



Totalplay

April 2020

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This Presentation contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "plan," "believe," "estimate," "expect," "strategy," "should," "will," "seek," "forecast," and similar references to future periods. Examples of forward-looking statements include, among others, statements concerning the Company's business outlook, future economic performance, anticipated profitability, revenues, expenses, or other financial items, market share, market growth rates, market demand, product or services growth. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are estimates that reflect the best judgment of Total Play's management based on currently available information. Because forward-looking statements relate to the future, they involve a number of risks, uncertainties and other factors that are outside of its control and could cause actual results to differ materially from those stated in such statements. Therefore, you should not rely on any of these forward- looking statements. All forward-looking statements are based on information available to Total Play on the date of this Presentation and Total Play assumes no obligation to update such statements, whether as a result of new information, future developments or otherwise, except as required by law.

Agenda

- Business Overview
- History
- Main businesses
- Financial Highlights
- ESG
- Summary Financials

Business Overview

Total Play

Total Play is a leading Telecom Company that offers fixed internet pay TV landline services for residential customers and enterprise clients

Highlights

- Only company in Mexico offering a 100% direct-to-home fiber optic (FTTH) network
- World-class internet to households, businesses and government
- Highly optimized for video streaming and social networks
- Unique IPTV system turns linear PayTV into on-demand experience
- Home menu integrates high-quality 4K and major streaming apps
- Leader in connectivity, productivity and managed services solutions for enterprise and government customers

Seamless Integrated World Class Menu & Global Content Partners



Corporate Facts as of 2020

10.5 million
homes
passed

23.2%
penetration

99,600+
kms
fiber optics



~6.5 million
RGUs in the
residential
business

20,000+
employees

~2.4 million
residential
subscribers

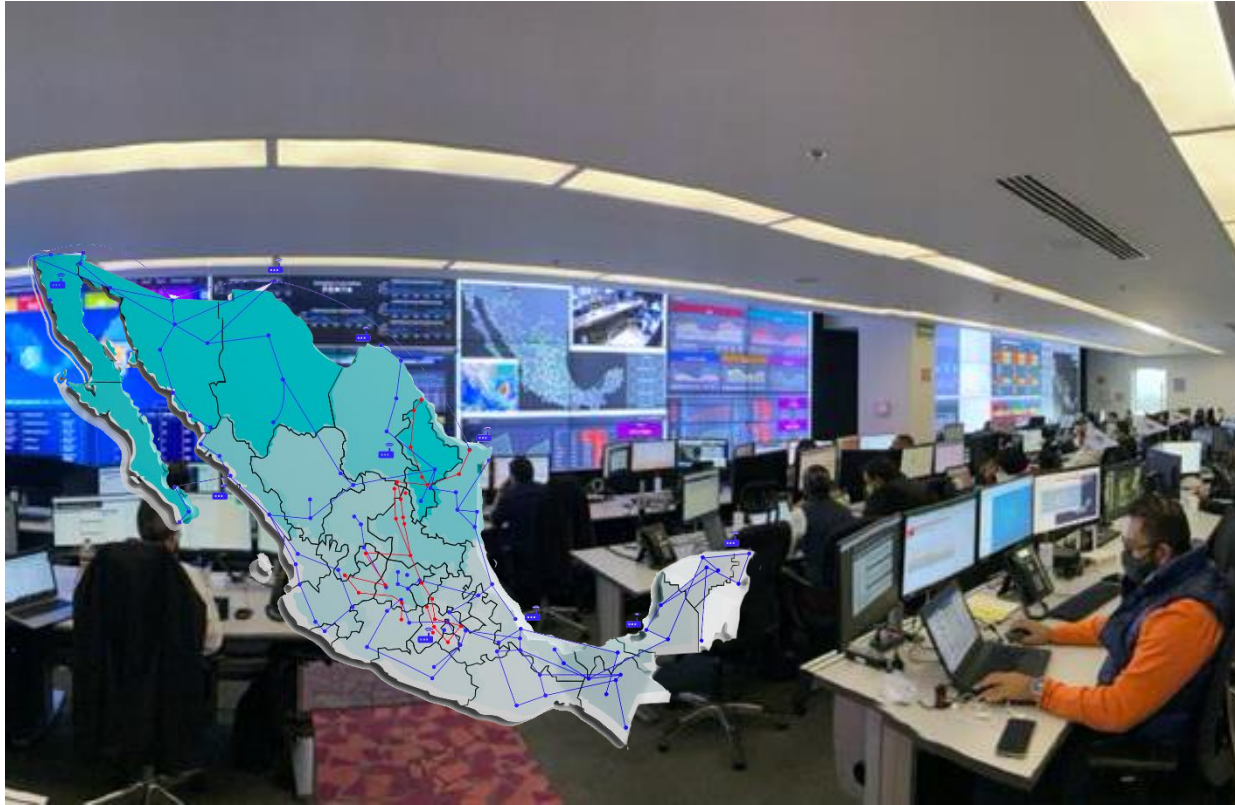
~70k
enterprise
customers

**Top ISP
provider in
Mexico,**
measured by
nPerf Speed
Test*

SRC
for the **4th**
consecutive
year
and part of the
**UN Global
Compact**

Extensive Fiber Only Network Providing Superior Services in Mexico

Broad and Expansive Network Reach Strategically Located in Key Cities



GPON network in Mexico

- 981 access nodes
- 552 GPON OLTs

Totalplay Residential's network reaches 52 cities with 10.5 m homes passed

- 25 cities each with over 100,000 homes passed
- Covers ~46% of total Mexican population

Totalplay Enterprise's network serves customers in 169 cities

- 99 cities with fiber plus microwave
- 70 cities microwave only in all 32 states

Totalplay is uniquely positioned to efficiently grow with evolving, disruptive technologies and customer needs

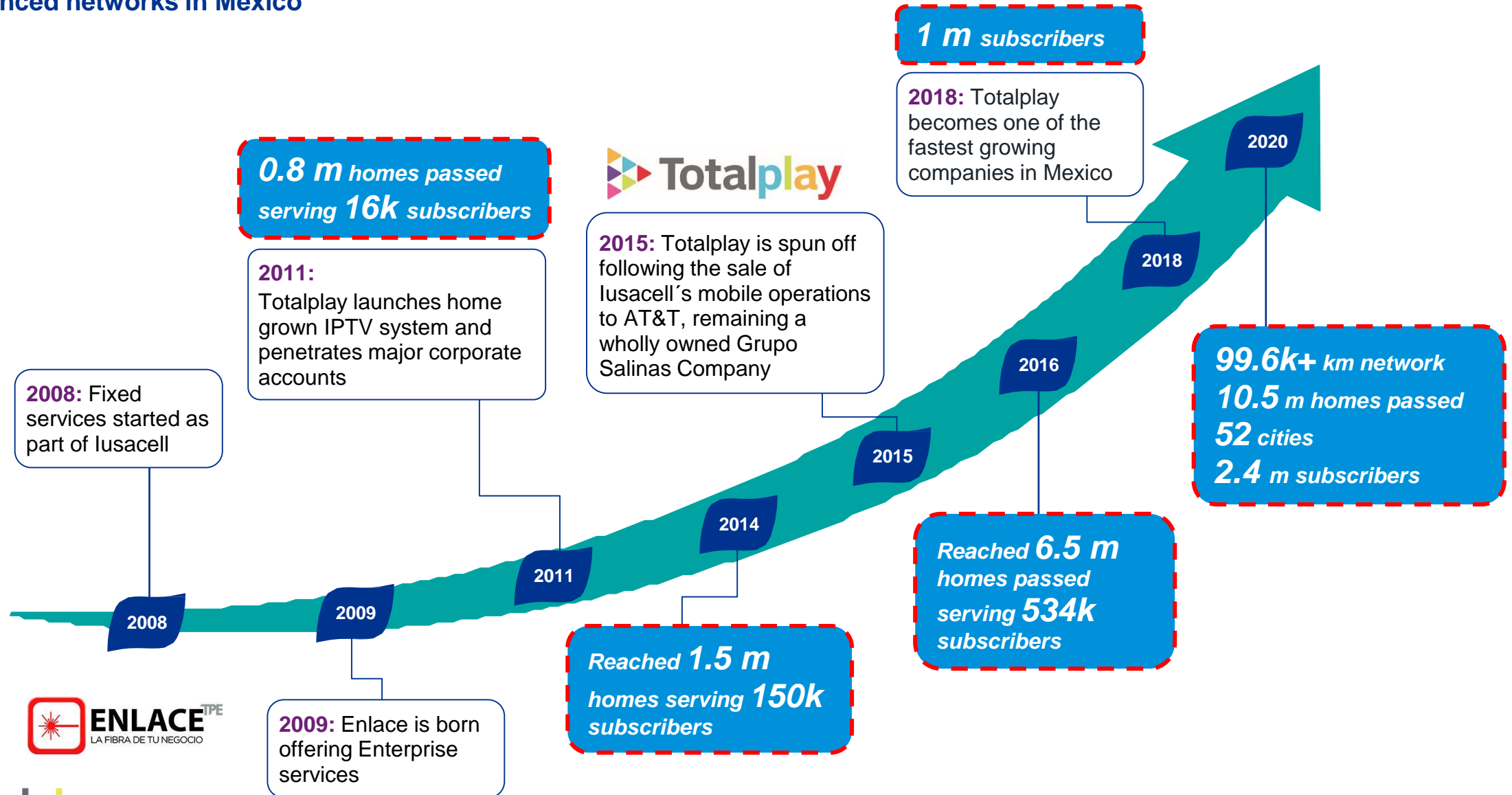
- Core network touches cities with multi-gigabit links
- Connectivity to eight major ISPs in the US at different locations
- Highly optimized content delivery via caching and peering

Over the past five years, Totalplay has invested US\$1.5 billion in its network in order to ensure that its infrastructure remains one of the most advanced in Mexico

History

Unique Track Record of Growth and Innovation

Totalplay has emerged as a leading player in the telecommunications sector supported by one of the most technologically advanced networks in Mexico



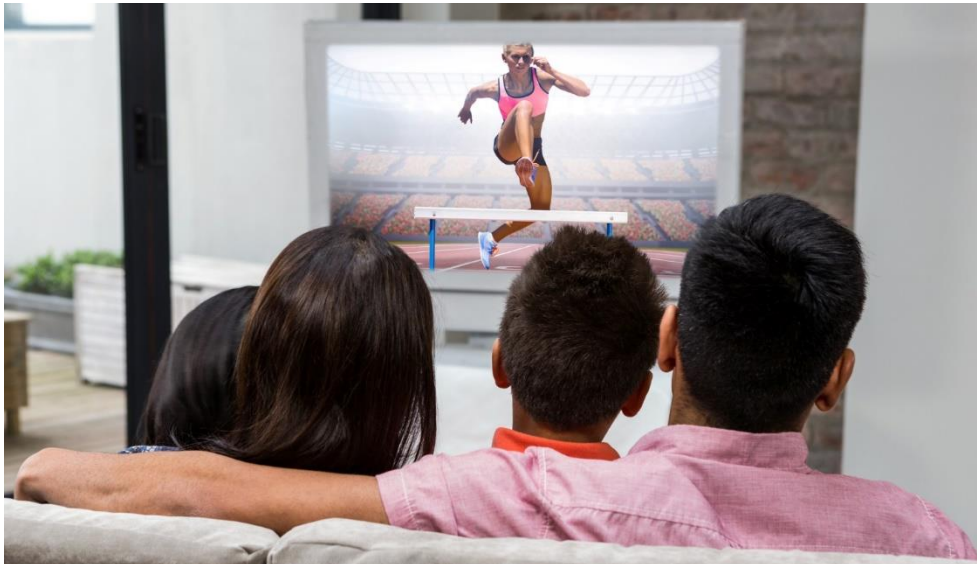
Main businesses

Residential Business Segment (71% of Revenue)

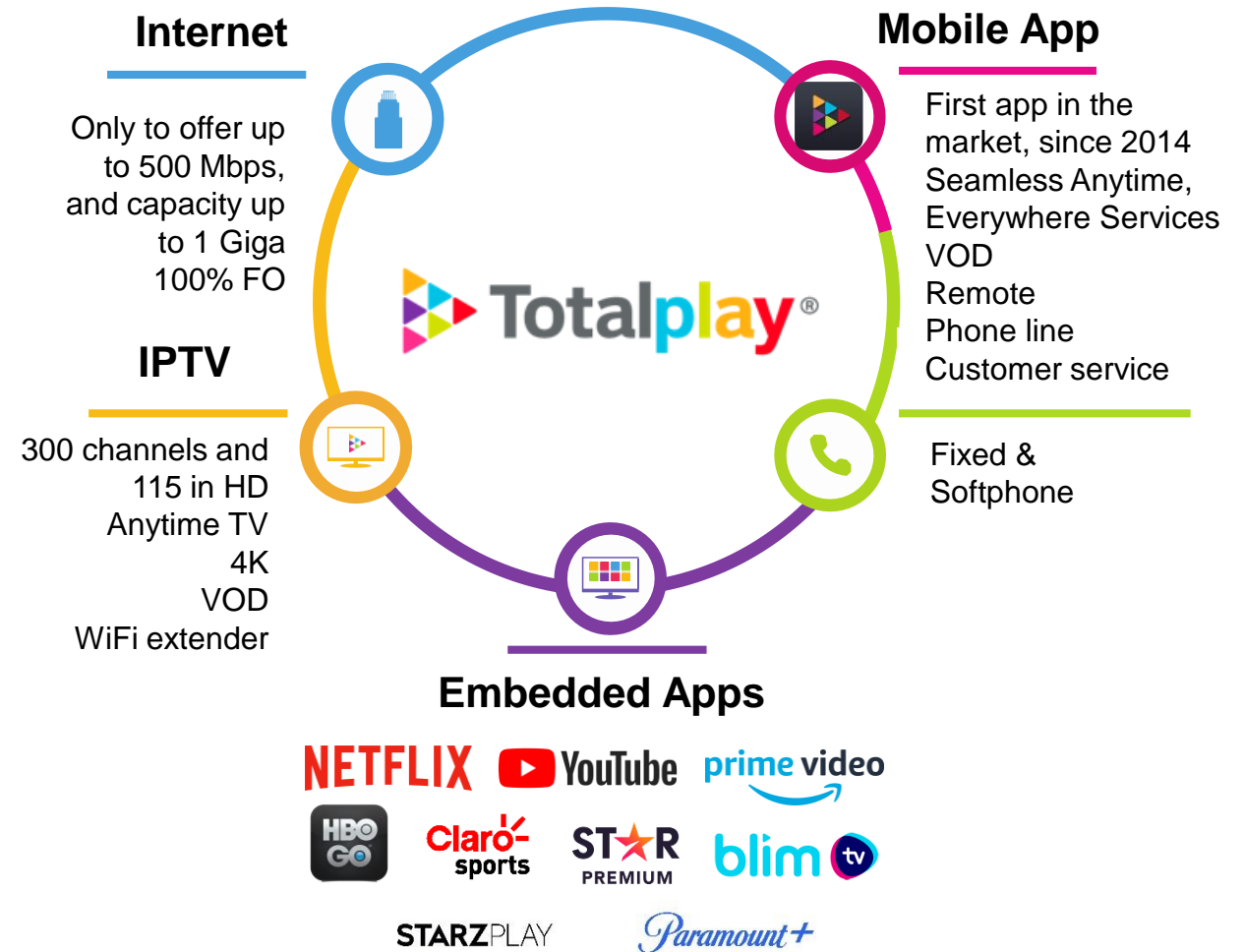
Totalplay Residential offers value-added services supported by one of the leading infrastructures at the forefront of technological advances

Key Highlights

- Totalplay Residential offers Double and Triple-Play bundles with high-quality content through a proprietary system
 - Services include Anytime TV and video on demand, and apps
- Delivers a home entertainment experience that has been a point of reference in the Mexican and international markets for years
- ~2/3 of customers have Triple-Play services
- ~1/3 have Double-Play services



Totalplay Residential Service Portfolio



Enterprise Business Segment (29% of Revenue)

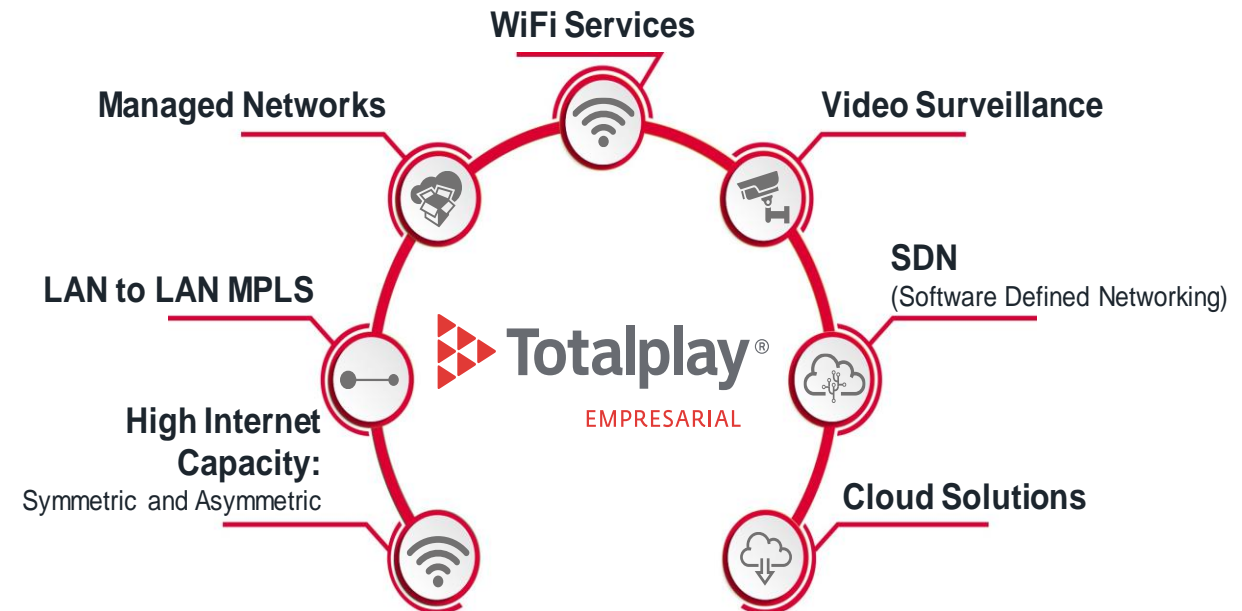
Totalplay Enterprise portfolio offers a wide range of value-added telecommunications and IT solutions to Mexican private companies and government entities

Key Highlights

- Totalplay Enterprise close to 104k internet services installed with ~70k medium and large corporate customers
- Customer base includes 60% of the top-500 largest enterprises in Mexico
- ~60% of revenues from private sector entities and ~40% from public sector
- Metro Ethernet rings for high-capacity broadband connections
- Point-to-multipoint microwave network with over 500 base stations and 1,500 sectors, servicing corporate customers located in 169 cities



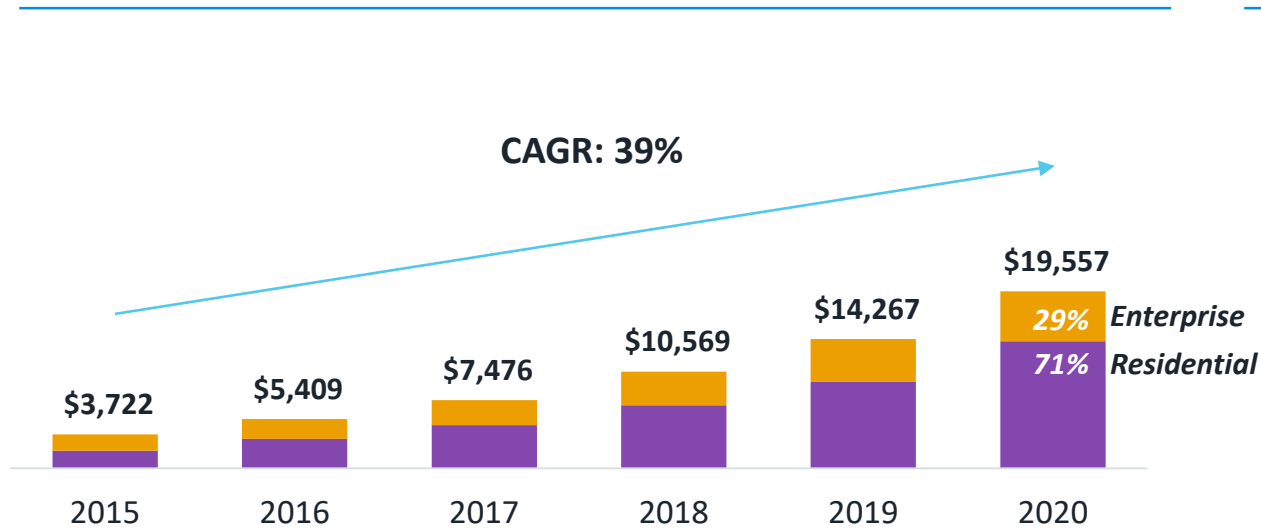
Enterprise Portfolio



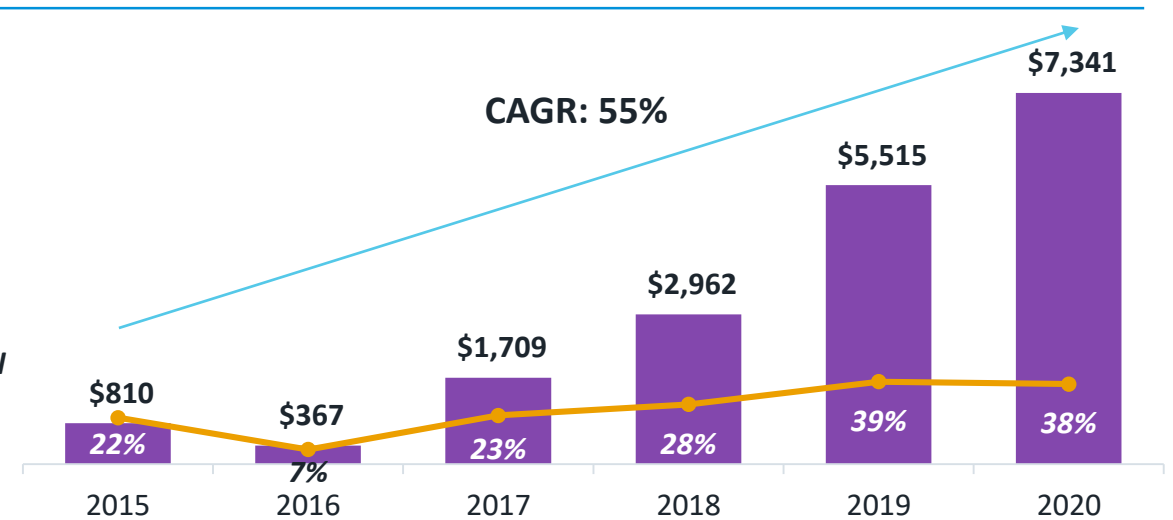
Financial Highlights

Proven Track Record of Consistent Growth and Responsible Financial Management

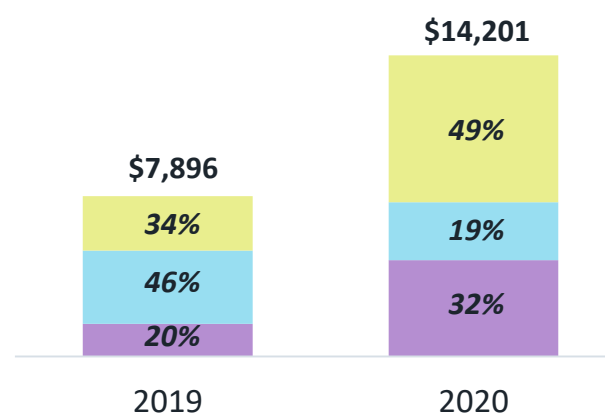
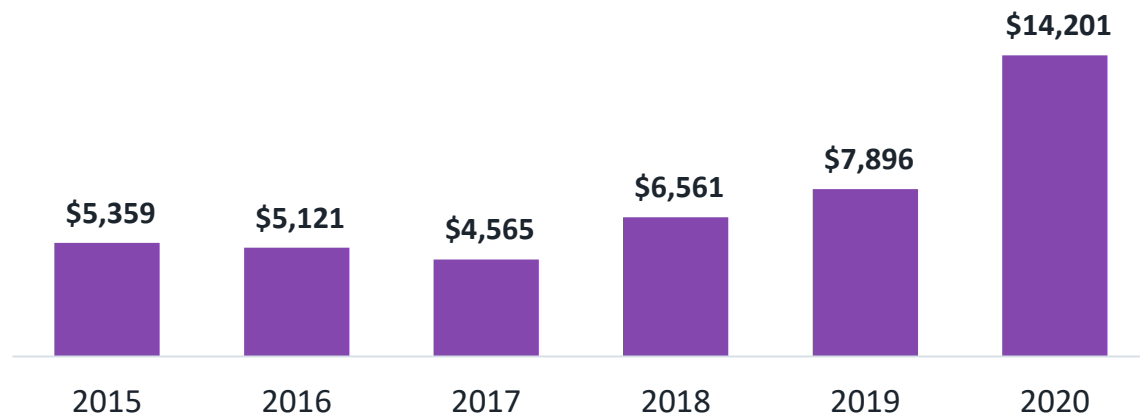
Consolidated Revenues (Ps. Million)



EBITDA (Ps. Million) and Margin



CAPEX (Ps. Million)



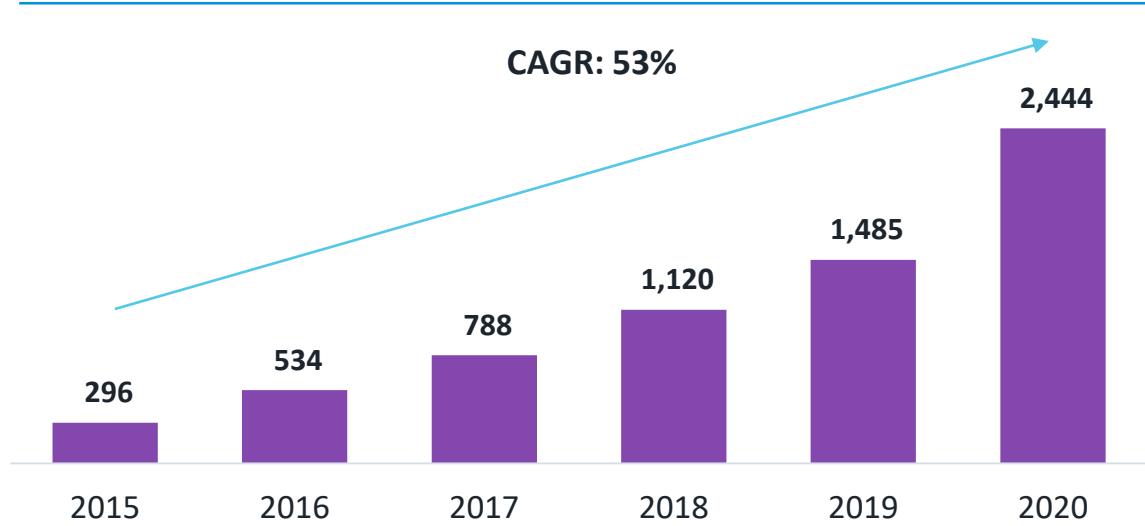
2020 network achievements:

- 20,600+ km of additional fiber
- 1.6+ m additional homes passed
- +960k new residential subscribers
- 232 additional GPONs access nodes
- Presence in 13 new cities

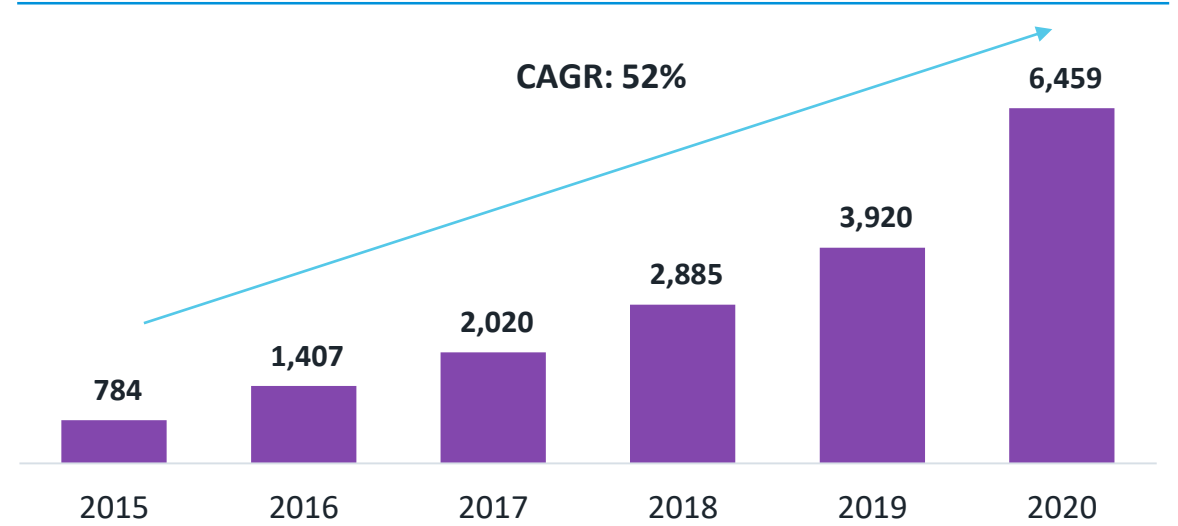
Highlights

Attractive subscriber lifetime value compared to competitors, with highest ARPU of Ps.613 and lowest churn rate of 1.1% in 2020 in residential

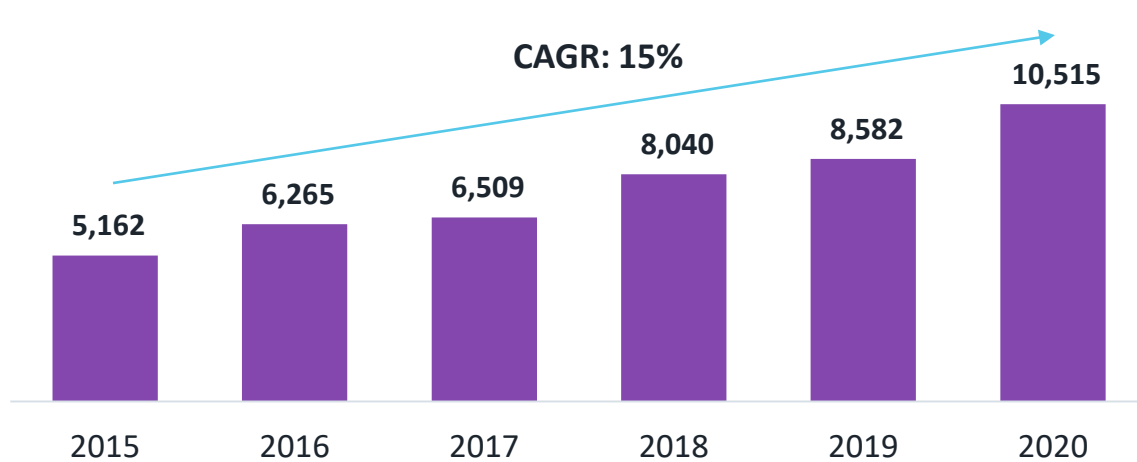
Residential Subscribers (Thousand)



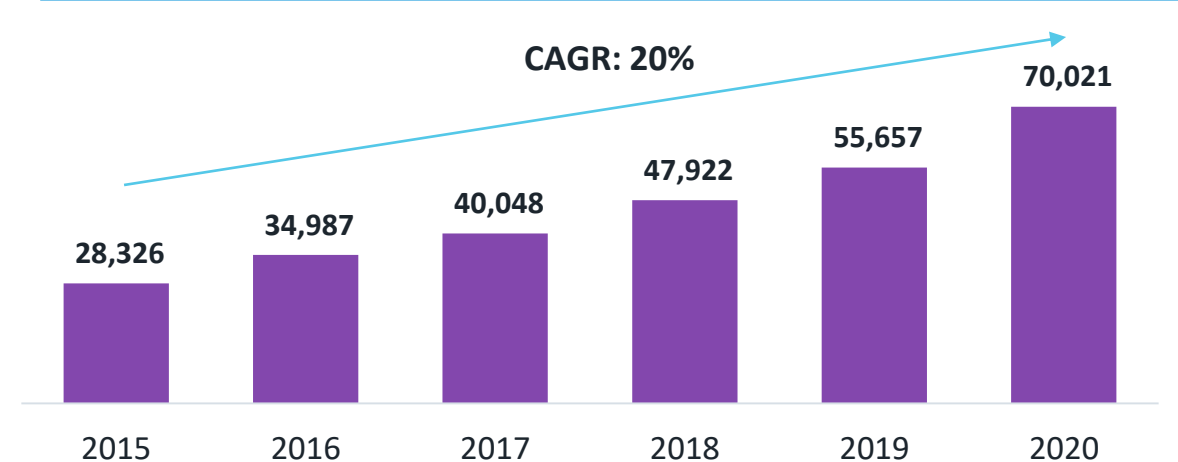
RGUs (Thousand)



Residential Homes Passed (Thousand)



Enterprise Clients



Positive impact from Covid-19 as demand for bandwidth and high-quality internet service has grown

Broadband is the overall winner during Covid-19

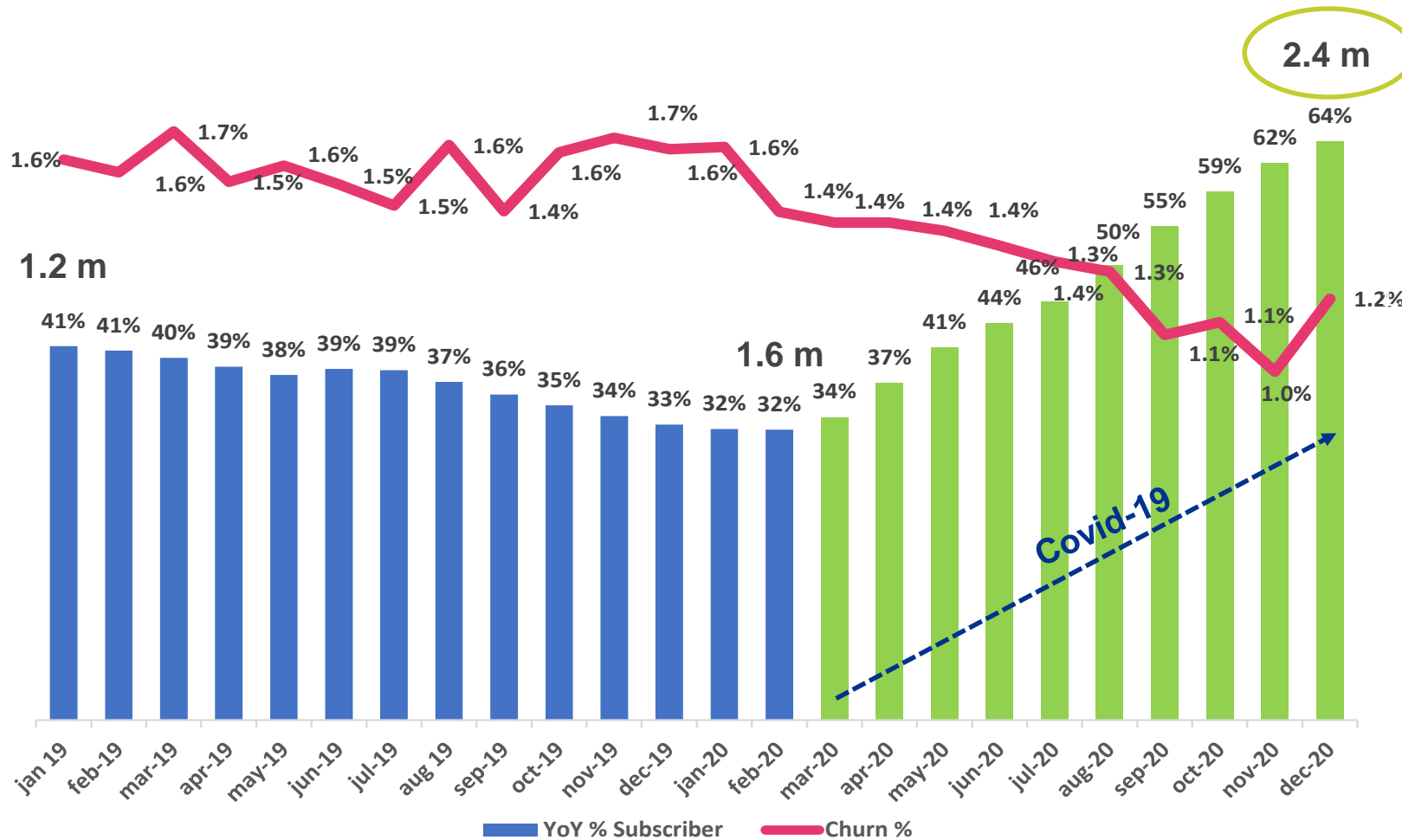
More jobs can be done from home than previously thought

Increased activity in the home highlights the importance of broadband product

Education at home through online platforms has gained traction

Streaming content has clearly filled the void of entertainment activities outside the home

Demand for cloud and edge services continues to accelerate

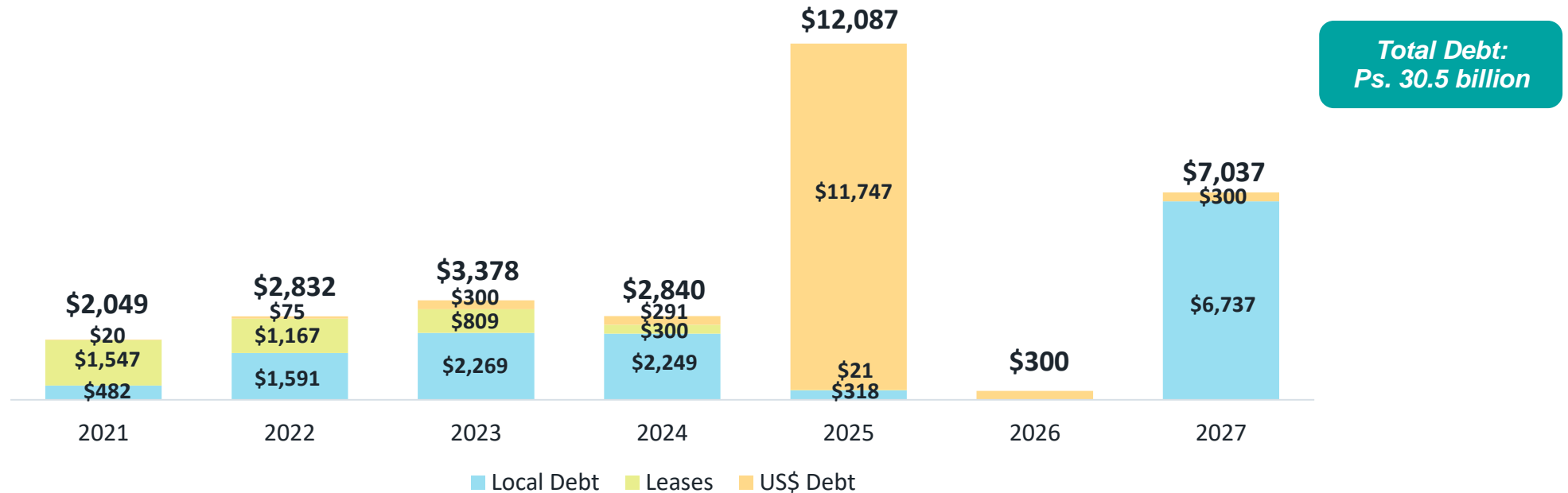


Maturity Schedule

2020 Financing Strategy

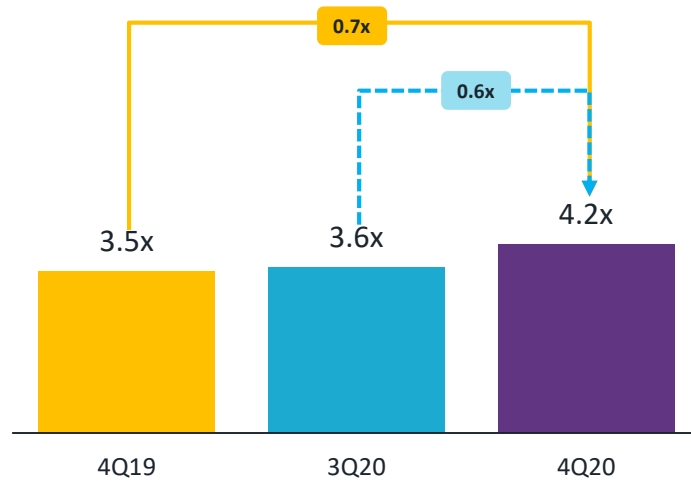
- **Proactive financing management** with **broadly diversified sources of funding** through banking and capital markets (both local and international)
- **Local** capital markets: **CEBURES issuance of Ps.2.5 billion** at a TIE + 240 bps, for a five year-term
- **International** capital markets: **Senior Notes issuance of US\$575 million** in November 2020, at a 7.5% rate, due in 2025
- During **4Q20**, **Ps.6.4 billion** were used to repay high-interest debt, reducing our weighted **rate to 8.93%** from 12.98% in 2019
 - 76% of debt is at fixed rate
 - 43% of debt is denominated in US\$

Debt Maturity Profile (Ps. Million)

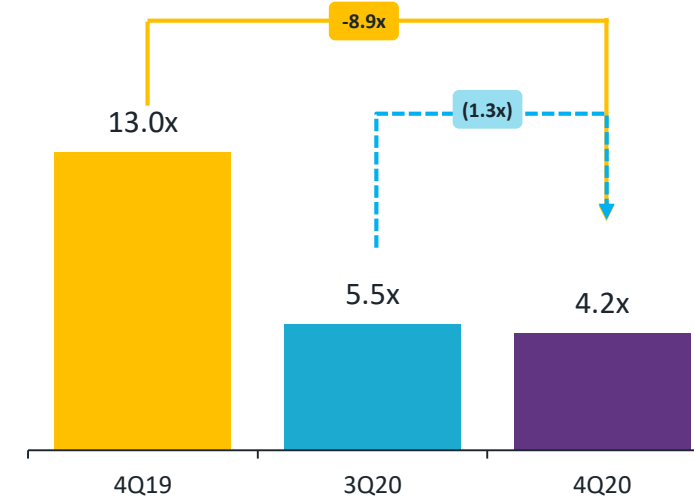


Indebtedness Overview

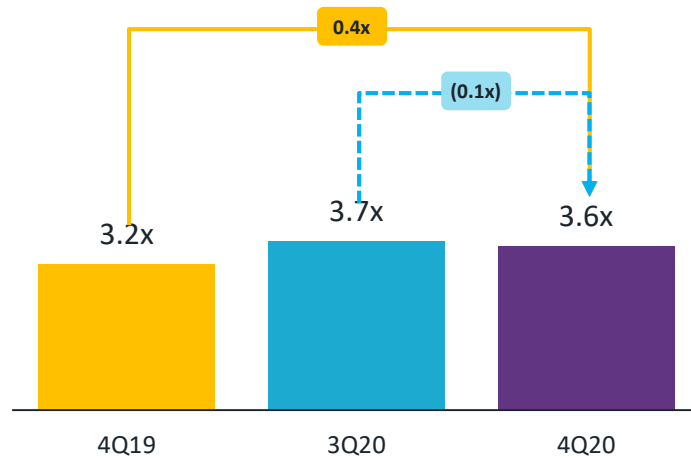
Total Debt / LTM EBITDA (x)



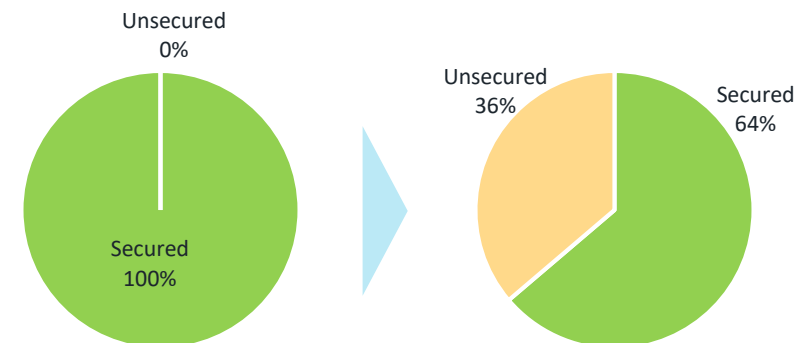
Interest Coverage Ratio¹ (x)



Total Debt / L2QA EBITDA² (x)



Funding Mix Improvement, 2019 v 2020



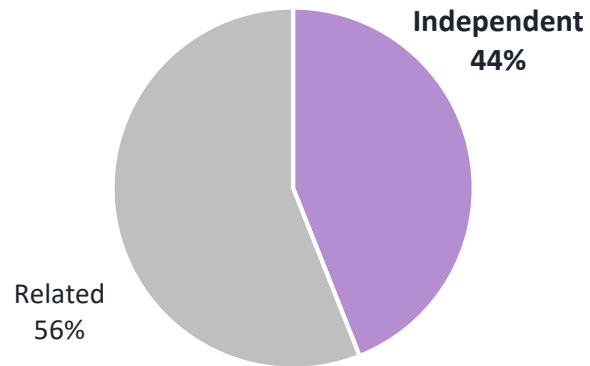
100% = Ps. 19.5 b

100% = Ps. 30.5 b

ESG

Corporate Governance

- At the beginning of 2021, Total Play announced the restructuring of its Board of directors with the **appointment of four independent members**, and the creation of the **Auditing and Related Party Transactions Committee**, composed **solely of independent members**.



- The new Board of Directors **approved** the creation of the “**Ethics, Integrity and Compliance Program**” which is based on organic, procedural and normative elements provided by Mexican law, as well as certain principles and guidelines contained in the best national and international practices.

Social Responsibility



UN Global Compact

- In 2018 Totalplay adhered to the **United Nations Global Compact**, the world's largest global initiative that promotes corporate sustainability



Environmental Impact

- The Totalplay corporate office has **LEED Certification (Leadership in Energy and Environmental Design)**, a green building qualification that measures the efficient use of energy, water, materials, and waste management



Social Impact

- For the **4th consecutive year**, Total Play received the **socially responsible company (SRC)** badge
- Workforce of ~20,000 employees, **diversified by gender, age and ethnic origin**
- Total Play was **recognized** by ANCE (Association for Standardization and Certification), for its **Gender Equality and Non-Discrimination Policies**

Summary Financials

Income Statement, 4Q20 v 4Q19 (Ps. Million)

	4Q19		4Q20		Change	
	\$	%	\$	%	\$	%
Revenue from services	4,272	100%	5,675	100%	1,403	33%
Cost of services	(1,254)	(29%)	(1,322)	(23%)	(68)	(5%)
Gross profit	3,018	71%	4,353	77%	1,335	44%
General expenses	(1,402)	(33%)	(1,884)	(33%)	(482)	(34%)
EBITDA	1,616	38%	2,469	44%	853	53%
Depreciation and amortization	(529)	(12%)	(663)	(12%)	(134)	(25%)
Subscribers acquisition cost	(767)	(18%)	(1,156)	(20%)	(389)	(51%)
Other income (expenses) - Net	(21)	(0%)	1	0%	22	105%
Operating profit (loss)	299	7%	651	11%	352	118%
Financial cost:						
Interest revenue	15	0%	14	0%	(1)	(7%)
Accrued interest expense	(136)	(3%)	(538)	(9%)	(402)	----
Other financial (expenses) income - Net	(8)	(0%)	(72)	(1%)	(64)	----
Foreign exchange (loss) gain - Net	36	1%	262	5%	226	----
Profit (loss) before income tax provision	206	5%	317	6%	111	54%
Income tax provision	(77)	(2%)	(10)	(0%)	67	87%
Net income (loss) for the period	129	3%	307	5%	178	138%

Income Statement, 2020 v 2019 (Ps. Million)

	2019		2020		Change	
	\$	%	\$	%	\$	%
Revenue from services	14,267	100%	19,557	100%	5,290	37%
Cost of services	(3,506)	(25%)	(5,031)	(26%)	(1,525)	(43%)
Gross profit	10,761	75%	14,526	74%	3,765	35%
General expenses	(5,281)	(37%)	(7,185)	(37%)	(1,904)	(36%)
EBITDA	5,480	38%	7,341	38%	1,861	34%
Depreciation and amortization	(1,774)	(12%)	(2,458)	(13%)	(684)	(39%)
Subscribers acquisition cost	(2,605)	(18%)	(3,982)	(20%)	(1,377)	(53%)
Other income (expenses) - Net	(21)	(0%)	7	0%	28	133%
Operating profit	1,080	8%	908	5%	(172)	(16%)
Financial cost:						
Interest revenue	56	0%	45	0%	(11)	(20%)
Accrued interest expense	(421)	(3%)	(1,441)	(7%)	(1,020)	----
Other financial expenses	(54)	(0%)	(135)	(1%)	(81)	----
Foreign exchange gain (loss) - Net	100	1%	(6)	(0%)	(106)	----
Profit (loss) before income tax provision	761	5%	(629)	(3%)	(1,390)	----
Income tax provision	(98)	(1%)	(31)	(0%)	67	(68%)
Net income (loss) for the period	663	5%	(660)	(3%)	(1,323)	----

Balance Sheet (Ps. Million)

	As of December 31,				Change	
	2019		2020			
	\$	%	\$	%	\$	%
<u>Assets</u>						
Current assets						
Cash and cash	227	1%	1,787	4%	1,560	----
Customers - net	2,156	6%	2,376	5%	220	10%
Other receivables and recoverable taxes	2,110	6%	3,385	7%	1,275	60%
Other financial assets	949	3%	1,272	3%	323	34%
Inventories	1,260	4%	1,621	3%	361	29%
Prepaid expenses	143	0%	407	1%	264	----
Total current assets	6,845	20%	10,848	22%	4,003	58%
Non-current assets						
Property, plant and equipment - Net	22,605	66%	32,756	67%	10,151	45%
Rights-of-use assets -Net	3,620	11%	4,142	8%	522	14%
Other non-current assets	1,388	4%	1,380	3%	(8)	(1%)
Total non-current assets	27,613	80%	38,278	78%	10,665	39%
Total assets	34,458	100%	49,126	100%	14,668	43%

Balance Sheet (Ps. Million)

	As of December 31,				Change	
	2019		2020			
	\$	%	\$	%	\$	%
<u>Liabilities and Stockholders' Equity</u>						
Short-term liabilities						
Short-term financial debt	1,396	4%	562	1%	(834)	(60%)
Trade payables	4,512	13%	8,336	17%	3,824	85%
Other payables and taxes	1,320	4%	1,651	3%	331	25%
Derivative financial instruments	-	0%	214	0%	214	----
Lease liabilities	1,453	4%	1,681	3%	228	16%
Total short-term liabilities	8,681	25%	12,444	25%	3,763	43%
Long-term financial debt	13,726	40%	25,750	52%	12,024	88%
Trade payables	75	0%	14	0%	(61)	(81%)
Other long-term payables	313	1%	104	0%	(209)	(67%)
Lease liabilities	2,935	9%	2,748	6%	(187)	(6%)
Total long-term liabilities	17,049	49%	28,616	58%	11,567	68%
Total liabilities	25,730	75%	41,060	84%	15,330	60%
Equity	8,728	25%	8,066	16%	(662)	(8%)
Total stockholders' equity and liabilities	34,458	100%	49,126	100%	14,668	43%



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