harmonization of artificial intelligence with the right to work of individuals.
- Bill 137 of 2023; House of Representatives: Presents provisions for the recovery of technology for children.
- Bill 176 of 2023; Senate of the Republic: Establishes the registration and identification of end users of SIM cards and e-SIM or technology that replaces them.
- Bill 200 of 2023; House of Representatives: Defines and regulates artificial intelligence and establishes limits on its development, use, and implementation.

- Bill 219 of 2024; Senate of the Republic: establishes measures to protect users in the reconnection processes of VoIP, mobile and fixed telephony, internet, and television services - Free reconnection

e) Main initiatives of MINTIC.

The Vice Minister of ICT has planned to postpone the regional auction of the remaining spectrum. The official mentioned that, due to the difficult financial situation in the sector, the date would be moved from August to December 2024, when the 80 MHz available in the 3500 MHz band would be awarded

f) Regulatory Topics on the Agenda of the Communications Regulation Commission.

The CRC has issued Resolution 7285 of 2024. The project began by analyzing the problem of lack of competition in the market for voice and data mobile packages and has provided the following:

Roaming Automático Nacional (RAN)

1. New obligation to offer and provide, under non-discriminatory conditions, the RAN service as requested by the Network Provider Origin. If requested disaggregation at a greater level than municipal, the Visiting Network Provider must provide it (if technical restrictions are demonstrated, it must be provided at least by municipality).

2. Reduced the fee received by the dominant operator for RAN voice and data, accelerating the application of the final price, which is lower according to the regulated path.

3. Expanded the list of municipalities where the RAN value is regulated, from 460 to 498.

User Rights

1. Rates: New authority to request subscription to retention, loyalty, and recovery plans once they meet the requirements, which must be communicated on the website. It is necessary to create a visible and easily accessible microsite to publish these plans.

2. Portability: Extended the window period for changing from 8 AM to 4 PM, from Monday to Sunday including holidays. Changed from business days to calendar days for the activation period; the choice of the day to make the porting effective; the planning and realization of the change window; and the cancellation of service for a ported number.

3. Ordered user attention in physical offices for non-compliance with 4G data quality indicators.

Competition

1. Adjusted the definition of Mobile Network Operator (MNO) and Mobile Virtual Network Operator (MVNO). A company may be an MVNO in areas where it does not have spectrum permission, or where it has permission but does not use it. An MNO is the company that has spectrum permission.

2. New obligation: all operators must report the passive infrastructure they use, whether their own or from third parties (towers, masts, monopoles, floor space, and additional services it controls in any capacity). The Dominant Operator is also required to publish it on its website, along with the reference conditions for sharing such infrastructure.

    - The CRC published a consultation document on the review project of fixed network remuneration schemes. It makes a diagnosis highlighting the modernization of networks and substantial drops in fixed network traffic and asks about the convenience of reviewing termination charges in 2024.

    - The Regulatory Commission has published for comments the document on regulatory alternatives for the project "Review of regulatory measures for mobile services - Phase 2."

    - The Commission seeks to increase effective competition to improve user welfare; evaluate the relevance of modifying or complementing general measures; determine the need for new measures to mitigate the absence of effective competition; and identify elements of the regulations susceptible to simplification.

The proposals are framed in 5 thematic areas: i) joint sale of mobile services with other communication services; ii) Economic replicability of offers made by Mobile Network Operators; iii) Prohibition of permanence clauses in bundled mobile and fixed services and joint offers of mobile and fixed services; iv) Quality conditions of the National Automatic Roaming service; and v) Customer recovery practices or "Win-back" in Mobile Number Portability.

- CRC issued Resolution 7363 in April 2024, regarding quality in mobile services.

  It modifies the target values of the Latency (round trip), Jitter, and Packet Loss Rate indicators for 4G data:

  Target value indicator by geographic area: Latency (round trip) 100 milliseconds maximum; Jitter 50 milliseconds maximum; Packet Loss Rate 5% maximum.

  For base stations with satellite transmission, the indicators of Latency, Jitter, and Packet Loss Rate are reported informatively and do not need to meet target values.

  It sets the target values for the upload and download speed indicators of 4G mobile data according to the defined geographic areas.

- The CRC announced the launch of its new Excluded Numbers Registry platform, in accordance with the "Dejen de Fregar" Law, to limit the sending of commercial and advertising content through different contact channels by producers and suppliers of goods and services.

- The CRC initiated the regulatory project 'Design and Implementation of a Methodology for Simplifying the CRC's Regulatory Framework' to simplify the existing regulation with the participation of all stakeholder groups. In May, a public consultation was held, which ended in July. Then, in August, the problem formulation was published, and comments from the sector were received until October 19

g) Initiatives of the Mayor's Office of Bogotá

By issuing Decree 52, the Mayor's Office of Bogotá has granted the sectorial request to extend the deadline for the regularization of infrastructure. For the regularization of a radio station installed irregularly, each provider of networks and telecommunications services and/or the provider of telecommunications support infrastructure will have a maximum term until March 31, 2025, to submit documentation to the District Planning Secretariat and meet the conditions.

3. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

3.1. Professional Accounting Standards Applied

3.1.1. Basis of Presentation

These interim financial statements as of September 30, 2024, and for the nine-month period ended on that date, have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's latest annual consolidated financial statements as of and for the year ended December 31, 2023 ('latest annual financial statements'). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS. However, selected explanatory notes are included to explain events and transactions that are important to understand the Group's financial position and performance changes since the last annual financial statements.

These Condensed Consolidated Interim Financial Statements have been prepared on the historical cost basis except for land, buildings, and derivative financial instruments, which have been measured at fair value.

The carrying amounts of assets and liabilities recognized and designated as hedged items in fair value hedging relationships that would otherwise have been carried at amortized cost have been adjusted for changes in fair values attributable to the risks being hedged in the respective effective hedging relationships.

The consolidated financial statements are presented in Colombian pesos, which is the Group's functional currency, and all values in Colombian pesos are rounded to the nearest thousand unless otherwise indicated.

Transactions in foreign currencies are translated into the functional currency using the exchange rates in effect at the dates of the transactions or valuation when items are revalued. Balances denominated in foreign currencies are expressed in Colombian pesos at the representative exchange rates of 4.178,30 and $3,822.05 per US$1 at September 30, 2024 and December 31, 2023, respectively.

The Condensed Consolidated Interim Financial Statements for the period ended September 30, 2024, were authorized for issue by the Chief Executive Officer of Colombia Telecomunicaciones S. A. E.S.P. BIC on November 07, 2024.

3.1.2. Condensed Consolidated Interim Financial Statements

The condensed consolidated interim financial statements present the Company's information as an individual entity, recognizing investments in subsidiaries and associates using the equity method. The condensed consolidated interim financial statements present the Group's information as a single entity using the full consolidation method, adding its assets, liabilities, and operations conducted during the nine-month period ended September 30, 2024, excluding transactions between the Company and its Subsidiary

The subsidiary is consolidated from the date on which Colombia Telecomunicaciones S. A. E.S.P. BIC obtains control and will continue to be consolidated until the date on which such control ceases and/or is disposed of. The subsidiary prepares individual financial statements for the same reporting period as that of Colombia Telecomunicaciones S. A. E.S.P. BIC, applying uniform accounting policies. All balances, transactions, unrealized gains, and losses arising between Group entities are eliminated.

3.1.3. Investment in Subsidiary

The investment in the subsidiary, in which the Company has control by directly holding more than 50% of the share capital, is accounted for using the equity method. Under this method, investments are initially recorded at cost and subsequently adjusted, with a credit or debit to income as appropriate, to recognize the share of profits or losses from the subsidiaries. The cash distribution of profits from these companies is recorded as a reduction in the investment value.

Additionally, the proportional share in changes to other equity accounts of the subsidiaries, other than income for the period, is also recorded as an increase or decrease in the value of the investments mentioned above, with a credit or debit to the equity method surplus account.

3.1.4. Investments in Associates

The equity method accounts for investments in associates in which the Group has significant influence. Under this method, investments are initially recorded at cost and subsequently adjusted, with credit or debit to income, as appropriate, to recognize the share in the profits or losses of the associate after the elimination of unrealized intercompany profits. The cash distribution of the profits of these companies is recorded as a reduction in the value of the investment.

Additionally, the proportional participation in the variations in other equity accounts of the associates, other than income for the period, is also recorded as an increase or decrease in the value of the investments indicated above, with a credit or debit to the equity method surplus account.

In a transaction involving an associate or a joint venture, the extent to which the gain or loss is recognized depends on whether the assets sold or contributed constitute a business:

- When the entity: sells or contributes assets, which constitute a business, to a joint venture or associate; or loses control of a subsidiary that contains a business but retains control or significant influence; the gain or loss from that transaction is recognized in full.

- Conversely, when the entity: sells or contributes assets that do not constitute a business to a joint venture or associate; or loses control of a subsidiary that does not contain a business but retains joint control or significant influence in a transaction involving an associate or joint venture; the gain or loss resulting from that transaction is recognized only to the extent of the unrelated investor's interest in the joint venture or associate, the entity's share of the gain or loss is eliminated.

Therefore, in accordance with the terms of the contract for the sale of the fiber optic assets, Colombia Telecomunicaciones S.A. E.S.P. BIC has subscribed shares equivalent to a 40% interest in Alamo HoldCo S.L. and considering that the operation constitutes the sale of a business with subsequent investment in an associate, in the presentation of these consolidated financial statements, the profit or loss arising from this transaction will be recognized in full.

3.1.5. Accounting Estimates and Judgments

The preparation of Condensed Consolidated Interim Financial Statements in accordance with MFRS requires the use of certain critical accounting estimates. Based on the preceding, Management makes judgments, estimates, and assumptions that could affect the reported amounts of revenues, costs, expenses, assets, and liabilities at the date of the Condensed Consolidated Interim Financial Statements, including the respective disclosures in future periods. Although they may differ from their final effect, Management believes that the estimates and assumptions used were appropriate in each circumstance.

The estimates and judgments used are continually evaluated and are based on historical experience and other factors, including the expectation of the occurrence of future events that are considered reasonable under the circumstances.

The following is a summary of the main accounting estimates and judgments made by the Group in the preparation of the Condensed Consolidated Interim Financial Statements:

- The assumptions used to calculate the fair value of financial instruments,
- The valuation of financial assets to determine the existence of impairment losses,
- The useful life of property, plant and equipment and intangibles,
- The variables used and the assumptions used in the evaluation and determination of impairment indicators for non-financial assets,
- The variables used in the evaluation and determination of losses and obsolescence of inventories,
- The discount rate used in the calculation of the lease liability and the right of use,
- The probability of occurrence and the value of the liabilities that determine the amount to be recognized as provisions related to litigation and restructuring,
- The assumptions used in recognition of the decommissioning liability,
- The assessment of the probability of having future profits for the recognition of deferred tax assets,
- The estimated time to depreciate the rights of use, the assumptions used in the calculation of the growth rates of the lease contracts recorded as rights of use, and the variables used for the valuation of the lease liability.
- Post-employment employee benefits, the present value of pension obligations, and other post-employment benefits depend on certain factors that are determined on an actuarial basis using several assumptions.

These estimates have been made on the basis of the best information available on the events analyzed at the date of preparation of the Condensed Consolidated Interim Financial Statements, which may give rise to future modifications by virtue of possible situations that may occur and that would require their recognition prospectively, which would be treated as a change in an accounting estimate in future financial statements.

3.2. Accounting Policies

The Group's main accounting policies are described in the accounting policies section of the annual report as of December 31, 2023. The same has been applied for the period covered by these Condensed Consolidated Interim Financial Statements.

3.2.1. Jointly controlled Operations

Joint arrangements are those over which there is joint control, established by contracts that require unanimous consent for decisions relating to activities that significantly affect the performance of the arrangement. To recognize the agreements, the Group is required to record the rights and obligations arising from the agreement, depending on whether they are classified as a joint venture or a joint operation.

The interests of a joint venture are recognized using the equity method, while for joint operations, each party recognizes its respective share of the assets, liabilities, revenues, and expenses.

The Group recognizes as a joint operation those contracts with third parties over which it has rights to the assets and obligations with respect to the liabilities, related to the arrangement and accounts for each asset, liability, and transaction, including those held or incurred jointly, in connection with the operation in accordance with the percentage interest in the respective arrangement.

The Group has entered into contractual arrangements with other participants to undertake joint activities that do not result in a jointly controlled entity. These arrangements sometimes involve joint ownership of assets dedicated to the purposes of each venture but do not create a jointly controlled entity, whereby the participants derive benefits from the activities directly, rather than deriving returns from an interest in a separate entity.

The Group's financial statements include its share of the assets of the joint operations together with the liabilities, revenues, and expenses generated, which are measured in accordance with the terms of each arrangement, generally based on each participant's share.

3.2.2 Non-current assets held for sale

The non-current assets or groups of assets held for sale consist of assets and liabilities that the Group currently holds for transfer in a transaction based on a highly probable disposal plan. They are recognized at the lower of their carrying amount and fair value less costs to sell and are not subject to depreciation while classified as held for sale. When the sale is expected to occur beyond one year, the Group measures the costs to sell at their present value. Any increase in the present value of the costs to sell arising during the period is recognized in the income statement.

Fixed assets classified as held for sale and the assets and liabilities of disposal groups classified as held for sale must be presented separately on the statement of financial position from the rest of the assets and liabilities.

4. REGULATORY CHANGES

New regulations incorporated into the accepted accounting framework in Colombia, whose application is mandatory starting from January 1, 2024.

The Decree 1611 of 2022 updated the technical frameworks of the Accounting and Financial Information Standards accepted in Colombia, mainly incorporating amendments to the standards already compiled by Decrees 938 of 2021, 2270 of 2019, and 1432 of 2020. These amendments consider the regulations incorporated by Decrees 2420 and 2496 of 2015, 2131 of 2016, 2170 of 2017, and 2483 of 2018, modified by Decrees 2496 of 2015, 2131 of 2016, 2170 of 2017, 2483 of 2018, 2270 of 2019, 1432 of 2020, 1611 of 2022, and 1899 of 2023.

The latest consolidated annual financial statements as of December 31, 2023, reveal the regulations incorporated into the accepted accounting framework in Colombia, whose application must be evaluated mandatorily in periods subsequent to January 1, 2024.

5. CASH AND CASH EQUIVALENTS

The balance of cash and cash equivalents is as follows:

	As of september, 30		**As of december, 31**	
	2024		**2023**	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Banks in national and foreign currency	15.244	63.693.737	57.187	238.943.403
Temporary investments (1)	4.057	16.948.883	29.497	123.248.062
Cash	3	13.242	3	14.204
	19.304	**80.655.862**	**86.687**	**362.205.669**

The net decrease mainly corresponds to: i) payment for spectrum license, deployment of the 4G mobile network, and fiber optic networks, ii) payment for finance leases, and iii) net positive effect between the amount collected from customers and the cash used in operating activities.

Cash and cash equivalents include balances in foreign currency, and their equivalent in thousands of pesos as of September 30, 2024, and December 31, 2023, was USD 1,875 thousand (COP 7,834,313) and USD 1,556 thousand (COP 5,947,110), respectively (Note 28)

As of September 30, 2024, and December 31, 2023, restricted amounts in banks total COP 14,358,753 and COP 12,019,313, respectively.

(1) Includes investments in collective funds whose rates for the nine-month period ended September 30, 2024, and 2023 ranged from 9.03% to 11.81% and from 9.27% to 14.66%, respectively. As of December 31, 2023, Tax Refund Securities (TIDIS) amounted to COP 97,052 million, which were liquidated during the first quarter of 2024.

The returns from temporary and bank investments recognized during the nine-month period ended September 30, 2024, and 2023, were COP 17,583,444 and COP 4,211,396, respectively (Note 27).

6. FINANCIAL ASSETS

The balance of financial assets as of September 30, 2024, is as follows:

	At fair value through profit or loss	At fair value with changes in OCI	Total financial assets at fair value	At amortized cost	Total financial assets
			(In thousands of US$)		
Current:					
Hedging instruments (1)	47.451	18.216	65.667	-	65.667
Deposits and guarantees (2)	-	-	-	20	20
	47.451	**18.216**	**65.667**	**20**	**65.687**
Non-current:					
Deposits and guarantees (2)	-	-	-	8.227	8.227
Hedging instruments (1)	2.222	-	2.223	-	2.223
Other financial assets	-	-	-	14	14
	2.222	**-**	**2.223**	**8.241**	**10.464**
	49.673	**18.216**	**67.890**	**8.261**	**76.151**

	At fair value through profit or loss	At fair value with changes in OCI	Total financial assets at fair value	At amortized cost	Total financial assets
			(In thousands of COP$)		
Current:					
Hedging instruments (1)	198.263.336	76.112.722	274.376.058	-	274.376.058
Deposits and guarantees (2)	-	-	-	84.742	84.742
	198.263.336	**76.112.722**	**274.376.058**	**84.742**	**274.460.800**
Non-current:					
Deposits and guarantees (2)	-	-	-	34.373.909	34.373.909
Hedging instruments (1)	9.286.201	-	9.286.201	-	9.286.201
Other financial assets	-	-	-	60.000	60.000
	9.286.201	**-**	**9.286.201**	**34.433.909**	**43.720.110**
	207.549.537	**76.112.722**	**283.662.259**	**34.518.651**	**318.180.910**

(1) As of September 30, 2024, there is an increase in the asset for the valuation of hedge instruments, mainly due to the devaluation of the peso against the dollar by 9.32% compared to the end of December 2023 (as of September 30, 2024, COP 4,178.30, and as of December 31, 2023, COP 3,822.05), which primarily affects hedges related to the senior bond.

(2) This corresponds to deposits established by court order, for which the Company is carrying out the necessary processes for their resolution. The decrease in the current portion corresponds to the settlement of the near commercial alliance process. The increase in the non-current portion mainly corresponds to processes with territorial entities related to municipal taxes.

The balance of financial assets on December 31, 2023, is as follows:

	At fair value through profit or loss	Total financial assets at fair value	At amortized cost	Total financial assets
		(In thousands of US$)		
Current:				
Deposits and guarantees	-	-	68	**68**
	-	**-**	**68**	**68**
Non-current:				
Deposits and guarantees	-	-	7.590	**7.590**
Hedging instruments	6.420	6.421	-	**6.421**
Other financial assets	-	-	14	**14**
	6.420	**6.421**	**7.604**	**14.025**
	6.420	**6.421**	**7.672**	**14.093**

	At fair value through profit or loss	Total financial assets at fair value	At amortized cost	Total financial assets
		(In thousands of COP$)		
Current:				
Deposits and guarantees	-	-	284.742	**284.742**
	-	**-**	**284.742**	**284.742**
Non-current:				
Deposits and guarantees	-	-	31.713.897	**31.713.897**
Hedging instruments	26.825.000	26.825.000	-	**26.825.000**
Other financial assets	-	-	60.000	**60.000**
	26.825.000	**26.825.000**	**31.773.897**	**58.598.897**
	26.825.000	**26.825.000**	**32.058.639**	**58.883.639**

7. DEBTORS AND OTHER ACCOUNTS RECEIVABLE, NET

The balance of debtors and other accounts receivable is as follows:

	As of september, 30		**As of december, 31**	
	2024		**2023**	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Current				
Customers by sale and provision of services (1)	238.250	995.480.849	207.617	867.485.015
Related parties (2) (Note 29)	92.492	386.458.931	47.013	196.432.993
Portfolio for equipment sold in installments (3)	90.566	378.411.148	83.761	349.985.815
Other debtors (4)	55.522	231.988.877	51.689	215.970.955
Portfolio with national and international operators (5)	21.231	88.710.072	10.078	42.108.076
Commercial agents and distribution channels (6)	467	1.951.785	4.948	20.673.278
Portfolio impairment (7)	(147.515)	(616.363.669)	(133.396)	(557.368.563)
	351.013	**1.466.637.993**	**271.710**	**1.135.287.569**
Non-current:				
Related parties (2) (Note 29)	133.656	558.455.558	142.459	595.235.639
Portfolio of equipment sold in installments (3)	22.175	92.655.090	33.313	139.193.443
Clients for sales and provision of services (1)	21.797	91.073.398	21.797	91.073.398
Portfolio with national operators (5)	11.564	48.319.174	11.564	48.319.174
Other debtors (4)	8.302	34.688.023	8.934	37.326.887
Portfolio impairment (7)	(1.725)	(7.208.513)	(2.525)	(10.549.997)
	195.769	**817.982.730**	**215.542**	**900.598.544**
	546.782	**2.284.620.723**	**487.252**	**2.035.886.113**

As of September 30, 2024, balances in foreign currency are included with debtors and other receivables amounting to USD 3,502 thousand (COP 14,632,407) and with related parties amounting to USD 69,113 thousand (COP 288,774,848), while as of December 31, 2023, foreign currency balances with debtors and other receivables amounted to USD 9,053 thousand (COP 34,601,019) and with related parties to USD 70,068 thousand (COP 267,803,399) (Note 28).

(1) The net growth in the current portion is primarily due to the sale of receivables at the close of 2023. During the 2024 period, the receivables include services provided to residential and corporate customers in line with the commercial activity related to the provision of services through fiber optics, digital services, and connectivity. The non-current portion corresponds to receivables from corporate customers in accordance with the contractually established terms.

(2) The increase in the current portion is primarily related to the Earn Out generated in the fiber optic business, showing overachievement at the close of September 2024 in the settlement of the second tranche and the transfer from long-term to short-term of the third tranche, which will be settled in 2025. The decrease in the non-current portion corresponds mainly to the transfer to short-term of the third tranche of the Earn Out (Note 29).

(3) This mainly includes receivables from the sale of handsets and WiFi amplifiers. During the 2024 period, the sales were partially financed directly by the Company through installment payments with customers. The non-current portion decreases due to transfers to the short term according to the established maturities.

(4) The current portion shows a net increase, mainly due to receivables from agreements with third parties in the financing channel modality for the sale of handsets, and a decrease in receivables for services rendered for co-investment projects in fiber optic deployment, commercial support services, and shared branding. It also includes fiduciary rights of COP 37,199,395 and COP 35,843,986, respectively (Note 20) for the Biannual Plan subsidy, showing an increase due to financial returns from the fiduciary accounts. The non-current portion decreases due to the transfer to short-term receivables from property sales in accordance with the established terms.

The current portion as of September 30, 2024, and December 31, 2023, includes fiduciary rights of COP 37,199,395 and COP 35,843,986, respectively (Note 20) for the Biannual Plan subsidy. The increase is generated by the financial returns from the fiduciary accounts

(5) As of September 30, 2024, the current portion shows an increase mainly due to the closure of reconciliations with roaming service operators and fixed operation. The balance of the non-current portion corresponds to receivables with the operator according to the terms of the established agreement.

(6) As of September 30, 2024, receivables with commercial agents and distribution channels decreased mainly due to the closure of commercial activity in the sales channel with large retail chains.

(7) During the period ended September 30, 2024, impairment of receivables amounting to COP 57,142 million was recognized (Note 25), and receivables write-offs amounted to COP 1,488 million

8. PREPAID EXPENSES

The balance of prepaid expenses is as follows:

	As of september, 30		As of december, 31	
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Current:				
Costs for obtaining contracts with clients (1)	47.637	199.039.862	38.428	160.564.727
Cost of equipment at clients' premises (2)	45.823	191.462.025	39.562	165.300.070
Cost of fulfilling contracts with clients (3)	29.878	124.839.750	23.912	99.912.131
Support and maintenance (4)	6.611	27.622.692	7.026	29.356.644
Corporate projects (5)	3.917	16.366.564	8.365	34.951.404
Insurance policies	1.904	7.956.861	1.786	7.463.160
Irrevocable usage rights - capacity (6)	12	48.170	15	64.162
	135.782	**567.335.924**	**119.094**	**497.612.298**
Non-current:				
Costs for obtaining contracts with clients (1)	76.816	320.961.389	68.259	285.207.407
Cost of equipment at clients' premises (2)	58.452	244.229.843	62.931	262.944.250
Cost of fulfilling contracts with clients (3)	42.821	178.921.018	38.344	160.214.133
Insurance policies	333	1.384.432	164	685.103
Support and maintenance (4)	207	866.689	441	1.842.144
Irrevocable usage rights - capacity (6)	117	490.645	125	522.774
	178.746	**746.854.016**	**170.264**	**711.415.811**
	314.528	**1.314.189.940**	**289.358**	**1.209.028.109**

(1) As of September 30, 2024, the increase is mainly due to higher commercial activity leveraged by the expansion of the fiber optic network, which generated higher sales commissions. The amortization for the nine-month periods ended September 30, 2024, and December 31, 2023, was COP 150,211,884 and COP 103,635,943, respectively (Note 25).

(2) The amortization for the nine-month periods ended September 30, 2024, and 2023 for equipment costs at customer premises was COP 140,328,399 and COP 102,421,120, respectively (Note 25). The current portion shows an increase mainly due to the acceleration in commercial activity driven by the preference for the fiber optic network service (FTTH) and IPTV, as well as the transfer from the non-current portion for the assets to be amortized in the next twelve months. The non-current portion shows a net decrease due to transfers to the current portion and new installations of equipment at customer premises.

(3) The amortization for the periods ended September 30, 2024, and 2023 was COP 93,088,168 and COP 67,083,284, respectively (Note 25). Both the current and non-current portions increase due to the installation services of customer premises equipment driven by higher commercial activity during the nine months of 2024.

(4) This includes license, support, and maintenance services for network equipment. As of September 30, 2024, the decrease in the current portion mainly corresponds to the amortization of licenses related to technological platforms, as well as their respective technical and functional support for corporate clients and business projects. The decrease in the non-current portion corresponds to transfers to the short-term, according to the term of the service.

(5) As of September 30, 2024, the decrease mainly corresponds to the progress in the deployment of the FTTH network, showing a balance of COP 14,336 million, and for the unique network project costs, a balance of COP 2,030 million.

(6) As of September 30, 2024, the decrease in the current portion corresponds to the amortization of the transnational cable costs. The decrease in the non-current portion corresponds to transfers to the short-term, according to the term of the service.

9. CONTRACTUAL ASSETS AND LIABILITIES

The balances as of September 30, 2024, and December 31, 2023, along with the movement for the period ended September 30, 2024, of contractual assets and liabilities are as follows:

	As of december, 31, 2023	High	Amortization	Transfers	Reversal	As of september, 30, 2024
			(In thousands of US$)			
Current contractual asset						
Contractual asset	2.659	916	(2.548)	821	-	1.848
Impairment corrections	(9)	(2)	6	(2)	3	(4)
	2.650	**914**	**(2.542)**	**819**	**3**	**1.844**
Non-current contractual asset						
Contractual asset	522	423	-	(820)	-	125
Impairment corrections	(2)	(1)	-	2	1	1
	520	**422**	**-**	**(818)**	**1**	**126**
Total Contractual Assets (1)	**3.170**	**1.336**	**(2.542)**	**1**	**4**	**1.970**
Current contractual liabilities (2)	40.847	112.615	(119.824)	8.298	-	41.936
Non-current contractual liability (2)	44.854	-	-	(8.298)	-	36.556
	85.701	**112.615**	**(119.824)**	**-**	**-**	**78.492**

	As of december, 31, 2023	High	Amortization	Transfers	Reversal	As of september, 30, 2024
			(In thousands of COP$)			
Current contractual asset						
Contractual asset	11.109.329	3.827.984	(10.646.469)	3.431.390	-	7.722.234
Impairment corrections	(36.655)	(9.594)	23.718	(8.655)	11.671	(19.515)
	11.072.674	**3.818.390**	**(10.622.751)**	**3.422.735**	**11.671**	**7.702.719**
Non-current contractual asset						
Contractual asset	2.191.246	1.768.638	-	(3.431.390)	-	528.494
Impairment corrections	(8.432)	(4.465)	-	8.655	2.685	(1.556)
	2.182.814	**1.764.173**	**-**	**(3.422.735)**	**2.685**	**526.938**
Total Contractual Assets (1)	**13.255.488**	**5.582.563**	**(10.622.751)**	**-**	**14.356**	**8.229.657**
Current contractual liabilities (2)	170.669.840	470.528.926	(500.660.177)	34.681.613	-	175.220.202
Non-current contractual liability (2)	187.424.759	-	-	(34.681.613)	-	152.743.147
	358.094.599	**470.528.926**	**(500.660.177)**	**-**	**-**	**327.963.349**

(1) As of September 30, 2024, the decrease corresponds to the net effect of the benefits transferred to corporate clients.

(2) Includes the exclusivity commitment through the connectivity service supply contract via the fiber optic network, established in the fiber optic asset sale agreement. During the period of 2024, a net amortization of COP 36,650 million is recognized as follows: in other operating income for COP 52,722 million and financial expenses for COP 16,072 million. The balance for this concept in the current portion is COP 62,867 million and in the non-current portion is COP 152,743 million.

Additionally, the current portion includes advance services with clients for COP 75,931 million and charges with operators and corporate clients for COP 36,422 million.

10. INVENTORIES

The balance of inventories is as follows:

	As of september, 30		As of december, 31	
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Mobile phones and accessories (1)	14.836	61.990.512	20.830	87.034.722
Materials and equipment (2)	11.600	48.467.387	17.705	73.973.367
Equipment in transit (3)	4.736	19.789.523	5.308	22.178.543
Computer equipment (4)	2.040	8.521.950	1.016	4.247.118
	33.212	**138.769.372**	**44.859**	**187.433.750**
Provision for obsolescence (5)	(874)	(3.651.605)	(1.677)	(7.005.137)
	32.338	**135.117.767**	**43.182**	**180.428.613**

During the nine-month periods ended September 30, 2024, and 2023, inventory consumption recognized as cost of sales amounted to COP 479,527,152 and COP 842,897,607, respectively (Note 25).

(1) The net decrease as of September 30, 2024, is mainly due to lower provisioning of equipment as a result of reduced commercial activity, driven by changes in consumer behavior related to current economic conditions.

(2) Includes modems, equipment for corporate and location services. The net decrease is mainly associated with lower provisioning of fixed equipment in line with commercial activity during the period of 2024.

(3) The decrease as of September 30, 2024, primarily corresponds to the nationalization of equipment to support the fixed and mobile commercial offering carried out during the period.

(4) Includes equipment for IT workstation projects. The increase as of September 30, 2024, mainly corresponds to the procurement of such equipment to meet the demand from new clients.

(5) During the nine-month period ended September 30, 2024, a recovery of the impairment provision of COP 3,353,532 was recognized (Note 25), mainly generated by improvements in the turnover of inventories exceeding 360 days.

11. TAXES AND GENERAL GOVERNMENT

The balance of tax and government assets is presented below:

	As of september, 30		As of december, 31	
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Credit balance (1)	138.117	577.093.189	83.168	347.501.523
Advances, withholdings and self-withholdings of ICA (2)	7.141	29.838.675	6.453	26.963.974
Withholdings for sales tax	1.287	5.378.741	1.168	4.878.674
Tax discount (3)	-	-	165	690.382
	146.545	**612.310.605**	**90.954**	**380.034.553**
No Current				
Tax discounts (3)	107.732	450.136.860	114.028	476.444.494
	107.732	**450.136.860**	**114.028**	**476.444.494**

(1) As of September 30, 2024, the balance in favor of the corporate income tax for the year 2023 is recorded, which will be requested and offset with the VAT and consumption tax returns from the first to the fourth two-month periods of 2024. Additionally, self-withholdings generated during the course of the 2024 period are recognized according to the income performance.

(2) The net decrease as of September 30, 2024, corresponds to the payment of the 2023 annual industry and commerce tax returns submitted during the 2024 period.

(3) The non-current portion of the tax credit corresponds to VAT on the acquisition of real productive fixed assets. As of September 30, 2024, the decrease corresponds to the transfer of VAT associated with assets related to the single network project to current assets held for sale (Note 12).

The balance of liabilities for taxes and public administrations is presented below:

	As of september, 30		**As of december, 31**	
	2024		**2023**	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Sales tax - VAT (1)	34.375	143.629.778	5.109	21.345.092
Withholdings and self-withholdings (2)	17.974	75.100.733	15.306	63.952.549
Other current taxes (3)	2.357	9.848.181	2.708	11.316.037
National consumption tax (4)	1.694	7.076.994	437	1.827.590
	56.400	**235.655.686**	**23.560**	**98.441.268**

(1) As of September 30, 2024, the balance of VAT returns filed during the months of January to August 2024 is recorded. The increase compared to the end of 2023 mainly corresponds to VAT returns pending payment, which will be offset with the balance in favor of income and complementary taxes for 2023.

(2) Includes withholdings and self-withholdings for income and industry and commerce tax purposes. The increase compared to the end of 2023 is due to the recognition of self-withholdings for Industry and Commerce and income tax withholdings recognized in the 2024 period returns.

(3) Mainly corresponds to the tax on telephony and public lighting payable to municipalities.

(4) As of September 30, 2024, the balance of consumption tax returns for the months of January to August 2024 is recorded. The increase compared to the end of 2023 is mainly due to consumption tax returns pending payment, which will be offset with the balance in favor of income and complementary taxes for 2023.

Provision for Income and Complementary Taxes

The current and deferred income tax expense recognized in income is composed as follows:

	For the nine-month period ended september 30,			
	2024		**2023**	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Occasional profits tax	(4.137)	(17.288.489)	(997)	(4.164.490)
Current income tax	(237)	(989.891)	(108)	(452.507)
Current income and complementary tax (1)	**(4.374)**	**(18.278.380)**	**(1.105)**	**(4.616.997)**
Deferred tax:				
Deductible temporary differences (2)	(16.767)	(70.056.583)	(3.220)	(13.454.406)
Tax credits (3)	(19.500)	(81.475.165)	(6.664)	(27.842.732)
Taxable temporary differences (4)	12.799	53.477.371	6.191	25.867.056
Deferred income tax	**(23.468)**	**(98.054.377)**	**(3.693)**	**(15.430.082)**
Income tax and complementary	**(27.842)**	**(116.332.757)**	**(4.798)**	**(20.047.079)**

(1) The income and complementary tax mainly correspond to the capital gains generated by the sale of movable and immovable property.

(2) As of September 30, 2024, and 2023, the variation mainly corresponds to the update of the deferred tax asset (DTA), generated by the depreciable fixed assets reclassified as non-current assets held for sale, related to the single network

project, as well as the acquisition of new assets. The net impact of the transfer of assets and the acquisition of new assets during the 2024 period amounts to approximately $36,000 million.

(3) As of September 30, 2024, the use of tax credits offset against the taxable profit for the period was recognized

(4) As of September 30, 2024, and 2023, the variation mainly corresponds to the update of the deferred tax liability (DTL) generated by: the reversal of the DTL due to the exchange differences generated in 2023, and additionally, the impact of the DTL reversal for the fiscal recognition of the Earn-out income.

Deferred Tax Assets and Liabilities

As of September 30, 2024, the deferred tax asset on temporary differences and tax losses was structured according to the Company's strategic plan (2024 – 2026) and projected results (2024 – 2033).

The balance of deferred tax assets and liabilities is presented below:

	As of september, 30		As of december, 31	
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Deferred tax assets:				
Intangibles and property, plant and equipment (1)	32.819	137.125.307	49.483	206.756.383
Other assets	577	2.411.215	679	2.836.723
Deferred tax asset on deductible temporary differences	**33.396**	**139.536.522**	**50.162**	**209.593.106**
Deferred tax asset for tax losses (2)	227.311	949.775.276	246.811	1.031.250.441
Total deferred tax asset	**260.707**	**1.089.311.798**	**296.973**	**1.240.843.547**
Deferred tax liability:				
Taxable temporary differences (3)	4.235	17.696.555	17.116	71.517.233
Total deferred tax liability	**4.235**	**17.696.555**	**17.116**	**71.517.233**
Total net deferred tax	**256.472**	**1.071.615.243**	**279.857**	**1.169.326.314**

(1) As of September 30, 2024, the variation compared to the December 2023 close mainly corresponds to the update of the deferred tax asset, considering that the depreciable fixed assets that generated it were reclassified as assets held for sale, as these assets are related to the single network project. The net effect of this impact amounts to approximately $36,000 million. Additionally, the value of the recurring amortization for the exclusivity related to the fiber optic business is updated.

(2) As of September 30, 2024, the use of tax credits is recognized, which are determined based on the adjustment of the Company's taxable profit.

(3) As of September 30, 2024, the deferred tax liability (DTL) decreased compared to the 2023 year-end due to the fiscal recognition of income corresponding to the Earn-out, amounting to approximately $96,000 million.

The movement of the deferred tax recognized in the Other Comprehensive Income is presented below:

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Valuation of hedging instruments (1)	**(17.678)**	**(73.862.396)**	**(50.052)**	**(209.130.363)**
Participation in other comprehensive income in associate (2) (Note 13)	(235)	(980.874)	544	**2.272.468**
Deferred tax on share in associate (3)	82	343.306	-	**-**
Participation in associate, net of taxes	**(153)**	**(637.568)**	**544**	**2.272.468**
	(17.831)	**(74.499.964)**	**(49.508)**	**(206.857.895)**

(1) The variation for the nine-month period ended September 30, 2024, is mainly due to the appreciation of the peso against the dollar between the mentioned periods, as well as fluctuations in the SOFR and IBR rate curves on interest rate hedges.

(2) Corresponds to the 40% share in the other comprehensive income of Alamo Holdco, S.L.

(3) Due to the uncertainty regarding the recoverability of the deferred tax asset, no deferred tax was recognized in the 2023 period

Tax Losses

Management estimates that no significant differences imply the modification of the tax assessed nor the imposition of penalties that entail the recognition of contingencies in the condensed consolidated interim financial statements.

In accordance with current tax legislation, losses generated in income tax and complementary taxes and/or income tax for equity - CREE before 2017, must be offset with the net income obtained in 2017 and subsequent periods, taking into account the formula established in numeral 5, Article 290 of Law 1819 of 2016. Tax losses determined may not be adjusted for tax purposes.

As a result of the provisions of Ruling 25444 of June 30, 2022, issued by the Council of State Contentious Administrative Chamber, the Company proceeded to recalculate the tax losses generated in the Income Tax up to 2017, where an unrecognized deferred tax asset was determined in the amount of $202.079 million.

Below is the summary of tax losses at the closing of September 30, 2024:

Tax	Year of origin	Adjusted losses	Loss compensation (1)	Balance of losses
		(In thousands of US$)		
Income	Between 2007 y 2017	633.933	(55.713)	578.220
CREE	2015	71.241	-	71.241
		766.840	**(14.263)**	**752.577**

Tax	Year of origin	Adjusted losses	Loss compensation (1)	Balance of losses
		(In thousands of COP$)		
Income	Between 2007 y 2017	2.648.761.892	(232.786.186)	2.415.975.706
CREE	2015	297.667.938	-	297.667.938
		2.946.429.830	**(232.786.186)**	**2.713.643.644**

As of September 30, 2024, the use of tax losses on the generated taxable income is included.

12. ASSETS AND LIABILITIES HELD FOR SALE

The Company entered into a framework agreement with Colombia Móvil S.A. ESP (Note 2.3. (b)), for the implementation of a single mobile access network, through an independent company, as well as for sharing the permits for the use of radio spectrum through a Temporary Union. With the signing of the agreement, the assets and liabilities associated with the scope of the operation are classified as held for sale.

As of September 30, 2024, the balance of assets and liabilities held for sale is as follows:

	As of september, 30 2024	
	(In thousands of US$)	*(In thousands of COP$)*
Assets held for sale		
Right-of-use assets (1)	219.534	917.279.438
Intangibles (2)	141.129	589.679.408
Equipment (3)	50.727	211.953.200
Goodwill	17.053	71.252.557
Taxes and public administrations (4)	14.160	59.164.936
	442.603	**1.849.329.539**
Liabilities held for sale		
Financial liabilities (5)	363.812	1.520.118.914
Provisions (6)	12.420	51.893.047
	376.232	**1.572.011.961**

(1) Corresponds to the right of use for lease contracts of technical sites.

(2) Corresponds to 30 MHz of 1900 MHz spectrum and 30 MHz of AWS spectrum amounting to $484,027 million and network equipment software for $105,652 million

(3) Corresponds to radio access and power equipment amounting to $211,937 million and assets under construction for $16 million.

(4) Represents VAT on the purchase of productive assets related to the single network.

(5) Includes the debt generated by finance lease operations for technical sites amounting to $1,083,924 million and debt for the acquisition of the spectrum license amounting to $436,194 million.

(6) Corresponds to the provision for the dismantling of assets associated with the rights of use.

13. INVESTMENTS IN COMPANIES

Investments in the Company's companies are as follows:

			As of september, 30 2024		**As of december, 31**	
Associated	**Country / City**	**Direct participation**	**2024**	**2023**	**2024**	**2023**
			(In thousands of US$)	*(In thousands of COP$)*	*(In thousands of US$)*	*(In thousands of COP$)*
Alamo Holdco, S.L. (1)	España / Madrid	40%	7.500	31.335.252	14.225	59.436.247
			7.500	**31.335.252**	**14.225**	**59.436.247**

(1) Colombia Telecomunicaciones S.A. E.S.P. BIC has subscribed shares equivalent to a 40% stake in Alamo Holdco, S.L., a Spanish company that owns 100% of the shares of Onnet Fibra Colombia S.A.S.

Below is the movement of the Company's investment in Alamo Holdco, S.L. from the beginning to September 30, 2024:

	January 11, 2022	During the year 2022		During the year 2023	For the nine-month period ended September 30, 2024	Balance as of September 30, 2024
				(In thousands of US$)		
Subscription of shares	43.896	-	(1)	10.009	-	**53.905**
Added costs in the acquisition of minority interest	3.297	-		-	-	**3.297**
Transfer of control	(16.102)	-		-	-	**(16.102)**
Equity method on results	-	(16.083)		(10.791)	(6.491)	**(33.365)**
Equity method on OCI (Note 11)	-	-		-	(235)	**(235)**
	31.091	**(16.083)**		**(782)**	**(6.726)**	**7.500**

	January 11, 2022	During the year 2022		During the year 2023	For the nine-month period ended September 30, 2024	Balance as of September 30, 2024
				(In thousands of COP$)		
Subscription of shares	183.409.182	-	(1)	41.819.092	-	**225.228.274**
Added costs in the acquisition of minority interest	13.775.601	-		-	-	**13.775.601**
Transfer of control	(67.277.749)	-		-	-	**(67.277.749)**
Equity method on results	-	(67.197.550)		(45.092.327)	(27.120.122)	**(139.409.999)**
Equity method on OCI (Note 11)	-	-		-	(980.875)	**(980.875)**
	129.907.034	**(67.197.550)**		**(3.273.235)**	**(28.100.997)**	**31.335.252**

(1) Subscription of shares made on September 27, 2023, in Alamo Holdco, S.L

Equity method

Investments in associates and/or subsidiaries in which the Group has a direct stake, or through or with the assistance of its subsidiaries or their subsidiaries' participation in their capital, are accounted for using the equity method:

During the period ended September 30, 2024, and 2023, a loss was recognized in the income statement due to the equity method of participation in the net result for the period, amounting to $27,120,122 and $12,127,754, respectively. In other comprehensive income, for the nine-month period ended September 30, 2024, and 2023, a loss of $637,568 and a gain of $2,272,468 were recognized, respectively.

The effect of applying the equity method on the result for the nine-month period ended September 30, 2024, and 2023 is presented below:

		Results		Method of Participation	
		For the nine-month period ended september 30,			
Associated	**Participation**	**2024**	**2023**	**2024**	**2023**
		(In thousands of US$)			
Alamo Holdco, S.L.	40%	(16.227)	(7.256)	(6.491)	(2.903)
		(16.227)	**(7.256)**	**(6.491)**	**(2.903)**

		Results		Method of Participation	
		For the nine-month period ended september 30,			
Associated	**Participation**	**2024**	**2023**	**2024**	**2023**
		(In thousands of COP$)			
Alamo Holdco, S.L.	40%	(67.800.304)	(30.319.384)	(27.120.122)	(12.127.754)
		(67.800.304)	**(30.319.384)**	**(27.120.122)**	**(12.127.754)**

Determination of the equity method on other comprehensive income for the nine-month period ended September 30, 2024, and 2023:

		Other comprehensive result		Method of Participation	
		For the nine-month period ended september 30,			
Associated	**Participation**	**2024**	**2023**	**2024**	**2023**
		(In thousands of US$)			
Alamo Holdco, S.L.	40%	(587)	1.360	(235)	544
		(587)	**1.360**	**(235)**	**544**

		Other comprehensive result		Method of Participation	
		For the nine-month period ended september 30,			
Associated	**Participation**	**2024**	**2023**	**2024**	**2023**
		(In thousands of COP$)			
Alamo Holdco, S.L.	40%	(2.452.185)	5.681.170	(980.874)	2.272.468
		(2.452.185)	**5.681.170**	**(980.874)**	**2.272.468**

The main figures of the companies to which the equity method was applied for the nine-month period ended September 30, 2024, and 2023 were as follows:

	Asset		Liability		Results	
	As of september, 30 2024	As of december, 31	As of september, 30 2024	As of december, 31	For the nine-month period ended september 30,	
Subsidiaria / Asociada	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
			(In thousands of US$)			
Alamo Holdco, S.L.	656.638	598.869	605.893	531.310	(16.227)	(7.256)
	656.638	**598.869**	**605.893**	**531.310**	**(16.227)**	**(7.256)**

	Asset		Liability		Results	
	As of september, 30 2024	As of december, 31	As of september, 30 2024	As of december, 31	For the nine-month period ended september 30,	
Subsidiaria / Asociada	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
			(In thousands of COP$)			
Alamo Holdco, S.L.	2.743.632.059	2.502.255.005	2.531.603.426	2.219.973.882	(67.800.304)	(30.319.384)
	2.743.632.059	**2.502.255.005**	**2.531.603.426**	**2.219.973.882**	**(67.800.304)**	**(30.319.384)**

14. RIGHT OF USE

The cost of rights-of-use assets and the related accumulated depreciation is presented below:

	As of september, 30 of 2024			As of december, 31 of 2023		
Concept	**Cost**	**Accumulated depreciation**	**Net value in books**	**Cost**	**Accumulated depreciation**	**Net value in books**
			(In thousands of USD)			
Land and buildings (1)	87.213	(49.637)	37.576	307.405	(155.655)	151.750
Technical installations (1)	81.925	(39.606)	42.319	223.004	(104.017)	118.987
Transport equipment (2)	5.193	(4.033)	1.160	5.254	(3.862)	1.390
	174.331	**(93.276)**	**81.055**	**535.663**	**(263.534)**	**272.127**

	As of september, 30 of 2024			As of december, 31 of 2023		
Concept	**Cost**	**Accumulated depreciation**	**Net value in books**	**Cost**	**Accumulated depreciation**	**Net value in books**
			(In thousands of COP$)			
Land and buildings (1)	364.403.533	(207.397.661)	157.005.872	1.284.425.973	(650.371.319)	634.054.654
Technical installations (1)	342.309.414	(165.486.685)	176.822.729	931.774.236	(434.614.252)	497.159.984
Transport equipment (2)	21.696.070	(16.851.535)	4.844.535	21.948.212	(16.136.118)	5.812.092
	728.409.017	**(389.735.881)**	**338.673.136**	**2.238.148.421**	**(1.101.121.689)**	**1.137.026.730**

For the nine-month periods ended September 30, 2024, and 2023, the depreciation expense recognized in the comprehensive income statements was $106,218,131 and $215,363,244, respectively (Note 26).

(1) The net decrease of $797,386 million as of September 30, 2024, corresponds to: i) reclassification to the non-current assets held for sale of $917,279 million (Note 12); ii) write-offs of assets related to lease contracts, mainly for land, sites for technical installations, and transmission equipment by means of carriers, that reached the end of their term, totaling $9,181 million; iii) increase due to the subscription and renewal of lease contracts, mainly for land, sites for technical installations, antenna supports, and carriers (300 new contracts) for $229,602 million; and depreciation for the nine-month period ended September 30, 2024, of $101,287 million.

2) The net decrease as of September 30, 2024, primarily corresponds to the renewal and increases in vehicle leasing fees by $3,963 million and depreciation expense for the nine-month period ended September 30, 2024, of $4,931 million.

15. PROPERTY, PLANT, AND EQUIPMENT

The cost of property, plant, and equipment and the related accumulated depreciation is presented below:

Concept	As of september, 30 of 2024 Cost	depreciation	books	As of december, 31 of 2023 Cost	depreciation	books
			(In thousands of US$)			
Switching, access and transmission (1)	1.875.996	(1.463.432)	412.564	2.091.665	(1.603.412)	488.253
Land and buildings (2)	709.226	(420.972)	288.254	708.036	(413.700)	294.336
Assets under construction (3)	66.847	-	66.847	107.338	-	107.338
Furniture, information and transportation equipment (4)	205.479	(132.265)	73.214	171.722	(114.763)	56.959
	2.857.548	**(2.016.669)**	**840.879**	**3.078.761**	**(2.131.875)**	**946.886**

Concept	As of september, 30 of 2024 Cost	Accumulated depreciation	Net value in books	As of december, 31 of 2023 Cost	Accumulated depreciation	Net value in books
			(In thousands of COP$)			
Switching, access and transmission (1)	7.838.470.259	(6.114.659.889)	1.723.810.370	8.739.605.826	(6.699.536.171)	2.040.069.655
Land and buildings (2)	2.963.360.399	(1.758.947.091)	1.204.413.308	2.958.386.691	(1.728.562.428)	1.229.824.263
Assets under construction (3)	279.307.504	-	279.307.504	448.488.690	-	448.488.690
Furniture, information and transportation equipment (4)	858.553.560	(552.641.061)	305.912.499	717.504.986	(479.512.550)	237.992.436
	11.939.691.722	**(8.426.248.041)**	**3.513.443.681**	**12.863.986.193**	**(8.907.611.149)**	**3.956.375.044**

For the nine-month periods ended September 30, 2024, and 2023, the depreciation expense recognized in the income statement was $385,573,747 and $421,954,366, respectively (Note 26).

(1) The net decrease mainly corresponds to: i) reclassification to non-current assets held for sale of $211,937 million (Note 12); ii) depreciation for the period of $281,473 million; and iii) purchases related to the deployment of the 4G mobile network, fiber optic network, infrastructure and communication networks for corporate clients, infrastructure for providing Internet Protocol Television (IPTV) service, repowering and replacing power equipment, CoE Data and Analytics infrastructure upgrades, copper cable replacement, and emissions reduction infrastructure for $177,509 million.

(2) The increase in cost as of September 30, 2024, mainly corresponds to civil works related to the 4G mobile network and the fiber optic network. This includes provision for site decommissioning as of September 30, 2024, and December 31, 2023, of $28,040,904 and $75,197,479, respectively (Note 21). The depreciation expense for the period ended September 30 was $30,585 million.

(3) The variation corresponds to the net effect of new acquisitions of goods and services and the incorporation of assets mainly associated with the deployment of the 4G mobile network, fiber optic network, data processing center, CoE Data and Analytics infrastructure upgrades, infrastructure for providing IP television service, infrastructure for corporate client projects, network equipment replacement and repowering, copper cable replacement, and infrastructure for prepaid service billing platform.

(4) The increase mainly corresponds to the purchase of servers, computing and storage equipment, and measurement devices primarily associated with the 4G LTE network deployment projects, FTTH fiber optic network, IPTV platform, prepaid billing platform, data processing center, and corporate client networks for $141,437 million. The depreciation expense for the period was $73,516 million

16. INTANGIBLES

The cost and accumulated amortization of intangibles are presented below:

Concept	As of september, 30 of 2024			As of december, 31 of 2023		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net value in books
			(In thousands of US$)			
Qualifying titles (1)	84.778	(14.479)	70.299	661.141	(521.863)	139.278
Network and office equipment software (2)	320.923	(258.884)	62.039	362.425	(267.255)	95.170
Rights (3)	15.132	(7.904)	7.228	15.132	(7.315)	7.817
	420.833	**(281.267)**	**139.566**	**1.038.698**	**(796.433)**	**242.265**

Concept	As of september, 30 of 2024			As of december, 31 of 2023		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net value in books
			(In thousands of COP$)			
Qualifying titles (1)	354.230.423	(60.499.635)	293.730.788	2.762.446.279	(2.180.501.276)	581.945.003
Network and office equipment software (2)	1.340.912.398	(1.081.694.262)	259.218.136	1.514.318.305	(1.116.671.917)	397.646.388
Rights (3)	63.225.312	(33.024.848)	30.200.464	63.225.312	(30.562.581)	32.662.731
	1.758.368.133	**(1.175.218.745)**	**583.149.388**	**4.339.989.896**	**(3.327.735.774)**	**1.012.254.122**

For the nine-month periods ended September 30, 2024, and 2023, the amortization expense recognized in the income statement was $323,101,932 and $413,089,587, respectively (Note 26).

(1) This includes the renewal of the mobile operation spectrum usage. The net decrease as of September 30, 2024, is presented as follows: i) reclassification to non-current assets held for sale of 30 MHz of the 1900 MHz license and 30 MHz of the AWS license for ($484,027) million (Note 12); ii) amortization for the period of $185,441 million; iii) allocation of the right to use the 3500 MHz radio spectrum band to the temporary union Colombia Móvil S.A. E.S.P. - Colombia Telecomunicaciones S.A. E.S.P. BIC, where the Company holds a 50% share, according to Resolution 497 of 2024 issued by the Ministry of Information and Communications Technologies of Colombia (MinTIC), equivalent to $159,153 million (Note 2.3. (a and b)), and includes directly attributable costs to this spectrum of $1,001 million; and iv) renewal of the AWS license (MinTIC Resolution 1053 of 2024) for $88,662 million and the 850 and 1900 MHz license (MinTIC Resolution 2657 of 2024) for $132,438 million (Note 2.3. (a)). As of December 31, 2023, it includes the economic compensation from the arbitration award, which concluded its amortization in March 2024

(2) The net decrease as of September 30, 2024, corresponds to: i) reclassification to non-current assets held for sale of network equipment software for ($105,652) million (Note 12); ii) amortization for the period of $135,199 million; and iii) increase due to the acquisition of software, licenses, and developments mainly related to the 4G network, fiber optic network, infrastructure and communication networks for corporate clients, commercial billing platform, infrastructure for providing IPTV service, data processing center, and OSS modernization for $102,423 million.

The balance as of September 30, 2024, and December 31, 2023, includes software applications under development for $12,819,988 and $62,935,445, respectively.

(3) Mainly includes Irrevocable Right of Use – IRUs for Fiber Optic. The decrease as of September 30, 2024, corresponds to amortization for the period of $2,462 million

17. GOODWILL

The value in Goodwill is:

	As of december, 31 of 2023	Low	As of september, 30 of 2024
		(In thousands of US$)	
Goodwill	324.494	(17.053)	307.441

	As of december, 31 of 2023	Low	As of september, 30 of 2024
		(In thousands of COP$)	
Goodwill	1.355.833.946	(71.252.557)	1.284.581.389

Colombia Telecomunicaciones S. A. E.S.P. BIC recognized in its Opening Statement of Financial Position under IFRS 1 the remeasurement of goodwill, from the moment of the acquisition of Empresa Celular de Colombia S. A. - COCELCO S. A., based on IFRS 3 for $939,163,377 and as of May 27, 2020, and as a result of the merger by absorption indicated in Note 1, the goodwill originated in the business combination in which the Company acquired control of Empresa Metropolitana de Telecomunicaciones S. A. E.S.P. and Empresa de Telecomunicaciones de Bucaramanga S. A. E.S.P., for $433,138,188 is incorporated.

On February 26, 2024, the Company and Colombia Móvil S.A. E.S.P. signed a framework agreement to implement a single mobile access network through an independent company (Note 2.3. (b)). This agreement establishes that fixed assets will be contributed to the new company, which resulted in a write-off of $71,252,557 in goodwill associated with those assets.

As of September 30, 2024, an impairment test was conducted for the Cash-Generating Unit (CGU). This analysis considers various factors, such as compliance with the operational budget, asset obsolescence, technological changes, utilization of installed capacity, and modifications in regulatory and fiscal frameworks.

Cash Generating Units - CGU

According to the definition, a CGU is a minimum group of assets that can be identified that generates cash flows that, to a large extent, are independent of the cash flows of other assets or groups of assets.

Considering the structure of the entity and type of business, the existence of common assets is considered for developing the services provided by the Group and this is so considering the convergence of services (Basic Line, Television, Broadband, mobile, among others) with which, since there is dependence among them, they do not generate cash inflows independently and therefore it is not possible to determine the cash flows generated by each asset.

Based on the above, the entire Colombian operation is considered as a single CGU.

From the review conducted of the various indicators associated with signs of impairment, it is concluded that there are no indicators that lead to the existence of impairment indicators for the Company as of September 30, 2024.

18. FINANCIAL LIABILITIES

The balance of financial obligations is presented below:

	As of september, 30 of 2024				As of december, 31 of 2023			
	Value		Rate		Value		Rate	
Current:			Base	Spread			Base	Spread
	(In thousands of USD)	(In thousands of COP)			(In thousands of USD)	(In thousands of COP)		
Financial in foreign currency								
Financial obligations (1)	16.000	66.852.800	SOFR 3M		-	-		
Interest payable	5.910	24.693.665			10.314	43.093.614		
	21.910	**91.546.465**			**10.314**	**43.093.614**		
Financial institutions in national currency								
Financial obligations (2)	102.608	428.728.272	IBR 3M	1% - 2%	71.321	298.000.000	Fixed IBR3M	1,1%-2%
Interest payable	5.962	24.909.946			83.137	347.367.924	Fixed 6,65%	
Local bond (3)	-	-			2.176	9.093.406		
	108.570	**453.638.218**			**156.634**	**654.461.330**		
Other obligations								
Hedging instruments (4)	1.784	7.455.754			19.811	82.780.937		
	1.784	**7.455.754**			**19.811**	**82.780.937**		
	132.264	**552.640.437**			**186.759**	**780.335.881**		
No current:								
Financial in foreign currency								
Senior bond (5)	497.986	2.080.733.535			-	-		
Financial obligations(6)	69.684	291.159.296			455.094	1.901.519.155	Fixed 4,95%	
	567.670	**2.371.892.831**			**455.094**	**1.901.519.155**		
Financial institutions in national currency								
Financial obligations(2)	324.897	1.357.517.695	IBR 3M	1,35%-4,65%	263.190	1.099.681.413	Fixed 5,745% IBR3M	1,1%-2%
Local bond (3)	36.427	152.204.920	IPC	3,39%	36.452	152.312.625	Fixed 6,65% - IPC	3,39%
	361.324	**1.509.722.615**			**299.642**	**1.251.994.038**		
Other obligations								
Hedging instruments (4)	73.091	305.395.843			27.744	115.924.756		
	73.091	**305.395.843**			**27.744**	**115.924.756**		
	1.002.085	**4.187.011.289**			**782.480**	**3.269.437.949**		
	1.134.349	**4.739.651.726**			**969.239**	**4.049.773.830**		

The financial liabilities include foreign currency balances as of September 30, 2024, amounting to USD 591,910 thousand ($2,473,177,553) and as of December 31, 2023, USD 511,275 thousand ($1,954,118,614) (Note 28).

(1) The increase corresponds to transfers from the non-current portion of $600 billion in accordance with the payment schedule established in the agreements with financial institutions. Additionally, new obligations were acquired for debt refinancing and working capital.

(2) The net increase in the current portion corresponds to the acquisition of debt and restructuring to the long term, while the increase in the non-current portion corresponds to new debt acquired for debt restructuring and working capital. As of September 30, 2024, the nominal value is $1,786,289,302, with associated transaction costs of $123,000, measured at amortized cost

(3) Local bond: As of September 30, 2024, and December 31, 2023, the nominal value of the local bond is $152,410 million and $500,000 million, respectively, with associated transaction costs of $205 million and $319 million, respectively, measured at amortized cost.

The characteristics of the issuance are summarized below:

Format	Issuing currency	Premiums and discounts	Total amount of the issue	Total amount issued	Max. redemption period	Date of issue	Expiration date	Rate/Payment	Use of resources
C10	*COP$000*	Cero	152.410.000	152.410.000	10 years	29-may-19	29-may-29	CPI + 3.39%	Prepayment of local debt
	USD 000		36.477	36.477				Half-yearly	
A5 (a)	*COP$000*		347.590.000	347.590.000	5 years	29-may-19	29-may-24	6.65%	
	USD 000	Cero	83.189	83.189				Semiannual	

(a) On May 29, 2024, the Company paid the capital associated with Subseries A-5 to its holders in the amount of COP 347,590 million.

As of September 30, 2024, and December 31, 2023, the accrued interest payable on the local bond amounted to $1,392 million and $3,903 million, respectively.

(4) The decrease in the current portion is primarily due to the settlement of hedges during the 2024 period and the depreciation of the peso against the dollar during the 2024 period, which was 9.32%. The increase in the non-current portion is associated with the interest rate curves that primarily affect the position of the Senior Bond swaps.

The balance of the hedging instruments liabilities as of September 30, 2024, is as follows:

	At fair value through profit or loss	At fair value with changes in OCI	Total financial liabilities at fair value	Total financial liabilities at fair value
	(In thousands of US$)			
Current				
Hedging instruments	1.768	16	1.784	1.784
	1.768	**16**	**1.784**	**1.784**
Not-current				
Hedging instruments	-	73.091	73.091	73.091
	-	**73.091**	**73.091**	**73.091**
	1.768	**73.107**	**74.875**	**74.875**

	At fair value through profit or loss	At fair value with changes in OCI	Total financial liabilities at fair value	Total financial liabilities at fair value
	(In thousands of COP$)			
Current				
Hedging instruments	7.388.787	66.967	7.455.754	7.455.754
	7.388.787	**66.967**	**7.455.754**	**7.455.754**
Not-current				
Hedging instruments	-	305.395.843	305.395.843	305.395.843
	-	**305.395.843**	**305.395.843**	**305.395.843**
	7.388.787	**305.462.810**	**312.851.597**	**312.851.597**

The balance of the hedging instruments liabilities as of December 31, 2023, is as follows:

	At fair value through profit or loss	At fair value with changes in OCI	Total financial liabilities at fair value	Total financial liabilities at fair value
	(In thousands of US$)			
Current				
Hedging instruments	10.343	9.469	19.812	19.812
	10.343	**9.469**	**19.812**	**19.812**
Not-current				
Hedging instruments	-	27.744	27.744	27.744
	-	**27.744**	**27.744**	**27.744**
	10.343	**37.213**	**47.556**	**47.556**

	At fair value through profit or loss	At fair value with changes in OCI	Total financial liabilities at fair value	Total financial liabilities at fair value
	(In thousands of COP$)			
Current				
Hedging instruments	43.218.001	39.562.936	82.780.937	82.780.937
	43.218.001	**39.562.936**	**82.780.937**	**82.780.937**
Not-current				
Hedging instruments	-	115.924.756	115.924.756	115.924.756
	-	**115.924.756**	**115.924.756**	**115.924.756**
	43.218.001	**155.487.692**	**198.705.693**	**198.705.693**

(5) Senior Bond: As of September 30, 2024, and December 31, 2023, the nominal value of the outstanding senior bond was USD 500 million, equivalent to COP 2,089,150 million and COP 1,911,025 million, respectively, with associated transaction costs of COP 8,416 million and COP 9,506 million, respectively, measured at amortized cost.

The characteristics of the issuance are summarized below:

Format	Currency of issue	Premiums and discounts	Total amount of the issue	Total amount issued	Max. redemption period	Date of issue	Expiration date	Rate/Payment	Use of resources
R144/RegS	*USD$000*	Cero	500	500	10 years	17-jul-20	17-jul-30	4.95% Semiannual	Senior Bond Replacement for USD750 million

As of September 30, 2024, and December 31, 2023, the accrued interest on the bond was COP 21,257 million and COP 43,094 million, respectively.

(6) During the third quarter of 2024, a debt restructuring loan was acquired with a nominal value of USD 70 million and a 2-year maturity. As of September 30, 2024, the equivalent amount in pesos is COP 292,481,000, with associated transaction costs of COP 1,365,038, measured at amortized cost.

The schedule of financial obligations as of September 30, 2024:

	Current	**Non-current:**						
Maturities	**2024(a)**	**2025(a)**	**2026(a)**	**2027(a)**	**2028 (a)**	**Subsequent years**	**Total not current**	**Total**
				(In thousands of USD$)				
Financial obligations	118.609	-	229.156	101.158	-	64.268	394.582	513.191
Senior bond	-	-	-	-	-	497.986	497.986	497.986
Hedging instruments	1.784	76.007	36.374	23.440	21.466	(84.197)	73.090	74.874
Local bond	(1)	-	-	-	-	36.427	36.427	36.426
Interests	11.872	-	-	-	-	-	-	11.872
	132.264	**76.007**	**265.530**	**124.598**	**21.466**	**514.484**	**1.002.085**	**1.134.349**

Maturities	**2024(a)**	**2025(a)**	**2026(a)**	**2027(a)**	**2028 (a)**	**Subsequent years**	**Total not current**	**Total**
				(In thousands of COP$)				
Financial obligations	495.581.073	-	957.481.000	422.666.667	-	268.529.323	1.648.676.990	2.144.258.063
Senior bond	-	-	-	-	-	2.080.733.535	2.080.733.535	2.080.733.535
Hedging instruments	7.455.753	317.581.330	151.981.405	97.940.903	89.692.604	- 351.800.398	305.395.844	312.851.597
Local bond	-	-	-	-	-	152.204.920	152.204.920	152.204.920
Interests	49.603.611	-	-	-	-	-	-	49.603.611
	552.640.437	**317.581.330**	**1.109.462.405**	**520.607.570**	**89.692.604**	**2.149.667.380**	**4.187.011.289**	**4.739.651.726**

(a) Corresponds to the validity of the due dates from October 1 to September 30 of the following year.

Presentation of Comparative Information

For presentation purposes, the Group classified, in the consolidated statement of financial position as of December 31, 2023, the amount related to finance leases in a separate line item from financial liabilities, obligations for spectrum acquisition under suppliers and accounts payable, and the presentation of the cash flow statement. This adjustment was made for comparability purposes and did not impact the applied policies, measurement, and recognition of transactions, nor did it affect the statement of comprehensive income, statement of financial position, statement of changes in equity, or the cash flow statement.

19. FINANCIAL LEASES

The following shows the movement of the financial lease liability for the nine-month period ended September 30, 2024:

	As of december, 31 of 2023	**High**	**Low**	**Payments (a)**	**Transfers(b)**	**Other (c)**	**As of september, 30 of 2024**
				(In thousands of USD)			
Current:							
Financial leasing	95.550	25.630	-	(95.508)	11.984	(3.239)	34.417
	95.550	**25.630**	**-**	**(95.508)**	**11.984**	**(3.239)**	**34.417**
No current:							
Leasing	294.827	56.083	(2.199)	-	(264.967)	-	83.745
	294.827	**56.083**	**(2.199)**	-	**(264.967)**	-	**83.745**
	390.377	**81.713**	**(2.199)**	**(95.508)**	**(252.983)**	**(3.239)**	**118.162**

	As of december, 31 of 2023	**High**	**Low**	**Payments (a)**	**Transfers(b)**	**Other (c)**	**As of september, 30 of 2024**
				(In thousands of COP)			
Current:							
Financial leasing	399.236.077	107.090.656	-	(399.062.420)	50.074.310	(13.534.797)	143.803.826
	399.236.077	**107.090.656**	**-**	**(399.062.420)**	**50.074.310**	**(13.534.797)**	**143.803.826**
No current:							
Leasing	1.231.876.268	234.331.347	(9.181.236)	-	(1.107.113.491)	-	349.912.888
	1.231.876.268	**234.331.347**	**(9.181.236)**	**-**	**(1.107.113.491)**	**-**	**349.912.888**
	1.631.112.345	**341.422.003**	**(9.181.236)**	**(399.062.420)**	**(1.057.039.181)**	**(13.534.797)**	**493.716.714**

(a) Corresponds to financial lease principal payments during the 2024 period amounting to $297,270.7 million and interest payments of $101,791.7 million.

(b) Mainly includes the transfer to liabilities held for sale amounting to $1,083,924 million (Note 12 - item 5).

(c) Corresponds to payment through account cross-reconciliation between financial liabilities and financial assets.

The maturity schedule for finance leases as of September 30, 2024

	Current	No current			
Maturities	**2024 (a)**	**2025 (a)**	**2026 (a)**	**current**	**Total**
		(In thousands of US)			
Financial leases	34.417	16.957	14.733	83.745	118.162

	Current	No current			
Maturities	**2024 (a)**	**2025 (a)**	**2026 (a)**	**Total non-current**	**Total**
		(In thousands of COP)			
Financial leases	143.803.826	70.852.690	61.560.897	349.912.888	493.716.714

(a) Corresponds to the validity of the due dates from October 1 to September 30 of the following year.

20. SUPPLIERS AND ACCOUNTS PAYABLE

The balance of suppliers and accounts payable is as follows:

	As of september, 30 2024		As of december, 31 2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Current:				
Creditors and suppliers (1)	332.017	1.387.268.636	393.115	1.642.551.373
Related parties (2) (Note 29)	105.525	440.914.832	82.458	344.534.299
By spectrum acquisition (3)	42.916	179.318.014	10.081	42.122.076
Fixed asset suppliers (4)	39.082	163.295.752	67.974	284.015.546
Acquisition of equipment on a term basis (5)	10.402	43.461.381	-	-
Government subsidies (6) (Note 7)	8.903	37.199.395	8.579	35.843.986
Salaries payable (7)	7.498	31.328.539	9.981	41.705.583
Parafiscal contributions	1.435	5.995.104	1.913	7.993.964
Contracts with third parties (8)	483	2.017.301	519	2.167.391
	548.261	**2.290.798.954**	**574.620**	**2.400.934.218**
Non-current:				
For spectrum acquisition (3)	40.813	170.529.260	109.132	455.987.351
Acquisition of forward equipment (5)	10.538	44.030.721	-	-
Contracts with third parties (8)	2.061	8.612.345	2.490	10.404.429
Related parties (2) (Note 29)	612	2.552.162	858	3.584.437
	54.024	**225.724.488**	**112.480**	**469.976.217**
	602.285	**2.516.523.442**	**687.100**	**2.870.910.435**

As of September 30, 2024, and December 31, 2023, the balances in foreign currency with suppliers and accounts payable were USD 57,775 thousand ($241,401,283) and USD 123,986 thousand ($473,880,691), respectively, and with related parties were USD 65,107 thousand ($272,036,578) and USD 60,272 thousand ($230,362,598), respectively (Note 28).

(1) Mainly corresponds to obligations with suppliers for handsets, materials, and labor for the FTTH network deployment, costs associated with the support and maintenance of fixed and mobile networks, television content costs, rental costs, interconnection, and IT services. The net decrease mainly corresponds to higher payments during the 2024 period.

(2) Mainly includes obligations for connectivity services through the fiber optic network, brand usage (Brand Fee), action plans, rental of capacity on international media, rights of use, platforms for Internet Protocol Television (IPTV), costs for services,

licenses, and developments for corporate projects. The net increase mainly corresponds to Brand Fee services, connectivity services, links, capacity, and Corporate services.

(3) As of September 30, 2024, it corresponds to the obligation generated by the granting of the permit for the use of the 3500 MHz radio spectrum band to the temporary Union Colombia Móvil S.A. E.S.P. - Colombia Telecomunicaciones S.A. E.S.P. BIC, where the Company holds a 50% participation, according to the resolution issued by the Ministry of Information Technologies and Communications of Colombia (MinTIC), amounting to $110,459 million, renewal of AWS licenses for $96,536 million, 850 - 1900 MHz license for $69,757 million, 1900 MHz license for $36,350 million, and obligations to do for $36,745 million.

As of September 30, 2024, the current portion corresponds to obligations payable of $154,375 million, as follows: 850 – 1900 MHz license for $69,757 million, AWS license for $48,268 million, 1900 MHz license for $36,350 million, and obligations to do for $24,943 million. The non-current portion corresponds to the 3500 MHz license for $110,459 million, AWS license for $48,268 million, and obligations to do for $11,802 million.

The decrease in the long term compared to December 31, 2023, mainly corresponds to the transfer to liabilities held for sale amounting to $436,194 million (Note 12 – item 5), equivalent to debts for the acquisition of the 1900 MHz spectrum associated with assets related to the single network project.

The payment schedule for the spectrum supplier accounts payable as of September 30, 2024 is as follows:

	Current	No current			
Maturities	**2024 (a)**	**2025 (a)**	**2026 (a)**	**Total non-current**	**Total**
			(In thousands of US)		
Spectrum provider	36.947	11.552	1.660	37.988	74.935

	Current	No current			
Maturities	**2024 (a)**	**2025 (a)**	**2026 (a)**	**Total non-current**	**Total**
			(In thousands of COP)		
Spectrum provider	154.374.568	48.267.869	6.937.239	158.726.706	313.101.274

(a) Corresponds to the validity of the due dates from October 1 to September 30 of the following year.

(4) Mainly corresponds to obligations for the purchase of equipment, licenses, and platform developments associated with the deployment of the mobile network. As of September 30, 2024, the net decrease compared to the closing of 2023 mainly corresponds to investment efficiency and payments made during the 2024 period.

(5) Corresponds to installment purchases directly with the supplier for customer premises equipment. The current portion corresponds to accounts payable of $43,461 million, and the non-current portion corresponds to accounts payable of $44,030 million. This financing began during the first half of 2024.

The payment schedule for accounts payable for equipment purchases on credit as of September 30, 2024, is as follows:

	Current	No current			
Maturities	**2024 (a)**	**2025 (a)**	**2026 (a)**	**Total non-current**	**Total**
			(In thousands of US)		
Acquisition of equipment on a fixed term	10.402	9.966	572	10.538	20.940

	Current	No current			
Maturities	2024 (a)	2025 (a)	2026 (a)	Total non-current	Total
			(In thousands of COP)		
Acquisition of equipment on a fixed term	43.461.381	41.640.490	2.390.231	44.030.721	87.492.102

(a) Corresponds to the validity of the due dates from October 1 to September 30 of the following year.

(6) Corresponds to the Company's obligation until the fulfillment of the performance obligations associated with the Government subvention. The variation is presented due to financial updates during the 2024 period.

(7) Corresponds to employee benefits obligations. As of September 30, 2024, it includes the following concepts: i) severance pay of $18,828 million; ii) vacation pay of $5,713 million; and iii) other remunerations of $1,112 million. The net decrease is mainly due to the payment to the severance funds during the first quarter of 2024.

(8) Includes the balance of the inter-administrative contract with the Metropolitan Area of Barranquilla until 2028 and guarantees established by business partners. The decrease corresponds to the amortization for the 2024 period.

21. PROVISIONS AND PENSION LIABILITIES

The balance of pension provisions and liabilities is as follows:

	As of september, 30		As of december, 31	
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Current:				
For taxes and consideration (1)	28.312	118.294.473	21.306	89.024.046
For employee benefits (2)	9.708	40.562.006	5.643	23.578.260
Pension liabilities (3)	5.652	23.619.092	5.653	23.619.092
For contingencies(4) (Note 30)	1.413	5.903.971	1.207	5.042.371
For tax claims (5)	424	1.770.260	111	462.088
For voluntary retirement (6)	28	115.699	6.177	25.809.581
	45.537	**190.265.501**	**40.097**	**167.535.438**
Non-current:				
Pension liabilities (3)	47.967	200.421.161	46.356	193.691.152
For dismantling (7)	6.712	28.040.904	17.998	75.197.479
For contingencies (4) (Note 30)	1.865	7.794.229	1.990	8.315.515
	56.544	**236.256.294**	**66.344**	**277.204.146**
	102.081	**426.521.795**	**106.441**	**444.739.584**

(1) Includes the provision for the industry and commerce tax (ICA), payments to the Ministry of Information Technologies and Communications (MINTIC), and VAT not collected from customer receivables. The increase mainly corresponds to the obligation with MINTIC for satellite spectrum.

(2) Includes the vacation provision and employee incentive for performance and goal achievement, which is expected to be settled in the first half of 2025. The estimate was made based on the current workforce and estimated goal achievement percentages. The increase is presented due to the vacation provisions that, at the end of the period, are consolidated into the actual liability, in addition to the increase in the salary base of the current workforce, which corresponds to employee benefits and performance bonuses for the employees during the nine months of 2024.

(3) The Company recognizes post-employment benefits related to retirement pensions. The increase mainly corresponds to the financial update for the 2024 period. The current post-employment benefits plan does not have any linked assets.

(4) Includes processes related to customer complaints, claims, and requests (PQR), as well as civil, fiscal, and administrative processes, which are currently under discussion with the regulator. The net increase as of September 30, 2024, mainly corresponds to new processes with the Superintendency of Industry and Commerce (SIC).

(5) As of September 30, 2024, this corresponds to the industry and commerce tax due to the updated tax rates in municipalities for the 2024 period.

(6) As of December 31, 2023, the Company established a provision for an efficiency plan related to voluntary retirements. This plan is formal and details the involved roles, the number of employees, the disbursements to be made, and the dates. The decrease observed as of September 30, 2024, is attributed to the use of this provision.

(7) Includes costs associated with the dismantling or removal of property, plant, and equipment and usage rights when contractually agreed. There is no expected resource outflow schedule since the Company does not estimate the disposal of such sites as of now (Note 15). The decrease as of September 30, 2024, mainly corresponds to the transfer to liabilities held for sale for $51,893 million (Note 12), equivalent to the dismantling provision arising from assets under usage rights related to lease contracts for the single network project.

22. SHAREHOLDERS' EQUITY, NET

Authorized, subscribed, and paid-in capital as of September 30, 2024, and December 31, 2023, is presented below:

	(In thousands of US$)	(In thousands of COP$)
Authorized capital	348.197	1.454.870.740
Subscribed and paid capital	816	3.410.076
Nominal value (in USD and COP $)	0,0002	1

The equity interest as of September 30, 2024, and December 31, 2023, is presented below:

Shareholders	Number of Shares	Participation
Telefónica Hispanoamerica S.A.	2.301.779.819	67,49937427%
La Nación-Ministerio de Hacienda y Crédito Público	1.108.269.271	32,49984282%
Radio Televisión Nacional de Colombia-RTVC	10.000	0,00029325%
Shirley Puentes Mercado	9.950	0,00029178%
Adriana Cepeda Rodríguez	2.488	0,00007296%
Patricia Cepeda Rodríguez	1.493	0,00004378%
Darío Cárdenas Navas	885	0,00002595%
Eduardo Cárdenas Caballero	826	0,00002422%
Jhon Jairo Gutiérrez Torres	498	0,00001460%
Kira Torrente Albor	349	0,00001023%
Canal Regional de Televisión Ltda.- TEVEANDINA	200	0,00000586%
Área Metropolitana de Bucaramanga	2	0,00000006%
Instituto de Vivienda de Interés Social y Reforma Urbana del Municipio de Bucaramanga — INVISBU	2	0,00000006%
Caja de Previsión Social Municipal	2	0,00000006%
Cooperativa de Empleados de las Empresas Públicas de Bucaramanga Ltda.	2	0,00000006%
Central de Inversiones S.A.- CISA	1	0,00000003%
	3.410.075.788	**100,0000000%**

The equity interest as of September 30, 2024, remained unchanged compared to the December 2023 closing.

Additional paid-in capital

Represents the excess of the value received over the nominal value of the shares in the emissions the Company has made from its inception to date. As of September 30, 2024, and December 31, 2023, its value is $9,822,380,645.

Reserves

The following is the detail of the reserves as of September 30, 2024, and December 31, 2023

Reservations:	(In thousands of US$)	(In thousands of COP$)
Voluntary reserves (1)	9.259	38.686.537
Statutory reserves (2)	6.294	26.298.376
Legal reserve (3)	1.447	6.045.752
	17.000	**71.030.665**

(1) These reserves are constituted by the decision of the Company's shareholders' meeting and correspond to:

a) Occasional reserve: The Shareholders' Meeting by Act No. 068 of March 16, 2020, constituted a reserve for $34,925,054 corresponding to profits obtained during 2019, and by Act No.074 of March 16, 2022, constituted a new reserve for $101,588,959, corresponding to profits obtained during 2021. On July 21, 2022, the Stockholders' Meeting decreed to pay dividends as follows: direct payment to the stockholders for $95,769,390 in December 2022 and $5,819,569 for withholding at the source for the payment of dividends to the stockholders. This amount was transferred to the National Tax and Customs Office for a total of $101,588,959.

b) Reserve for future expansions: Reserve established by the Company for future expansions, non-distributable. The balance of this reserve as of September 30, 2024, and December 31, 2023, was $3,730,162.

c) Reserve for share repurchase: Reserve established by the Company for share repurchase, non-distributable, with a balance as of September 30, 2024, and December 31, 2023, of $31,321.

(2) For tax provisions: The Company, in accordance with tax regulations, when in its income tax return it requests depreciation installments that exceed the value of the installments recorded for accounting purposes, constitutes a non-distributable reserve equivalent to 70% of the greater value requested as a deduction. When the depreciation requested for tax purposes is lower than that recorded for accounting purposes, the Company may release from such reserve an amount equivalent to 70% of the difference between the value requested and the value recorded; the profits released from the reserve may be distributed as non-income taxable income. As of September 30, 2024, and December 31, 2023, the reserves amounted to $26,298,376. With the issuance of Law 1819 of 2016 (Tax Reform), the rule that established this reserve was repealed; therefore, as of the taxable year 2017, it will not be mandatory to constitute such a reserve.

(3) Legal Reserve: The reserve established by the Company as of September 30, 2024, and December 31, 2023, is $6,045,752.

Other Comprehensive Income

The group recognized a net loss in Other Comprehensive Income (OCI) as of September 30, 2024, and 2023, amounting to $80,737,620 and $254,986,493, respectively.

The variation for the periods ended September 30, 2024, and 2023 is mainly due to the valuation of derivative hedging instruments impacted by the shift in the SOFR and IBR interest rate curves.

Revaluation surplus net of taxes

For the periods ended September 30, 2024, and 2023, the group directly transferred to retained earnings the write-offs and the value associated with the depreciation of revalued assets and their corresponding deferred tax amounting to $6,237,656 and $48,128,598, respectively.

23. OPERATING INCOME

Income from contracts with customers is presented below:

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	*(In thousands of COP$)*	*(In thousands of US$)*	*(In thousands of COP$)*
Mobile Services (1)				
Mobile data services	282.226	1.179.225.972	277.629	1.160.017.303
Voice services	99.920	417.495.306	110.302	460.873.479
Value-added services	34.647	144.766.893	33.862	141.485.117
Roaming out	6.475	27.054.492	7.595	31.733.048
	423.268	**1.768.542.663**	**429.388**	**1.794.108.947**
Fixed services (1)				
Mobile data services	205.294	857.778.600	167.270	698.905.012
Voice services	139.892	584.509.731	172.557	720.994.058
Value-added services	59.447	248.385.816	60.634	253.347.785
Roaming out	23.175	96.832.338	29.905	124.952.800
	427.808	**1.787.506.485**	**430.366**	**1.798.199.655**
Digital Services (2)	120.820	504.821.706	119.213	498.106.672
Sale of terminal equipment (3)	89.161	372.547.492	160.012	668.578.402
Interconnection Services (4)	25.224	105.391.535	36.028	150.536.888
Roaming revenue	6.000	25.068.529	6.195	25.886.227
Other data - mobile virtual network operator	4.928	20.591.301	5.927	24.764.200
Sale of equipment for fixed services (5)	404	1.686.484	19.423	81.153.936
	246.537	**1.030.107.047**	**346.798**	**1.449.026.325**
	1.097.613	**4.586.156.195**	**1.206.552**	**5.041.334.927**

Revenues from contracts with customers are generated by the provision of services and the sale of goods continuously throughout the period.

For the nine-month periods ended September 30, 2024, and 2023, operating revenue from related parties amounted to $279,644,999 and $339,707,421, respectively (Note 29).

(1) Service revenue continues to perform well, primarily in prepaid services with offerings that meet communication and connectivity needs, mitigating the regulatory impact that affects user portability between operators. Regarding fixed services, there is an accelerated increase in connections through Optic Fiber. Additionally, the Company maintains comprehensive solutions in its portfolio that include capacity, robust communication, and installation for corporate clients.

(2) During the nine-month period ended September 30, 2024, the Company maintained a broad portfolio of digital services, with strong performance in IT services, security, integration, hardware and software installation, and other applications.

(3) Handset sales have decreased due to reduced commercial activity, impacted by economic conditions and the decrease in channels and financing options.

(4) The variation compared to the same period of the previous year is mainly due to a decrease in mobile interconnection rates set by the Communications Regulation Commission for the current period.

(5) The decrease during the nine-month period ended September 30, 2024, is due to the discontinuation of the sale of Wi-Fi amplifier equipment, as a result of technological renewal in the equipment currently installed in customers' homes, ensuring a better connectivity experience.

24. OTHER OPERATING INCOME

Other operating revenues are presented below:

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	*(In thousands of COP$)*	*(In thousands of US$)*	*(In thousands of COP$)*
Other operating income (1)	34.340	143.484.225	32.809	137.088.930
Sale of movable and immovable property (2)	25.921	108.303.718	8.660	36.182.783
Work carried out for fixed assets	8.103	33.856.876	8.377	34.999.576
Leasing Investment Properties	26	109.122	25	105.944
	68.390	**285.753.941**	**49.871**	**208.377.233**

For the nine-month periods ended September 30, 2024, and 2023, other operating income from related parties amounted to $83,826,746 and $88,562,768, respectively (Note 29).

(1) As of September 30, 2024, this mainly includes the following income: i) billing services, collection management, and administrative services amounting to $80,273 million; ii) exclusivity generated from the fiber optic business for $52,722 million, resulting from homes connected, according to the agreement with Onnet Fibra Colombia S.A.S.; iii) rental income from owned sites for $5,296 million and contract breaches for $4,925 million; iv) government subsidies amounting to $346 million.

(2) During the nine-month periods ended September 30, 2024, and 2023, copper material sales amounted to $94,320 million and $39,779 million, respectively. The increase during this period was primarily due to the transition from copper wiring to fiber optics. Additionally, it includes the sale of other assets, such as duct channels and property sales, for $13,984 million during the 2024 period.

25. OPERATING COSTS AND EXPENSES

Operating costs and expenses are presented below:

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Cost of equipment (1) (Notes 8 and 10)	148.351	619.855.551	226.245	945.318.727
Rental of media and other network infrastructure (2)	103.088	430.733.926	93.812	391.975.365
Labor costs	96.480	403.123.139	94.533	394.987.797
Operating costs and expenses (3)	85.609	357.698.394	81.549	340.736.712
Renting and third-party activities to customers (4)	71.482	298.671.486	93.385	390.189.925
Taxes and compensation	56.500	236.075.778	58.251	243.388.614
Commissions for sales and contract acquisition (5)	56.165	234.674.725	50.132	209.465.497
Content providers	55.369	231.346.289	55.149	230.431.001
Maintenance of equipment and facilities	50.171	209.630.553	47.928	200.256.558
Energy service (6)	48.507	202.677.255	45.929	191.905.377
IT services	28.761	120.171.137	29.440	123.010.778
Advertising (7)	27.523	115.001.135	31.026	129.635.396
Interconnection and roaming (8)	27.050	113.024.090	45.933	191.917.328
Cost of contract fulfillment (9) (Note 8)	22.280	93.088.168	16.055	67.083.284
Customer service	14.164	59.181.961	13.231	55.281.894
Portfolio impairment (10) (Note 7)	13.670	57.118.139	14.927	62.370.523
Other non-recurring costs and expenses (11)	1.406	5.875.092	957	4.000.043
(Recovery) provision of inventories (12) (Note 10)	(803)	(3.353.532)	611	2.553.389
	905.773	**3.784.593.286**	**999.093**	**4.174.508.208**

The net decrease between the nine-month periods ended September 30, 2024, and 2023 is mainly due to lower handset sales impacted by current economic conditions, as well as efficiencies and resource optimization, including: more efficient commercial channels, renegotiation of contracts with partners, inventory availability optimization, and regulatory aspects affecting interconnection and roaming rates. On the other hand, there was an increase in costs for home equipment and digital services due to the growth in demand for fiber optic connectivity services.

During the nine-month periods ended September 30, 2024, and 2023, operational expenses with related parties amounted to $494,618,357 and $462,990,767, respectively (Note 29).

(1) During the nine-month periods ended September 30, 2024, and 2023, inventory consumption recognized as cost of sales amounted to $479,527,152 and $842,897,607 (Note 10), and amortization for home equipment costs was $140,328,399 and $102,421,120 (Note 8), respectively. The net decrease during the period ended September 30, 2024, is due to lower handset sales, partially offset by increased sales of home equipment and materials for fiber optic deployment projects compared to the same period in 2023

(2) The increase during 2024 was primarily due to connectivity services using fiber optics for residential and corporate segments.

(3) Mainly includes digital services and products, collection management, copyright fees, temporary staffing expenses, security, travel expenses, consulting and advisory fees, insurance, utilities, and other service expenses. The increase during the nine-month period ended September 30, 2024, was primarily due to the provision of digital services, support services, and consultancy.

Includes collection management costs and expenses of $58,500 million, security of $34,102 million, digital services and products of $31,807 million, temporary staffing expenses of $24,775 million, regional Hispam and Adquira service expenses of $24,404 million, consulting and advisory fees of $22,445 million, rental and maintenance of facilities of $19,268 million, banking service fees of $18,937 million, material transport and logistics of $17,391 million, insurance of $16,582 million, travel expenses of $12,450 million, copyright fees of $9,918 million, and utilities of $5,215 million.

(4) The decrease during the nine-month period ended September 30, 2024, is mainly due to lower demand for projects with corporate clients during 2024.

(5) For the nine-month periods ended September 30, 2024, and 2023, includes amortization of contract acquisition costs of $150,211,884 and $103,635,943, respectively (Note 8). The increase corresponds to greater commercial activity mainly in connectivity services, supported by fiber optic network coverage.

(6) The increase in the nine-month period ended September 30, 2024, was primarily due to the rise in energy rates (15.45% per kilowatt-hour kWh) compared to the same period in 2023.

(7) Includes brand use fees (Brand Fee), media advertising, events, and sponsorships (Colombian Football Federation and Movistar Arena). The decrease in the period ended September 30, 2024, was mainly due to a reduction in the Brand Fee associated with lower mobile terminal equipment sales and fewer digital media campaigns.

(8) The variation during the period ended September 30, 2024, was mainly due to a reduction in mobile interconnection rates determined by the Communications Regulation Commission.

(9) The increase during 2024 was mainly due to the amortization of installation costs in customer premises associated with increased commercial activity during the period.

(10) During the period ended September 30, 2024, net expenses were $57,111 million, determined as follows: i) impairment of customers for $57,142 million (Note 7), ii) recovery of contractual asset impairment for $24 million, and iii) recovery of written-off receivables for $7 million.

(11) The net increase during the period ended September 30, 2024, was mainly due to the impact of customer complaints and claims (PQR) with the Superintendence of Industry and Commerce. In the same period of 2023, there was a provision recovery from a favorable judicial process.

(12) The decrease during the period ended September 30, 2024, was mainly due to the reversal of provisions resulting from improved inventory turnover.

26. DEPRECIATION AND AMORTIZATION

Depreciation and amortization are presented below:

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Depreciation of property, plant and equipment (Note 15)	92.280	385.573.747	100.988	421.954.366
Amortization of intangible assets (Note 16)	77.329	323.101.932	98.865	413.089.587
Depreciation of assets for rights of use (Note 14)	25.421	106.218.131	51.543	215.363.244
	195.030	**814.893.810**	**251.396**	**1.050.407.197**

The amortization of intangible assets at the end of the period ended September 30, 2024, includes $4,780,274 for the amortization of the permit for the use of the 3500 MHz radio spectrum band, assigned to the Temporary Union Colombia Móvil S.A. E.S.P. - Colombia Telecomunicaciones S.A. E.S.P. BIC, in which the Company holds a 50% stake, in accordance with Resolution 497 of 2024 issued by the Ministry of Information and Communication Technologies of Colombia (MinTIC).

27. FINANCIAL EXPENSES, NET

Financial expenses, net are presented below:

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	*(In thousands of COP$)*	*(In thousands of US$)*	*(In thousands of COP$)*
Income:				
Financial income from transactions with related parties (1)	21.095	88.141.193	21.786	91.029.451
Interest on late payments from clients (2)	6.553	27.382.226	5.906	24.675.019
Interest on temporary and bank investments (3) (Note 5)	4.208	17.583.444	1.008	4.211.396
	31.856	**133.106.863**	**28.700**	**119.915.866**
Expenses:				
Interest on loans from bonds and debentures (4)	(67.851)	(283.499.869)	(59.523)	(248.701.678)
Financial expenses on leases	(25.630)	(107.090.656)	(25.104)	(104.892.547)
Interest coverage operations, net	(16.260)	(67.941.823)	(14.039)	(58.657.359)
Other financial expenses (5)	(12.078)	(50.465.519)	(10.012)	(41.834.249)
Expenses on loans from spectrum providers (6)	(9.571)	(39.988.995)	(9.439)	(39.440.574)
Financial restatement of liabilities (7)	(5.858)	(24.476.421)	(3.396)	(14.189.867)
Tax on financial transactions	(625)	(2.613.112)	(458)	(1.915.678)
	(137.873)	**(576.076.395)**	**(121.971)**	**(509.631.952)**
Loss on exchange differences, net (8)	(232)	(971.400)	(2.787)	(11.644.086)
	(138.105)	**(577.047.795)**	**(124.758)**	**(521.276.038)**
	(106.249)	**(443.940.932)**	**(96.058)**	**(401.360.172)**

The net increase is mainly due to the acquisition of new debt to refinance maturities for the year at current market rates, along with an increase in expenses associated with the cost of hedges due to movements in the IBR and SOFR curves, primarily in swap derivative instruments.

(1) The decrease during the period ended September 30, 2024, is related to the evolution of the CPI used in the calculation of interest on the long-term loan with the associated company Alamo Holdco, S.L., as established in the master agreement for the sale of fiber optic assets carried out in 2022 (Note 29).

(2) During the period ended September 30, 2024, there was an increase compared to the same period of the previous year, mainly in the interest generated by the management of accounts receivable collections with clients.

(3) During the period ended September 30, 2024, there was an increase in yields from temporary investments.

(4) During the period ended September 30, 2024, the main items included were interest on financial obligations of $187,270,174 and $132,434,505 from the senior bond of $74,103,338 and $81,618,752 and the local bond of $22,126,258 and $34,648,421, respectively. The increase corresponds to the acquisition of new debts for the refinancing of maturities during the current year and utilization for working capital.

(5) At the close of the nine-month period ended September 30, 2024, it mainly includes the recognition of the financial component of the long-term contract for the exclusivity commitment related to fiber optics for $33,177,595, the cost related to commercial portfolio sales for $11,031,970, and commissions for $6,247,918. The increase during the 2024 period is mainly due to the update of the exclusivity commitment.

(6) The decrease during the period ended September 30, 2024, is due to the financial update from a reduction in reference rates on the obligation acquired for the renewal of the 1,900 MHz spectrum and, additionally, to a lower settlement base due to payments made for this obligation, compared to the same period in 2023.

(7) During the periods ended September 30, 2024, and 2023, the expense for updating the pension liability was $19,742,423 and $9,842,189, and the update of the provision for dismantling fixed assets was $4,733,998 and $4,347,678, respectively.

(8) The variation between the periods ended September 30, 2024, and 2023 is mainly due to the volatility of the representative market rate of the peso against the dollar during the 2023 period.

28. GESTIÓN DE RIESGOS

The most significant risks and uncertainties faced by the Group that could affect the business, its financial position, results, and/or cash flows are described below and should be considered together with the information contained in these condensed consolidated interim financial statements.

The Group has considered these material, specific and relevant risks in order to make an informed investment decision. However, the Group is subject to other risks which, having assessed their specificity and importance, based on the evaluation of their probability of occurrence and the potential magnitude of their impact, have not been included in this section.

The assessment of the potential impact of risks is quantitative and qualitative, considering, among other issues, potential economic, compliance, reputational and environmental, social and governance ("ESG") impacts.

The Company, taking into account the global risks identified by the World Economic Forum, as well as the increase in legal reporting requirements and stakeholder expectations in this area, monitors risks directly related to sustainability, as well as other risks with potential ESG impact, highlighting those most relevant in the Company's operational context, including adaptation to ESG reporting expectations and requirements, and climate change. Risks are presented in this section grouped into four categories (according to the definitions included in the Telefónica Group's Risk Management Policy): business, operational, financial, legal and compliance.

These categories are not presented in order of importance. However, the Group may change its view of their relative importance at any time, especially if new internal or external events arise.

28.1. Risks related to the business

The Group requires licenses and permits for the provision of most of its services and for the use of spectrum, which is a scarce and costly resource.

The telecommunications sector is subject to specific sector regulations. The fact that Group's highly regulated business affects revenues, operating income before depreciation and amortization (EBITDA), and investments.

Many of the Group's activities (such as the provision of telephone services, pay television, installation, and operation of telecommunications networks, etc.) require licenses or authorizations from governmental authorities, which generally require the Group to meet certain obligations, including specified minimum quality levels, service and coverage conditions. Failure to comply with any of these obligations could result in consequences such as financial or other penalties, which, in the worst case, could affect business continuity. Exceptionally, in certain jurisdictions, license grants may be modified prior to expiration, or new obligations may be imposed at the time of renewal or even non-renewal of licenses.

Access to new spectrum licenses.

The Group needs a sufficient spectrum to offer its services. Failure to obtain sufficient spectrum capacity to operate, or its inability to bear the related costs, could have an adverse impact on its ability to maintain the quality of existing services and its ability to launch and provide new services, which could materially adversely affect the Group's business, financial condition, results of operations and/or cash flows.

The intention is to have the necessary spectrum capacity to maintain services and expand them, specifically through participation in spectrum auctions expected to take place in the coming years, which will require possible cash outflows to obtain additional spectrum or to meet the coverage requirements associated with some of these licenses.

Existing licenses: renewal processes and modification of service operating conditions.

The revocation or non-renewal of the Group's existing licenses, authorizations, concessions, or any challenge or modification of their terms, could significantly affect the business, financial position, results of operations, and/or cash flows.

The Group operates in a highly regulated market and changes in regulation or new regulations could adversely affect its business.

The Group is exposed to changes in the regulation of retail and wholesale services. Possible changes in the regulation of prices of retail services could generate limitations in the commercialization of services producing revenue losses or limitations in the Group's ability to differentiate and compete in the market.

In December 2021 the Constitutional Court accepted to study a lawsuit that questions that internet service providers sell data packages to users in which certain types of applications such as social networks are offered free of charge, the result of this lawsuit could generate changes in the current conditions of zero rating offers.

Regulatory conditions for access to retail services can significantly impact the competitive landscape, market reference prices, and, consequently, the profitability of services.

The Group depends on a network of suppliers.

The existence of critical suppliers in the supply chain, especially in areas such as network infrastructure, information systems, or terminals with a high concentration of a small number of suppliers, poses risks that could affect the Group's operations, as well as cause eventual legal contingencies or damage to the Group's image in the event of practices that do not meet acceptable standards or in a manner that does not meet the Group's performance expectations of any participant in the supply chain. This includes delays in the completion of projects or deliveries, poor quality execution, cost deviations, and inappropriate practices.

As of September 30, 2024, the Group awarded contracts to 8 handset suppliers, while it had 42 infrastructure suppliers. The amount awarded for handsets represents 1% of the total awards made in the third trimester of 2024, and for infrastructure providers, it represents 3,5%. The handset supplier with the highest share of awards in this category has 39%. For infrastructure providers, the one with the highest share has 28% of what was awarded to these providers. These suppliers can, among other things, extend delivery times, increase prices, and limit supply due to stock shortages, business requirements, or other reasons.

If suppliers are unable to supply their products within the agreed deadlines or such products and services do not meet the requirements, this could jeopardize the network deployment and expansion plans, which in some instances could affect compliance with the terms and conditions of the securities under which the Group operates or compromise business and operating results

The semiconductor industry, in particular, is facing a number of challenges mainly as a result of global supply issues, which in turn are affecting multiple sectors (including technology) through delivery delays and price increases, which could affect the Group or other actors relevant to its business, including its customers, suppliers, and partners.

The imposition of trade restrictions and any supply chain disruptions, such as those related to international transportation, may result in higher costs and lower margins or affect the Group's ability to offer its products and services and could adversely affect the Group's business, financial condition, operating results and/or cash flows.

Markets Subject to Continuous Technological Evolution

The Group's success depends, to a certain extent, on its adaptability to technological evolution, in the times the market demands, anticipating technological changes and market demands. Technological evolution is permanent, offering the market new products, services, and technologies, obliging us to update them constantly. The development of constant technological innovation also generates the obsolescence of some of the products and services offered by the Group, as well as their technology, significantly reducing revenue margins by having an obligation to invest in the development of new products, technology, and services and at the same time continue to provide maintenance in technologies, which will remain in force until we achieve the migration of all users or the regulation allows their controlled shutdown. In addition, the convergence of new technologies allows new entrant operators the possibility of not being subject to the regulatory standards that have been in force in the past, leaving us in a disadvantageous position before these new players in the sector.

Consequently, it could be costly for the Group to develop the products and technologies necessary to continue competing efficiently with current or future competitors. It is therefore important to consider that increased costs could negatively impact the business, its financial situation, and the Group's economic results or cash generation.

The Group, as a major player in the communications market, must continue to upgrade its networks associated with mobile and fixed line services in a satisfactory manner and in a timely manner to maintain and increase its customer base in each of its markets to enhance its financial performance, as well as to comply with applicable regulatory requirements. Among other things, the Group may need to upgrade the operation of its networks to increase the personalization of its services, the virtualization of equipment, increase processing and data storage capacities, and increase coverage in some of its markets. Equally important is the need to expand and maintain the level of customer service, network management, and administrative systems.

One of the technologies that telecommunications operators, including the Group, are currently investing in is the new FTTH type networks, which offer high-performance broadband access over fiber optics.

However, the deployment of such networks, in which fiber optics replaces all or part of the copper in the access loop, involves high investments. There is a growing demand for the services offered by the new networks to end customers; however, the high level of investment requires continuous analysis of the return on investment, and there is no certainty as to the profitability of these investments.

Additionally, the adaptability of the Group's information systems, both operational and support, to adequately respond to the Group's operational needs is a relevant factor to consider in business development, customer satisfaction, and business efficiency. While automation and other digital processes can lead to significant cost savings and efficiency gains, there are significant risks associated with such process transformation.

Any failure by the Group to develop or implement IT systems that adequately respond to the Group's changing operational requirements could have a negative impact on the business, financial position, operating results, and/or cash generation.

28.2 Operational risks.

Information technology is a relevant element of our business and is exposed to cybersecurity risks.

Cybersecurity is among the most relevant risks for the Group due to the importance of information technology for its ability to successfully carry out operations. Despite progress in modernizing the network and in replacing old systems pending technological renewal, the Group operates in an environment of growing cyber threats, and all its products and services, such as, among others, mobile Internet or pay TV services, are intrinsically dependent on information technology systems and platforms that are susceptible to cyber-attack. Successful cyber-attacks can impede the effective marketing of products and services to customers, so further progress is needed in identifying technical vulnerabilities and security weaknesses in operational processes, as well as in the ability to detect and react to incidents. This includes the need to strengthen security controls in the supply chain (e.g., placing greater focus on the security measures adopted by partners and other third parties) and ensuring the security of cloud services.

Some of the main measures adopted by the Group to mitigate these risks are the early detection of vulnerabilities, the application of access controls to systems, the proactive review of security logs in critical components, the segregation of the network into zones, and the deployment of protection systems such as firewalls, intrusion prevention systems, and virus detection, among other physical and logical security measures. In the event that preventive and control measures do not prevent all damage to systems or data, there are backup systems designed to recover all or part of the information.

Risks Associated with Unplanned Network or System Outages

Network interruptions are situations inherent to the operation of any element that constitutes it, which affect the service, causing dissatisfaction among users due to the impossibility of communication, as well as a significant risk of requirements from control entities that could result in high impact sanctions for the Group. The only possibility of minimizing or reaching a controlled level of risks on unforeseen network interruptions is focused on being able to guarantee a periodic and efficient preventive and corrective maintenance model on network equipment, as well as the investment in elements that have completed their useful life and that guarantee redundancy to support the service in the event of eventual failures.

On the other hand, information technology is a relevant element of our business and could be affected by cybersecurity risks: Our networks transport and store large volumes of confidential, personal, and business data, so it must be prepared to detect and react in a timely manner to cyber threats to prevent their materialization.

It should also be noted that natural disasters, climate change, and other factors beyond the Group's control can cause network failures, service interruptions, or loss of quality.

Unforeseen service interruptions may occur due to system failures, natural disasters caused by natural or meteorological phenomena, power failures, network failures, hardware or software failures, theft of network elements, or a cyber-attack. All of these can affect the quality or cause an interruption in the provision of services.

Changes in temperature and precipitation patterns associated with climate change can increase the energy consumption of telecommunications networks or cause service interruption due to extreme temperature waves, floods, or extreme weather phenomena, for which we have processes in place that allow us to respond in the timeliest manner to each of these situations

28.3 Financial risks.

The economic or political environment deterioration may adversely affect the Group's business.

The Group is exposed to local legislation, the political and economic environment of the country and the world, so its financial situation and operating results may be affected by factors such as significant variations in the exchange rate, the perception of country risk or the hardening of geopolitical tensions. The Colombian economy is highly exposed to the flow of capital from other economies due to its dependence on commodities and the high proportion of foreign currency debt with respect to the country's total debt.

Therefore, its macroeconomic and financial stability may be affected by changes in commodity prices and global financial conditions

The Group faces risks related to its level of financial indebtedness, funding capacity, and ability to carry out the business plan.

The operation, expansion, and improvement of the Group's networks, the development and distribution of services and products, the execution of the overall strategic plan, the development and implementation of new technologies, the renewal of licenses, and expansion may require substantial financing.

The Group is a relevant and frequent debt issuer in the capital Markets. As of September 30, 2024, and 2023, the financial debt amounted to $4.739.652 million and $4.049.774 million respectively (Note 18).

A decrease in the Group's liquidity, a difficulty in refinancing debt maturities, or in raising new funds as debt or equity could force the Group to use resources already allocated to investments or other commitments for the payment of its financial debt, which could have a negative effect on the Group's business, financial position, operating results and/or cash flows.

Financing could become more complex and costly in the event of a significant deterioration of conditions in international or local financial markets, due, for example, to monetary policies set by central banks, both due to possible interest rate hikes and decreases in the supply of credit, increased global political and commercial uncertainty and oil price volatility, or a possible deterioration in solvency or operating performance.

In addition, given the interrelationship between economic growth and financial stability, the materialization of any economic, political, and exchange rate risk factors mentioned above could adversely affect the Group's ability and cost to obtain financing and/or liquidity. This, in turn, could have a material adverse effect on the business, financial condition, operating results, and/or cash flows. Finally, any downgrade in credit ratings could lead to an increase in borrowing costs and limit its ability to access credit markets.

Credit Rating of Colombia Telecomunicaciones S.A. E.S.P. BIC and its Long-Term Debt

As of September 30, 2024, the company holds international ratings from two rating agencies. Standard & Poor's has assigned Colombia Telecomunicaciones S.A. E.S.P. BIC a rating of B+ for both issuer and bond issues in the international market, with a positive outlook. On the other hand, Fitch Ratings has assigned a rating of BB+ with a stable outlook.

In the local scale, the company, as issuer, as well as the bonds issued in the local market, hold a rating of AA+ with a stable outlook.

The Group's financial condition and results could be affected if we do not effectively manage our exposure to foreign currency exchange rates or interest rates.

Interest rate risk arises principally from changes in interest rates affecting: (i) the interest costs of floating rate debt (or debt with short-term maturities and foreseeable rollover); and (ii) the value of long-term liabilities with fixed interest rates.

Risk Management Policy

The Group may be exposed to various financial market risks as a result of: (i) the normal course of its business and (ii) the financial debt contracted to finance its business. The main risks are exchange rate, interest rate, liquidity, and credit risks. No significant impacts were identified in the financial risk assessment process.

Interest Rate Risk

Arises mainly from variations in interest rates that affect: i) the financial costs of variable rate debt and/or short-term debt negotiations at fixed interest rates and ii) long-term liabilities at fixed interest rates.

Liquidity risks

The Group is exposed to liquidity risk mainly due to imbalances between cash requirements and sources of funds. As a mitigation strategy, the Company holds highly liquid assets and unused credit lines. Additionally, there is the option to rollover financial obligations.

Credit risk

Credit risk arises from cash and cash equivalents (deposits with banks and financial institutions), as well as credit exposure to wholesale and retail customers, which includes outstanding balances of accounts receivable and committed transactions. No significant impacts were identified in the valuation of credit risk based on the above; Management does not expect the Group to incur substantial losses from the performance of its counterparties.

As of September 30, 2024, the Company held the following portfolio of financial derivatives for foreign exchange and interest rate expressed in its home currency, in the following instruments:

Cifras en millones	NDF		IRS Libor	IRS IBR	IRS IPC	CCIRS (margen)	CCIRS
Subyacente	USD	EUR	USD	COP	IPC	USD	USD
Senior bond	-	-	500	1.498.700	-	500	500
USD$/COP Debt	17	-	-	600.000	152.410	-	-
Trade accounts	72	20	-	-	-	-	-
Future cash flows	45	-	-	-	-	-	-
	134	**20**	**500**	**600.000**	**152.410**	**500**	**500**

NDF: Non delivery forwards
IRS: Interest rate swap
CCIRS: Cross currency interest rate swap

Exchange Rate Risk

The main objective of the exchange rate risk management policy is to protect the value of assets and liabilities denominated in dollars and euros against changes in the exchange rate of the Colombian peso with respect to these currencies.

As of September 30, 2024, and December 31, 2023, the Company's debt in U.S. dollars, including the senior bond maturing in 2030, amounted to USD 592 million, equivalent to $2,473,178 million, and USD 511 million, equivalent to $1,954,119 million, respectively, including interest.

Additionally, considering the normal flow of the Group's business, hedges of commercial accounts were made, corresponding to OPEX (Operating Expenses) and CAPEX (Capital Expenditure) invoices in foreign currency, which were recorded in the Consolidated Statement of Financial Position. Finally, highly probable future cash flow hedges were contracted through NDF (Non-Delivery Forwards) with terms up to one year to hedge a portion of the OPEX and CAPEX in foreign currency of the budget during the following year.

The following is a summary of the balances of assets and liabilities held in dollars and expressed in thousands of Colombian pesos, respectively, at the end of each period:

Figures in thousands of USD:

	As of september, 30 2024	As of december, 31 2023
	(In thousands of US$)	
Assets		
Cash and cash equivalents (Note 5)	1.875	1.556
Receivables and other accounts receivable (Note 7)	3.501	9.053
Related parties (Note 29)	69.113	70.068
Total assets	**74.489**	**80.677**
Liabilities		
Suppliers and accounts payable (Note 20)	57.775	123.986
Related parties (Note 29)	65.107	60.272
Financial obligations (Note 18)	591.910	511.275
Total liabilities	**714.782**	**695.533**
Passive, net position	**(640.293)**	**(614.856)**

Figures in millions of pesos:

	As of september, 30 2024	As of december, 31 2023
	(In thousands of COP$)	
Assets		
Cash and cash equivalents (Note 5)	7.834.313	5.947.110
Receivables and other accounts receivable (Note 7)	14.632.407	34.601.019
Related parties (Note 29)	288.774.848	267.803.399
Total assets	**311.241.568**	**308.351.528**
Liabilities		
Suppliers and accounts payable (Note 20)	241.401.283	473.880.691
Related parties (Note 29)	272.036.578	230.362.598
Financial obligations (Note 18)	2.473.177.553	1.954.118.614
Total liabilities	**2.986.615.414**	**2.658.361.903**
Passive, net position	**(2.675.373.846)**	**(2.350.010.375)**

Interest Rate Risk

After hedging, the exposure to variable interest rates accounts for 39% of the total financial debt, within the framework of a risk management policy aligned with the Banco de la República's expansionary monetary policy stance in the medium term.

As of September 30, 2024, the debt at fixed and variable rates was as follows:

Figures in millions of pesos:

	Financial Obligations (1)			
	(In thousands of US$)	(In thousands of COP$)		
Fixed rate bonds	Value (1)	Value (1)	Participation	Index
COP debt	207	865.883	20%	Fixed rate
Local bond	36	152.410	3%	Fixed rate
Senior bond	400	1.671.320	38%	
	643	**2.689.613**	**61%**	
Floating rate bonds				
Senior bond	100	417.830	10%	Floating
USD debt	86	359.334	8%	Libor3M
COP debt	220	920.529	21%	Ibr3M
	406	**1.697.693**	39%	
	1.049	**4.387.306**	**100%**	

(1) Interest rate exposure after hedging.

Sensitivity of Debt to Interest Rate Variations

Debt was analyzed for both positive and negative movements of 100 basis points in interest rates. The sensitivity calculation was performed only on the debt exposed to variable interest rates, which represents 39% of the total.

Sensitivity (1) impact on results		
	(In thousands of US$)	*(In thousands of COP$)*
+ 100 pb	(4.120)	(17.212.884)
- 100 pb	4.120	17.212.884

Derivative Financial Instruments and Risk Management Policy

The breakdown of the Company's derivatives as of September 30, 2024, along with their fair value at that date and the expected maturity schedule by notional value and based on the type of coverage, is as follows:

		Notional Value (2) - Maturities (In thousands of US)			
Derivatives	Fair value (1)	**2024**	**2025**	**Posteriores**	**Total**
Interest rate hedges					
Cash flow	(96)	-	-	1.080	1.080
	(96)	-			**1.080**
Exchange rate hedges					
Cash flow	6	184	-	-	184
Reasonable value	4	90	-	-	90
	10	**274**	-	-	**274**
Interest rate and exchange rate hedges					
Cash flow	68	-	1.086,00	579	579
	(18)	**274**	1.086,00	**1.659**	**1.933**

		Notional Value (2) - Maturities (In thousands of COP$)			
Derivatives	**Fair value (1)**	**2024**	**2025**	**Posteriores**	**Total**
Interest rate hedges					
Cash flow	(292.262)	-	-	4.178.300	4.178.300
	(292.262)	-	-	**4.178.300**	**4.178.300**
Exchange rate hedges					
Cash flow	13.189	258.059	-	-	258.059
Reasonable value	3.606	391.070	-	-	391.070
	16.795	**649.129**	-	-	**649.129**
Interest rate and exchange rate hedges					
Cash flow	246.278	-	4.187.850	2.534.041	6.721.891
	(29.189)	**649.129**	**4.187.850**	**6.712.341**	**11.549.320**

(1) Presented net of Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

(2) For interest rate hedges, the positive amount is in terms of a fixed payment; for foreign exchange hedges, a positive amount means payment in functional currency versus foreign currency.

Country Risk

In the first half of 2024, the Colombian economy showed signs of recovery, accumulating a 1.91% growth, partially driven by more accessible credit conditions. Inflation, which had been a constant concern, receded faster than expected, reaching 5.81% year-on-year in September 2024, bringing some relief to Colombian households. However, inflation remains above the target range of 2-4%, preventing the Central Bank (Banco de la República) from making more aggressive rate cuts, thus limiting the reduction to 10.25% on the last day of September.

On the fiscal front, the outlook is challenging. The government revised its 2024 deficit forecast upward to 5.60% of GDP from the initial 5.30% projection. Additionally, the General Budget of the Nation for 2025 is set at 523 trillion pesos, but with a 12 trillion pesos deficit. This fiscal uncertainty is reflected in market variables, increasing volatility and political debates, which led the exchange rate to reach 4,178.30 pesos per dollar at the end of the third quarter, implying a 9.32% devaluation of the peso against the dollar during 2024. The possibility of failing to meet fiscal targets could result in a downgrade of the country's credit rating, currently assessed by Moody’s at Baa2 and by S&P and Fitch at BB+.

28.4 Legal and compliance risks

Legal proceedings.

The Group operates in highly regulated sectors and is party and maybe party in the future to litigation, regulatory proceedings, tax assessments, and others that arise in the ordinary course of its business whose outcome is unpredictable.

Management evaluates these situations based on the probable, possible, and remote nature of their occurrence and the amounts involved to decide on the amounts recognized and/or disclosed in the consolidated financial statements.

Further details of litigation, fines, and penalties can be found in Note 29 of this consolidated financial statements.
An adverse outcome or an out-of-court settlement of these or other current or future litigation or disputes could impact the Group's financial position, results of operations, or cash generation.

The Group is exposed to risks in relation to compliance with anti-corruption legislation and economic sanctions programs.

In Colombia, anti-corruption legislation establishes a series of specific obligations and prohibitions, both for companies and their partners, administrators, managers, and collaborators, established under Laws 599 of 2000 (Criminal Code), 1474 of 2011 (Anti-Corruption Statute), 1778 of 2016 (Law against Transnational Bribery) and 2195 of 2022.

Among other conducts, such rules prohibit offering any object of value to public or private officials to obtain or maintain business or secure any undue business advantage. Likewise, keeping books and records that do not adequately and accurately reflect transactions is prohibited.

However, with the issuance of Law 2195 of 2022, there was an expansion of the range of conducts considered as acts of corruption that includes crimes against public administration, the environment, economic and social order, financing of terrorism and organized crime groups, administration of resources related to terrorist activities and organized crime, those enshrined in Law 1474 of 2011 or any punishable conduct related to public assets. In this order and in accordance with the meaning given by the legislator, corruption includes various punishable conducts ranging from agreements restricting competition to environmental pollution, including the crimes of private corruption and unfair administration.

In this sense, due to the nature of its activity and the broad scope of what is understood as acts of corruption in Colombia, the Group's exposure to this risk has increased and, consequently, its probability of occurrence within the framework of the relationship between the Group and its different stakeholders.

In particular, this risk is especially relevant in the relationship between the Group and public officials and/or entities in the institutional, regulatory (it is a regulated activity in different orders), operational (in the deployment of its network, it is subject to obtaining multiple activity permits) and commercial (it provides services directly and indirectly to Public Administrations) areas.

In addition to having high exposure to the risk of corruption, the Group is subject to the authority of different regulators and compliance with various national or extra-territorial regulations, sometimes with shared competencies, making it very difficult to quantify the potential impact of any non-compliance, taking into account that such quantification must consider not only the economic amount of sanctions, but also their potential negative impact on the business, reputation and/or brand, and even, if applicable, on the ability to contract with the Public Administrations.

On the other hand, the Group is committed to developing its activity in compliance with the international sanctions regimes that may be applicable at any time and, consequently, to respect the restrictions and/or prohibitions that are imposed by governments, regulators, and/or other international organizations against governments/countries, individuals, entities and/or sectors of activity on the occasion of the development of activities that represent a danger to international security, peace or human rights, among others.

For this purpose, the Board of Directors of the Telefónica Group published the Corporate Sanctions Policy, aimed at defining the main control elements to ensure compliance with such regimes within the framework of its relationships with counterparties. This includes due diligence processes and controls on payments to suppliers and/or third parties, protection through contractual clauses, training and advice, and monitoring of the control model.

Although the Group has internal policies and procedures in place to ensure compliance with the aforementioned anti-corruption and sanctions laws, it cannot guarantee that these will eliminate sources of risk or that the Group's employees, directors, officers, partners, agents and service providers will not act in violation of the policies and procedures (or, for that matter, in violation of the relevant anti-corruption and sanctions laws). For this reason, the Group currently cooperates with governmental authorities (where appropriate, by conducting the corresponding internal investigations) regarding requests for information potentially related, directly or indirectly, to possible violations of anti-corruption laws. The Group considers that any potential sanctions in the framework of these specific requests would not materially affect the Group's financial position, considering its size.

Notwithstanding the above, non-compliance with anti-corruption laws and sanctions could result not only in financial penalties but also in the termination of public contracts, revocation of authorizations and licenses, and the generation of a material adverse effect on the Group's reputation or business, and its financial condition, operating results and/or cash flows.

29. RELATED PARTIES

The Ministry of Finance and Public Credit has a 32.5% interest in Colombia Telecomunicaciones S.A. E.S.P. BIC. The Ministry is an agency of the Colombian Government. The Group provides mobile and fixed telephony services to the Colombian Government under normal market conditions and prices.

During the nine-month periods ended September 30, 2024 and 2023, the Company made payments to the Colombian Government for contributions to the Ministry of Communications and Information Technology (MINTIC) amounting to $68,368,370 and $73,599,416, and to the Communications Regulation Commission (CRC) amounting to $8,177,288 and $7,485,687, respectively, based on the revenues obtained from providing network and telecommunications services.

29.1. Accounts Receivable

The balances of accounts receivable between the Group and its shareholders, economic-related parties, and associated companies are as follows:

Current

a) Shareholders

	As of september, 30		As of december, 31	
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
From outside				
Telefónica Hispanoamérica S.A.(1)	2.930	12.243.486	3.345	13.975.400
	2.930	**12.243.486**	**3.345**	**13.975.400**

(1) The decrease as of September 30, 2024, is mainly due to the collection of support, assistance, and advisory services provided by the Company's direct personnel in the region.

b) Related Parties

	As of september, 30		As of december, 31	
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
National				
Telefónica Global Solutions Colombia, S.A.S. (1)	3.336	13.937.164	2.398	10.017.879
Telxius Cable Colombia S.A.(2)	141	587.682	363	1.514.809
Wayra Colombia S.A.S.	20	84.741	21	87.465
Telefónica Tech Colombia S.A.S	14	60.116	60	249.777
	3.511	**14.669.703**	**2.842**	**11.869.930**

(1) The increase is mainly due to the provision of international data services and virtual private networks during the third quarter of 2024.

(2) As of September 30, 2024, there is a decrease due to collections from fixed services provision.

	As of september, 30 2024		As of december, 31 2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
From outside				
Telefónica S.A .(1)	680	2.841.392	83	346.693
Telefónica Global Roaming Gmbh (2)	481	2.009.292	105	436.854
Telefónica Global Solutions S.L.U.	418	1.744.687	479	2.002.538
Telefónica Móviles España S.A. (3)	334	1.396.784	63	261.813
Telefónica Móviles Argentina S.A.	235	983.381	121	505.246
Otecel S.A.	115	478.729	111	462.047
Telefónica Móviles Chile S.A.	95	395.466	123	515.260
Telefónica del Perú S.A.A.	93	386.773	86	357.332
Telefónica Brasil S.A. (2)	85	356.001	83	347.002
Telefónica Venezolana C.A.	48	198.510	38	160.405
Telefónica Innovación Digital, S.L. (4)	32	135.513	-	-
Telefónica Germany GMBH & CO OHG (3)	32	132.339	1	2.264
Terra Networks México, S.A. de C.V.	25	103.230	34	143.540
Pegaso PCS, S.A. DE C.V.	22	92.938	55	229.395
Telefónica Móviles del Uruguay S.A.	7	28.046	6	23.268
	2.702	**11.283.081**	**1.388**	**5.793.657**
Total national and foreign affiliates	**6.213**	**25.952.784**	**4.230**	**17.663.587**

(1) The increase is mainly due to the tax refund associated with the employee stock plans for the 2021–2023 period.

(2) The variation is due to the increase in international roaming traffic through local codes (IMSI) and the legalization of credit notes.

(3) As of September 30, 2024, the variation is mainly due to tariff reconciliations and credit notes associated with roaming services.

(4) During the 2024 period, it corresponds to the provision of digital services related to licenses and internet platforms for IPTV television protocol and training services in Big Data.

c) Associated Companies

	As of september, 30 2024		As of december, 31 2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
National				
Onnet Fibra Colombia S.A.S (1)	83.165	347.492.820	39.197	163.786.122
Telefónica Factoring Colombia S.A.	19	79.803	79	331.202
Total National Associates	**83.184**	**347.572.623**	**39.276**	**164.117.324**
Telefónica UK Limited	165	688.665	161	671.686
Telefónica Factoring España S.A.	-	1.373	1	4.996
Total current related parties (Note 7)	**165**	**690.038**	**162**	**676.682**
	92.492	**386.458.931**	**47.013**	**196.432.993**
No current:				
Alamo Holco S.L. (2)	119.577	499.627.047	113.427	473.931.256
Onnet Fibra Colombia S.A.S (1)	14.080	58.828.511	29.032	121.304.383
Total non-current related parties (Note 7)	**133.657**	**558.455.558**	**142.459**	**595.235.639**
Total related parties	**226.149**	**944.914.489**	**189.472**	**791.668.632**

(1) As of September 30, 2024, the net increase in the current portion corresponds mainly to: i) the collection rights for the overachievement of the second tranche of the Earn Out for USD 13.3 million, ii) the transfer from long-term to current for USD 26.6 million corresponding to the third tranche of the Earn Out, with an expected settlement during 2025, iii) the transfer to long-term for USD 10 million corresponding to the achievement in the B2B segment of the Earn Out, with collections scheduled from 2026 to 2029, iv) the impact of the devaluation of the peso against the dollar in the 2024 period by 9.32%, and v) the increase in receivables for recurring deployment services by $49.638 million.

The non-current portion shows a net decrease as of September 30, 2024, due to the transfers to and from the short-term portion mentioned above.

(2) The balance as of September 30 corresponds to the loan made in the context of the negotiation of the fiber optic assets in 2022. The increase by $25.696 million corresponds to the capitalization of financial interest associated with the loan.

The foreign currency balances of accounts receivable from related parties as of September 30, 2024, and December 31, 2023, are USD 69.113 thousand ($288.774.848) and USD 70.068 thousand ($267.803.399), respectively (Note 28).

29.2. Accounts payable

The balances of liabilities between the Group and its shareholders and related economic parties are as follows:

Current

a) Shareholders

	As of september, 30		**As of december, 31**	
	2024		**2023**	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
From outside				
Telefónica Hispanoamérica S.A. (1)	6.173	25.793.721	2.156	9.007.064
	6.173	**25.793.721**	**2.156**	**9.007.064**

(1) The increase as of September 30, 2024, is primarily due to the provision of support, assistance, and advisory services by regional personnel to the Company.

b) Related parties

	As of september, 30		**As of december, 31**	
	2024		**2023**	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
National				
Telefónica Tech Colombia S.A.S	9.095	38.001.907	9.239	38.604.002
Telxius Cable Colombia S.A. (1)	5.438	22.722.685	7.465	31.189.968
Telefónica Global Solutions Colombia, S.A.S.	4.747	19.834.711	4.626	19.328.806
	19.280	**80.559.303**	**21.330**	**89.122.776**

(1) Includes international outbound lease services.

	As of september, 30		**As of december, 31**	
	2024		**2023**	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
From outside				
Telefónica S.A. (1)	21.914	91.562.308	12.445	51.999.362
Telefónica Innovación Digital, S.L (2)	11.537	48.203.318	6.100	25.489.541
Telefónica Global Solutions S.L.U.	7.275	30.395.594	8.383	35.024.826
Telefónica Chile Servicios Corporativos LTDA (3)	3.001	12.540.392	1.507	6.297.835
Telefónica Global Technology S.A.U.	2.982	12.460.465	3.487	14.568.269
Telefónica Global Solutions Usa, Inc	2.749	11.484.593	2.275	9.505.017
Telefónica del Perú S.A.A.	1.785	7.459.984	1.209	5.053.644
Telefónica Compras Electrónicas, S.L.	1.125	4.702.541	1.335	5.579.072
Telefónica Móviles España S.A. (4)	1.028	4.295.415	535	2.235.010
Telefónica IoT & Big Data Tech, S.A. (5)	735	3.071.594	1.340	5.600.288
Telefónica Global Roaming Gmbh	456	1.904.680	170	708.825
Terra Networks México, S.A. de C.V.	454	1.898.657	483	2.017.558
Telefónica Móviles del Uruguay S.A. (6)	301	1.258.817	11	45.772
Pegaso PCS, S.A. DE C.V.	235	982.471	201	839.615
Telefónica Móviles Argentina S.A.	221	924.815	128	535.787
Telefónica Servicios Audiovisuales S.A.U. (7)	209	871.688	254	1.063.099
Telefónica Germany GMBH & CO OHG (8)	124	516.569	12	50.939
Telefónica Global Services GmbH	103	431.892	-	-
Otecel S.A.	100	417.345	99	415.465
Telefónica Brasil S.A.	86	359.352	62	257.717
Telefónica Venezolana C.A.	53	220.639	22	92.526
Telefónica Móviles Chile S.A.	51	213.456	30	123.602
Acens Technologies S.L.	26	109.338	15	62.993
Total national and foreign economic associates	**56.550**	**236.285.923**	**40.103**	**167.566.762**
	75.830	**316.845.226**	**61.433**	**256.689.538**

(1) The increase as of September 30, 2024, is mainly due to Brand Fee services and short-term action plans.

(2) It corresponds to IPTV (Internet Protocol Television) license services during the period ending September 30, 2024.

(3) As of September 30, 2024, the increase is mainly due to support, assistance, and advisory services in the Hispam region.

(4) As of September 30, 2024, and December 31, 2023, the balances correspond to roaming services.

(5) It includes the fee for the use of the Smart M2M platform.

(6) The increase as of September 30, 2024, is mainly due to support, assistance, and advisory services from the company's direct staff in the region.

(7) As of September 30, 2024, the decrease is due to lower OTT (Over-the-top) or Streaming services (audio, video, and other content streaming via the internet).

(8) The increase presented as of September 30, 2024, corresponds to higher roaming services.

c) Associated Companies

	As of september, 30		As of december, 31	
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Nationales				
Onnet Fibra Colombia S.A.S (1)	23.387	97.713.794	18.822	78.638.936
From outside				
Telefónica UK Limited	135	562.091	47	198.761
	23.522	**98.275.885**	**18.869**	**78.837.697**
Total con partes relacionadas (Nota 20)	**105.525**	**440.914.832**	**82.458**	**344.534.299**

(1) The balance as of September 30, 2024, mainly corresponds to the liability for the FTTH (Fiber to the Home) customer connectivity service.

Non-Current

	As of september, 30		As of december, 31	
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Share-based payments				
Telefónica S.A. (1)	612	2.552.162	858	3.584.437
Total related parties (Note 20)	**612**	**2.552.162**	**858**	**3.584.437**

(1) It mainly corresponds to obligations for long-term action plans.

The foreign currency balances of accounts payable related to related parties as of September 30, 2024, and December 31, 2023, are USD $65,107 thousand ($272,036,578) and USD $60,272 thousand ($230,362,598), respectively (Note 28).

29.3. Revenues, Costs, and Expenses with Related Parties

The Group carries out transactions with its related parties under the same market conditions and mutual independence. The following is a summary of the Group's income, costs, and expenses with related parties:

a) Shareholders

	For the nine-month period ended september 30,			
	Income		Costs and expenses	
	2024	2023	2024	2023
	(In thousands of US$)			
From outside				
Telefónica Hispanoamérica S.A. (1)	3.488	3.912	3.807	2.148
Total actionists from abroad	**3.488**	**3.912**	**3.807**	**2.148**

	For the nine-month period ended september 30,			
	Income		Costs and expenses	
	2024	2023	2024	2023
	(In thousands of COP$)			
From outside				
Telefónica Hispanoamérica S.A. (1)	14.573.086	16.344.500	15.905.682	8.976.565
Total actionists from abroad	**14.573.086**	**16.344.500**	**15.905.682**	**8.976.565**

(1) It includes support, assistance, and advisory services provided by the Company's direct personnel in the region and from the region to the Company. The increase in costs and expenses is primarily due to the annual update in corporate services under the Hispam operational model.

b) Related Parties

	For the nine-month period ended september 30,			
	Income		Costs and expenses	
	2024	2023	2024	2023
	(In thousands of US$)			
National				
Telxius Cable Colombia S.A. (1)	3.130	330	7.202	8.684
Telefónica Global Solutions Colombia, S.A.S. (2)	2.405	3.674	2.487	3.658
Telefónica Tech Colombia S.A.S	271	187	11.249	11.167
Wayra Colombia S.A.S.	81	79	-	-
	5.887	**4.270**	**20.938**	**23.509**

	For the nine-month period ended september 30,			
	Income		Costs and expenses	
	2024	2023	2024	2023
	(In thousands of COP$)			
National				
Telxius Cable Colombia S.A. (1)	13.078.937	1.377.666	30.090.969	36.284.940
Telefónica Global Solutions Colombia, S.A.S. (2)	10.050.873	15.350.127	10.391.673	15.285.720
Telefónica Tech Colombia S.A.S	1.130.656	780.182	47.001.014	46.658.068
Wayra Colombia S.A.S.	338.341	329.853	-	-
	24.598.807	**17.837.828**	**87.483.656**	**98.228.728**

(1) During the 2024 period, there is an increase in revenue from the operation of the sale of dark fiber, ducts, and real estate. Costs decrease mainly due to contract conditions that are now recognized as a right of use.

(2) The decrease in revenue for the period ended September 30, 2024, is mainly due to lower provision of cloud services and virtual private networks. Costs and expenses decrease in 2024 compared to the same period of the previous year due to lower last-mile rental services and project costs in the corporate segment.

	For the nine-month period ended september 30,			
	Income		Costs and expenses	
	2024	2023	2024	2023
	(In thousands of US$)			
From outside				
Telefónica Global Solutions S.L.U. (1)	2.097	2.640	5.953	8.527
Telefónica Global Roaming Gmbh	728	737	197	213
Telefónica Móviles Chile S.A.	162	171	42	38
Telefónica Brasil S.A.	146	180	75	68
Telefónica del Perú S.A.A.(2)	125	162	201	2.065
Otecel S.A.	105	123	75	80
Telefónica S.A. (3)	80	-	8.678	10.321
Telefónica Móviles España S.A. (4)	43	151	168	429
Telefónica Móviles Argentina S.A.	34	52	63	67
Terra Networks México, S.A. de C.V.	34	36	767	678
Telefónica Innovación Digital, S.L. (5)	27	-	5.860	4.983
Pegaso PCS, S.A. DE C.V.	18	33	185	212
Telefónica Móviles del Uruguay S.A.	8	9	277	8
Telefónica Germany GMBH & CO OHG	1	2	24	44
Telefónica Venezolana C.A.	1	-	49	34
Telefónica Global Technology S.A.U.	-	-	2.915	2.918
Telefónica Global Solutions Usa, Inc	-	-	2.197	2.042
Telefónica Compras Electrónicas, S.L.	-	-	1.884	1.569
Telefónica IoT & Big Data Tech, S.A.	-	-	1.602	1.460
Telefónica Chile Servicios Corporativos LTDA	-	-	1.424	1.007
Telefónica Global Services GmbH	-	-	220	-
Telefónica Servicios Audiovisuales S.A.U.	-	-	167	360
Acens Technologies S.L.	-	-	10	-
Telefónica Ingeniería de Seguridad S.A.U	-	28	-	-
Media Networks Latin America	-	-	-	406
Telxius Cable America S.A.	-	-	-	459
Telxius Cable	-	-	-	230
	3.609	**4.324**	**33.033**	**38.218**
	9.496	**8.594**	**53.971**	**61.727**

	For the nine-month period ended september 30,			
	Income		Costs and expenses	
	2024	2023	2024	2023
	(In thousands of COP$)			
From outside				
Telefónica Global Solutions S.L.U. (1)	8.763.004	11.030.637	24.872.394	35.626.814
Telefónica Global Roaming Gmbh	3.042.971	3.081.247	821.487	890.014
Telefónica Móviles Chile S.A.	678.371	712.568	174.729	158.260
Telefónica Brasil S.A.	608.466	752.366	312.709	282.539
Telefónica del Perú S.A.A.(2)	520.410	678.619	839.010	8.628.977
Otecel S.A.	440.707	514.206	311.303	333.143
Telefónica S.A. (3)	333.227	-	36.260.399	43.125.790
Telefónica Móviles España S.A. (4)	177.850	632.768	703.688	1.791.130
Telefónica Móviles Argentina S.A.	142.069	217.858	263.756	281.140
Terra Networks México, S.A. de C.V.	141.355	150.287	3.206.737	2.831.702
Telefónica Innovación Digital, S.L. (5)	113.876	-	24.485.556	20.822.245
Pegaso PCS, S.A. DE C.V.	76.323	139.382	771.403	885.544
Telefónica Móviles del Uruguay S.A.	31.861	38.394	1.156.336	35.066
Telefónica Germany GMBH & CO OHG	5.589	9.821	99.604	183.269
Telefónica Venezolana C.A.	2.851	-	202.667	142.480
Telefónica Global Technology S.A.U.	-	-	12.180.245	12.190.542
Telefónica Global Solutions Usa, Inc	-	-	9.179.697	8.533.244
Telefónica Compras Electrónicas, S.L.	-	-	7.871.565	6.555.956
Telefónica IoT & Big Data Tech, S.A.	-	-	6.692.185	6.098.366
Telefónica Chile Servicios Corporativos LTDA	-	-	5.949.211	4.207.093
Telefónica Global Services GmbH	-	-	919.098	-
Telefónica Servicios Audiovisuales S.A.U.	-	-	698.640	1.504.115
Acens Technologies S.L.	-	-	40.098	-
Telefónica Ingeniería de Seguridad S.A.U	-	118.488	-	-
Media Networks Latin America	-	-	-	1.696.149
Telxius Cable America S.A.	-	-	-	1.917.141
Telxius Cable	-	-	-	959.813
	15.078.930	**18.076.641**	**138.012.517**	**159.680.532**
Total national and foreign economic associates	**39.677.737**	**35.914.469**	**225.496.173**	**257.909.260**

(1) During the period ended September 30, 2024, there is a decrease due to lower international interconnection traffic. Additionally, expenses for international VPN and media rental decrease compared to the same period of the previous year.

(2) During the period ended September 30, 2024, there is a decrease in costs and expenses related to the purchase of fixed equipment, modems, and baseports compared to the same period in 2023.

(3) The decrease in costs and expenses during the period ended September 30, 2024, is mainly due to the Brand Fee, due to the decrease in revenue from handset sales compared to the same period in 2023.

(4) During the 2024 period, there is a decrease in roaming services.

(5) During the period ended September 30, 2024, there is an increase in expenses, mainly for Digital Fee services related to licenses and platforms for IPTV.

c) Associated Companies

	For the nine-month period ended september 30,			
	Income		Costs and expenses	
	2024	2023	2024	2023
	(In thousands of US$)			
National				
Onnet Fibra Colombia S.A.S (1)	73.481	89.547	60.556	46.876
Telefonica factoring Colombia	73	88	-	-
	73.554	**89.635**	**60.556**	**46.876**
From outside				
O2 T. UK Limited	452	357	45	57
Telefónica Factoring España	-	1	-	-
	452	**358**	**45**	**57**
	86.990	**102.499**	**118.379**	**110.808**

	For the nine-month period ended september 30,			
	Income		Costs and expenses	
	2024	2023	2024	2023
	(In thousands of COP$)			
National				
Onnet Fibra Colombia S.A.S (1)	307.027.575	374.152.754	253.021.669	195.860.879
Telefonica factoring Colombia	305.007	365.916	-	-
	307.332.582	**374.518.670**	**253.021.669**	**195.860.879**
From outside				
O2 T. UK Limited	1.888.340	1.488.351	199.236	244.063
Telefonica Factoring España	-	4.199	-	-
	1.888.340	**1.492.550**	**199.236**	**244.063**
	363.471.745	**428.270.189**	**494.622.760**	**462.990.767**

1) During the period ended September 30, 2024, a decrease in revenue is mainly due to: i) lower fiber optic network deployment services by $53.785 million associated with fewer connected homes; and ii) during the 2023 period, revenue associated with the wholesale agreement with KKR amounting to $13.532 million was recognized.

   The net increase in costs and expenses is primarily due to greater connectivity, driven by customer preference for the national fiber optic network.

The following is a summary of the transactions regarding income, costs, and expenses presented as of September 30, 2024, and 2023 with related parties, according to the nature of the goods or services provided between the parties:

Income:

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	*(In thousands of COP$)*	*(In thousands of US$)*	*(In thousands of COP$)*
Fixed services (1)	62.618	261.637.356	76.187	318.331.807
Roaming revenues	1.888	7.889.019	1.959	8.183.892
Fixed interconnection	1.707	7.127.693	2.150	8.979.488
Digital services (2)	631	2.636.286	777	3.248.470
Mobile services	79	332.051	212	887.326
Handset sales	5	22.594	18	76.438
Total Operations with Related Parties	**66.928**	**279.644.999**	**81.303**	**339.707.421**
Other operating income	20.062	83.826.746	21.196	88.562.768
Financial income	21.095	88.141.193	21.792	91.052.596
	41.157	**171.967.939**	**42.988**	**179.615.364**
Total Operating Income	**108.085**	**451.612.938**	**124.291**	**519.322.785**

1) During the period ended September 30, 2024, a decrease is primarily associated with the provision of fiber optic deployment services with Onnet Fibra Colombia S.A.S and international data services with Telefónica Global Solutions Colombia, S.A.S.

2) The net variation during the period ended September 30, 2024, is mainly due to lower cloud services and security services for storage and monitoring with Telefónica Global Solutions Colombia, S.A.S.

Operating Costs and Expenses:

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	*(In thousands of COP$)*	*(In thousands of US$)*	*(In thousands of COP$)*
Media rental (1)	71.073	296.963.967	60.343	252.130.858
Other operating costs and expenses (2)	17.897	74.777.491	12.931	54.031.078
Renting and third-party activities to clients (3)	9.580	40.028.164	13.092	54.701.882
Advertising	8.866	37.044.737	10.410	43.496.429
Interconnection and roaming (4)	5.222	21.818.463	7.286	30.445.013
Content providers	3.161	13.207.402	2.861	11.953.554
Handset costs	2.454	10.251.731	3.350	13.998.542
Maintenance	116	484.478	478	1.995.845
Labor and personnel expenses	10	41.924	57	237.566
Sales commissions	-	-	-	-
Total operational costs with related parties	**118.379**	**494.618.357**	**110.808**	**462.990.767**
Financial expenses (5)	7.939	33.177.595	5.970	24.946.501
Amortization of rights of use	1	4.403	-	-
Total costs and expenses with related parties	**126.319**	**527.800.355**	**116.778**	**487.937.268**

(1) During the period ended September 30, 2024, a net increase is mainly due to FTTH connectivity services with Onnet Fibra Colombia SAS, partially offset by lease contract updates recognized as right-of-use assets with Telxius Cable Colombia S.A., and lower corporate project costs with Telefónica Global Solutions S.L.U.

(2) The increase during the 2024 period is primarily due to corporate services under the Hispam model and the provision of digital services related to licenses and platforms for IPTV with Telefónica Innovación Digital S.L.

(3) During the period ended September 30, 2024, the decrease is mainly with operators Operaciones Tecnológicas y Comerciales S.A.S., Telefónica Tech Colombia S.A.S., and Telefónica Global Solutions Colombia, S.A.S., for labor services in installations for fixed clients, cybersecurity services, licenses, and lower demand for corporate projects.

(4) The decrease during the 2024 period is mainly due to lower billing for international traffic and roaming services with operators Telefónica Global Solutions S.L.U. and Telefónica Móviles España S.A.

(5) The increase during the 2024 period is mainly due to the financial update of the Earn Out right for the B2B links variable.

29.4. Remuneration information for key management personnel

The remuneration received by the Group's key employees according to their hierarchies is presented below:

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Salaries, wages and other benefits	3.089	12.908.392	3.069	12.822.347
Executive remuneration plan (shares and annual bonus)	1.762	7.360.377	1.183	4.943.628
Institutional plans	625	2.612.323	703	2.936.739
Others	139	579.668	106	442.193
Bonus for voluntary withdrawal	-	-	51	214.572
	5.615	**23.460.760**	**5.112**	**21.359.479**

30. CONTINGENCIES

The Group is subject to claims for regulatory proceedings, labor, tax settlements, and others arising in the ordinary course of business. The Group evaluates these situations based on the probable, possible, and remote nature of their occurrence and the amounts involved to decide on the amounts recognized and/or disclosed in the consolidated financial statements. This analysis, which may require considerable judgment, includes reviewing legal proceedings instituted against any claims yet to be initiated, all supported by reports and evaluation of the Group's legal advisors. A provision is recognized when the Group has a present obligation due to a past event, an outflow of resources will probably be required to settle the obligation, and a reliable estimate can be made of the obligation amount.

As of September 30, 2024, there are 2,156 ongoing legal processes, 123 of which are classified as probable contingencies, 1,036 as possible, and 997 as remote.

1. Probable Proceedings

The following details the proceedings classified as highly probable (Note 21).

	As of september, 30			As of december, 31		
	2024			2023		
		(In thousands of US$)	*(In thousands of COP$)*		*(In thousands of US$)*	*(In thousands of COP$)*
	Cantidad	**Valor**	**Valor**	**Cantidad**	**Valor**	**Valor**
Currents:						
Administrative investigations of users (1)	38	1.413	5.903.971	38	1.207	5.042.371
	38	**1.413**	**5.903.971**	**38**	**1.207**	**5.042.371**
Non-currents:						
Judicial proceedings (2)	28	779	3.255.228	29	865	3.614.498
Labor processes (3)	48	598	2.498.856	32	513	2.142.757
Administrative, regulatory and competency investigations (4)	6	455	1.899.356	9	612	2.558.260
Other Investigations (5)	3	34	140.789	-	-	-
	85	**1.866**	**7.794.229**	**70**	**1.990**	**8.315.515**
	123	**3.279**	**13.698.200**	**108**	**3.197**	**13.357.886**

1. It includes processes related to customer petitions, complaints, and claims (PQR), which are under discussion with the regulator.

2. Includes mainly requests for administrative and regulatory processes through the superintendence of industry and commerce and the Ministry of Information and Communications Technologies of Colombia

3. Includes legal proceedings arising from an employment relationship, whether direct or indirect, with the Group, which are brought before the labor courts.

4. Includes mainly civil and administrative process petitions.

5. It also includes processes related to user protection and the proper handling of information in accordance with Habeas Data regulations.

2. Possible Contingencies

The Group is a party to litigation classified as low probability, which is currently being processed before judicial, administrative, and arbitration bodies.

Taking into consideration the reports of the Group's legal advisors in these proceedings, it is reasonable to estimate that these lawsuits will not significantly affect the Group's economic-financial situation or solvency.

a. Legal Proceedings

Processes aimed at obtaining a decision from the judicial authority called upon to resolve the disputed issue. These include processes from civil, administrative litigation, criminal, constitutional jurisdictions, among others. There are 650 open processes classified as possible, with a total value of $32.137.475.

b. Labor Proceedings

Labor lawsuits through which the claimants seek payment of labor rights arising from their direct employment relationships with the Company or with a third party, in the latter case, seeking the solidarity of Colombia Telecomunicaciones S. A. E.S.P. BIC. There are 335 open processes classified as possible, with a total value of $41.931.424.

c. Administrative Investigations

These are processes initiated by administrative authorities through the formulation of charges, ex officio, or complaints from third parties aimed at determining the responsibility of the investigated party in the infringement of regulations.

Contingencies for administrative investigations are classified as:

i. Taxes: Proceedings under discussion for taxes with different municipalities in the country, corresponding to claims, such as industry and commerce tax (ICA) public lighting tax, among others. There are 15 administrative and judicial processes in progress with possible qualifications, valued at $6.603.141.

ii. Petitions, Complaints, and Claims: Administrative proceedings initiated by the Superintendence of Industry and Commerce - SIC, due to positive administrative silences, habeas data, or non-compliance with resolutions. There are 23 possible processes reported for $1.529.629

iii. Regulatory: Control procedures for alleged breaches in compliance with telecommunications regulatory norms. There are 15 possible processes totaling $67.331.907.

iv. Administrative: Administrative processes initiated by supervisory authorities for investigation by the Superintendence of Industry and Commerce and other administrative entities. There are 8 possible processes totaling $5.820.156.

31. FINANCIAL INDICATORS - NOT DEFINED IN THE ACCOUNTING AND FINANCIAL REPORTING STANDARDS ACCEPTED IN COLOMBIA

The following are the financial indicators calculated by the Group and which are an integral part of the financial analysis performed:

1) EBITDA

	For the nine-month period ended september 30,			
	2024		2023	
	(In thousands of US$)	(In thousands of COP$)	(In thousands of US$)	(In thousands of COP$)
Net profit for the period	**(75.382)**	**(314.970.771)**	**(97.825)**	**(408.738.250)**
Depreciation and amortization (Note 26)	195.030	814.893.810	251.396	1.050.407.197
Financial expense, net (Note 27)	106.249	443.940.932	96.058	401.360.172
Equity method (Note 13)	6.491	27.120.122	2.903	12.127.754
Income and complementary taxes (Note 11)	27.842	116.332.757	4.798	20.047.079
EBITDA	**260.230**	**1.087.316.850**	**257.330**	**1.075.203.952**

EBITDA: corresponds to income before depreciation and amortization, financial expense, equity method, and income and deferred taxes.

2) Financial Indicators

The following are the financial indicators calculated by the Group and which are an integral part of the financial analysis performed:

2.1. Indebtedness ratios

This indicator measures to what extent and in what form short-term and long-term creditors participate in the Group's financing:

	As of september, 30 2024	As of december, 31 2023
a) Total debt level (1)	74,332%	70,531%
b) Level of short-term debt (2)	50,029%	42,486%

(1) The level of indebtedness shows an increase as of September 30, 2024, mainly due to the acquisition of new debt from financial entities to refinance maturities during 2024 at current market rates.

(2) The level of indebtedness shows an increase as of September 30, 2024, mainly due to the acquisition of debt for working capital in the payment of spectrum acquired during the period.

2.2. Solvency Ratios:

The solvency ratio indicates how much resources are available in assets compared to liabilities.

	As of september, 30 2024	As of december, 31 2023
Solvency ratio (1)	1,345 veces	1,418 veces

(1) The solvency ratio measures a company's ability to meet its obligations. As of September 30, 2024, a variation is presented mainly due to the acquisition of new credits, such as debt restructuring and working capital, at current market rates.

2.3. Profitability ratios:

Profitability is an index that measures the relationship between profits or benefits and the investment or resources used to obtain them.

	For the nine-month period ended september 30,	
	2024	2023
a) Operating margin (1)	5,592%	0,472%
b) OIBDA margin	22,318%	20,481%

(1) For the nine-month period ending September 30, 2024, an increase is presented, mainly due to better performance in handset sales costs, higher markup in fiber optic deployment projects, and costs associated with connectivity through fiber optic access. Additionally, there were lower depreciation and amortization expenses in the 2024 period.

2.4. Liquidity ratios

Indicates the short-term availability to meet its short-term commitments.

	As of september, 30 2024	As of september, 30 2023
a) Net working capital (In thousands of US$)	(40.551)	(347.707)
a) Net working capital (In thousands of COP$	(169.435.898)	(1.452.822.373)
b) Current ratio	0,967 veces	0,639 veces
c) Acid test	0,941 veces	0,594 veces

(figures expressed in thousands of Colombian pesos unless otherwise indicated)

These indicators are static measures of the resources available at a given moment to meet short-term obligations. In this regard, the analysis of short-term liquidity and solvency should consider the cash flow projections made by the Group, which ensure ongoing business operations.

This indicator is influenced by the Group's strategies such as the investment execution cycle, non-recurring businesses, changes in business strategy like fiber optic deployment where significant resources are invested to capture customers, and changes in the macroeconomic environment.

2.5. Organizational Capacity

	For the nine-month period ended september 30,	
	2024	**2023**
a) Return on equity (ROE) (1)	(8,838%)	(9,376%)
b) Return on assets (ROA) (2)	1,962%	0,178%
c) Net profitability	(6,465%)	(7,786%)

(1) The variation at the end of the period ending September 30, 2024, is mainly due to a lower net loss, primarily resulting from the reduction in the DTA (deferred tax asset) recognized due to the useful lives of assets subject to the sale in the single network project, and an increase in financial expenses due to the interest effects from the new loans acquired during the period.

(2) The variation at the end of the period ending September 30, 2024, is primarily due to the net effect between revenues and costs, mainly driven by a better markup on handset sales costs, higher markup in fiber optic deployment projects, and costs related to connectivity through fiber optic access. Additionally, lower depreciation and amortization were recorded in the 2024 period.

2.6. Interest coverage

This indicator measures the Group's capacity to meet its financial interest obligations.

	For the nine-month period ended september 30,	
	2024	**2023**
Interest coverage (1)	0,842 v	0,086 v

(1) The growth of this indicator at the end of the period ending September 30, 2024, corresponds to the net effect between: i) primarily a better performance in handset sales costs, a higher markup in fiber optic deployment projects, and costs associated with connectivity through fiber optic access, and ii) the increase in financial expenses due to the acquisition of new financial obligations during the period.

3. Operational Information

3.1 Access

	2024			2023	
	Sep-30	**Jun-30**	**Mar-31**	**Dec-31**	**Sep-30**
			(Units 000)		
End Clients Access	**24.421**	**24.643**	**24.394**	**25.112**	**25.041**
Fixed Services	**3.625**	**3.658**	**3.686**	**3.680**	**3.657**
Basic Line (1)	1.243	1.297	1.343	1.381	1.405
Data	1.531	1.516	1.502	1.471	1.443
TV	851	845	841	828	809
Mobile Services	**20.796**	**20.985**	**20.708**	**21.432**	**21.384**
Prepaid	15.622	15.747	15.389	16.001	15.870
Postpaid	5.174	5.238	5.319	5.431	5.514

(1) Includes "fixed wireless" accesses and voice over IP.

(figures expressed in thousands of Colombian pesos unless otherwise indicated)

3.2. ARPU (Average revenues per user)

	2024			2023	
	Sep-30	**Jun-30**	**Mar-31**	**Dec-31**	**Sep-30**
			(USD$)		
LB-BA-TV (1)	8,66	8,84	8,26	8,38	8,55
Total Mobile (2)	2,38	2,40	2,55	2,39	2,38
Prepaid	0,58	0,56	0,59	0,58	0,55
Postpaid	7,82	7,90	8,19	7,74	7,64

	2024			2023	
	Sep-30	**Jun-30**	**Mar-31**	**Dec-31**	**Sep-30**
			(COP$)		
LB-BA-TV (1)	36.174	36.946	34.522	35.030	35.729
Total Mobile (2)	9.960	10.008	10.636	9.983	9.928
Prepaid	2.429	2.330	2.446	2.428	2.298
Postpaid	32.656	33.000	34.202	32.320	31.940

(1) Includes monthly fixed tariffs and excludes data and rental revenues.

(2) Excludes revenues from Mobile Virtual Network Operators - MVNOs.

32. EVENTS SUBSEQUENT TO THE STATEMENT OF FINANCIAL POSITION DATE

The following event occurred between October 1, 2024, and the date of issuance of the condensed consolidated interim financial statements and does not affect the Company's financial position as of September 30, 2024.

On October 8, 2024, by resolution of the Board of Directors of Alamo Holdco, S.L.U., the capital increase by Colombia Telecomunicaciones E.S.P. S.A. BIC was approved as follows: i) Capital increase of $6,702,950,030 and ii) Share premium of $60,326,550,271, for a total of $67,029,500,301. As a result, the Company maintains a direct 40% equity interest in Alamo Holdco, S.L.U.