



**TOTAL PLAY ANNOUNCES 12% GROWTH IN EBITDA
TO Ps.5,390 MILLION IN THE THIRD QUARTER OF 2024**

**—The company reports EBITDA margin of 48%;
the highest level since Total Play issues public debt—**

**—Capex for the quarter was equivalent to 26.5% of the company's revenue,
compared to Capex equivalent of 36.9% of revenue a year ago—**

—Balance of EBITDA, less Capex and interest, reached Ps.781 million in the period—

Mexico City, October 23, 2024— Total Play Telecomunicaciones, S.A.P.I. de C.V. ("Total Play"), a leading telecommunications company in Mexico, which offers internet access, pay television and telephony services, through one of the largest 100% fiber optic networks in the country, announced today financial results for the third quarter of 2024.

"Growing operational efficiencies in Total Play — within the framework of our firm strategy to moderate subscriber base growth and strict financial discipline — translated into a solid increase in EBITDA and a growth in the EBITDA margin, reaching its highest level since the company issues public debt," commented Eduardo Kuri, CEO of Total Play. "The higher EBITDA, combined with the Capex for the period — representing 26.5% of the company's revenue — continued to drive cash flow generation, defined as EBITDA less Capex and interest paid, to Ps.781 million this period, marking three consecutive quarters of strong cash generation."

"On the balance sheet, the successful issuance of long-term *Secured Certificados Bursátiles* for Ps.2.5 billion — announced on October 2 — along with the company's growing cash flow, will further strengthen the cash balance, thereby boosting Total Play's liquidity and financial strength," added Mr. Kuri.

Third quarter results

Revenue for the quarter was Ps.11,117 million, 10% above the Ps.10,137 million of the same period of the previous year. Total costs and expenses were Ps.5,727 million, compared to Ps.5,323 million of the previous year.

As a result, Total Play's EBITDA grew 12% to Ps.5,390 million from Ps.4,814 million a year ago; EBITDA margin for the quarter was 48%, one percentage point higher from the same

quarter in 2023. The company recorded operating income of Ps.1,147 million, compared to Ps.819 million a year ago.

Total Play reported net loss of Ps.1,087 million, from a loss of Ps.2,130 million in the same quarter of 2023.

	Q3 2023	Q3 2024	Change	
			Ps.	%
Revenue from services	\$10,137	\$11,117	\$980	10%
EBITDA	\$4,814	\$5,390	\$576	12%
Operating income	\$819	\$1,147	\$328	40%
Net result	\$(2,130)	\$(1,087)	\$(1,043)	49%

Amounts in millions of pesos.

EBITDA: Earnings before interest, taxes, depreciation, and amortization.

Service revenue

The company's revenue grew 10%, as a result of an 8% increase in sales in the residential segment and a 22% increase in revenues from the enterprise business.

Totalplay Residencial's revenue growth to Ps. 9,544 million, compared to Ps. 8,847 million a year earlier, relates to a 9% increase in the number of subscribers to the company's services, from the same quarter a year ago, to reach 5,124,433 this period, including 69,572 small and medium-sized businesses. The company considers that the number of users reached this quarter reflects its remarkable capacity to offer technologically advanced internet services — with superior stability and speed — continuous innovation in its entertainment platform, and an excellent service.

Compared to the previous quarter, the subscriber base grew by 115,342 users, in line with Total Play's strategy of moderating its subscriber base growth.

Average revenue per subscriber (ARPU) for the quarter was Ps.617, compared to Ps.630 a year ago and with Ps.612 from the previous quarter.

As previously announced, the company's geographic coverage investment program was completed during the first quarter of 2023. Accordingly, the number of homes passed in Mexico at the end of this period was 17,588,706, a figure with minor variations compared to 17,531,567 a year ago.

Penetration — the proportion of homes passed by Total Play that have the company's telecommunications services — was 29.1% at the end of the quarter, up from 26.8% a year ago.

The enterprise segment's revenue was Ps.1,573 million, up from Ps.1,289 million in the previous year, due to the launch of various organizations' projects in recent months.

Costs and expenses

Total costs and expenses increased 8%, as a result of a 5% increase in service costs and a 9% growth in general expenses.

The increase in costs to Ps.1,918 million from Ps.1,827 million in the previous year is primarily due to higher costs associated with business projects, links, and memberships. This increase was partially offset by lower content and licensing costs.

The increase in expenses to Ps.3,809 million, from Ps.3,496 million, reflects higher maintenance and fees expenses, in the context of the company's growing operations. This increase was partially offset by reductions in advertising and personnel expenses.

Costs and expenses for the quarter grew at a slower rate than revenues, as a result of strategies that generate solid operational efficiencies.

EBITDA and net result

Total Play's EBITDA was Ps.5,390 million, 12% higher compared to Ps.4,814 million of the previous year.

Relevant variations below EBITDA were the following:

An increase of Ps.248 million in depreciation and amortization was mainly due to subscriber acquisition costs — including telecommunications equipment, labor, and installation expenses.

An increase of Ps.228 million in interest expense consistent with the financial debt balance variation, attributable to the exchange rate depreciation effect on dollar-denominated debt this quarter, as well as higher debt costs.

Increase of Ps.863 million in foreign exchange loss, as a result of the net monetary liability position in foreign currency, together with a larger depreciation this quarter of the peso against the basket of currencies in which the company's monetary liabilities are denominated, compared to the previous year.

Total Play reported a net loss of Ps.1,087 million, compared to a loss of Ps.2,130 million in the same period of 2023.

Balance sheet

As of September 30, 2024, the Company's debt with cost was Ps.53,736 million, compared to Ps.50,280 million in the previous year. The increase shows the effect of exchange rate depreciation on dollar-denominated debt.

Lease liabilities were Ps.4,814 million, 24% lower compared to Ps.6,374 million of the previous year.

Cash and cash equivalents, plus restricted cash held in trusts, totaled Ps.5,886 million, a 6% increase from Ps.5,578 million a year ago. Consequently, the company's net debt was Ps.52,664 million, compared to Ps.51,076 million a year ago.

The debt ratio — Net Debt / EBITDA for the last two annualized quarters — was 2.51 times, as a result of solid EBITDA growth, together with greater relative stability of the net debt balance.

Total Play's fixed assets — including accumulated investments in fiber optics, telecommunications equipment, subscriber acquisition costs, and other assets — was Ps.62,229 million, compared to Ps.60,365 million a year ago.

Nine months results

Revenues for the first nine months of 2024 were Ps.33,355 million, 12% higher than Ps.29,830 million in the previous year, as a result of an 8% increase in residential revenues and a 32% growth in enterprise revenues. Total costs and expenses rose 10% to Ps.17,881 million from Ps.16,205 million, due to a 12% increase in service costs and a 10% growth in general expenses.

Total Play reported EBITDA of Ps.15,474 million, a 14% increase from Ps.13,625 million the previous year. The EBITDA margin for the period was 46%. Operating income reached Ps.2,872 million, up from Ps.1,711 million in the same period of 2023.

The company recorded a net loss of Ps.5,984 million, compared to a loss of Ps.2,123 million a year ago.

	9M 2023	9M 2024	Change	
			Ps.	%
Revenue from services	\$29,830	\$33,355	\$3,525	12%
EBITDA	\$13,625	\$15,474	\$1,849	14%
Operating income	\$1,711	\$2,872	\$1,161	68%
Net result	\$(2,123)	\$(5,984)	\$(3,861)	----

Amounts in millions of pesos.

EBITDA: Earnings before interest, taxes, depreciation, and amortization.

About Total Play

Total Play is a leading Triple Play provider in Mexico that, thanks to the widest direct-to-home fiber optic network in the country, offers entertainment and technologically advanced services with the highest quality and speed in the market. For the latest news and updates about Total Play, visit: www.totalplay.com.mx.

Total Play is a Grupo Salinas company (www.gruposalinas.com), a group of dynamic, fast-growing, and technologically advanced companies focused on creating economic value through market innovation and goods and services that improve standards of living; social value to improve community well-being; and environmental value by reducing the negative impact of its business activities. Created by Mexican entrepreneur Ricardo B. Salinas (www.ricardosalinas.com), Grupo Salinas operates as a management development and decision forum for the top leaders of member companies. Each of the Grupo Salinas companies operates independently, with its own management, board of directors, and shareholders. Grupo Salinas has no equity holdings. The group of companies shares a common vision, values, and strategies for achieving rapid growth, superior results, and world-class performance.

Except for historical information, the matters discussed in this press release are concepts about the future that involve risks and uncertainty that may cause actual results to differ materially from those projected. Other risks that may affect Total Play and its subsidiaries are presented in documents sent to the securities authorities.

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TOTAL PLAY TELECOMUNICACIONES, S.A.P.I. DE C.V. AND SUBSIDIARIES
CONSOLIDATED QUARTERLY INCOME STATEMENTS
(Millions of Mexican pesos)

	3Q23		3Q24		Change	
	\$	%	\$	%	\$	%
Revenue from services	10,137	100%	11,117	100%	980	10%
Cost of services	(1,827)	(18%)	(1,918)	(17%)	(91)	(5%)
Gross profit	8,310	82%	9,199	83%	889	11%
General expenses	(3,496)	(34%)	(3,809)	(34%)	(313)	(9%)
EBITDA	4,814	47%	5,390	48%	576	12%
Depreciation and amortization	(3,995)	(39%)	(4,243)	(38%)	(248)	(6%)
Operating profit	819	8%	1,147	10%	328	40%
Financial cost:						
Interest revenue	48	0%	91	1%	43	90%
Change in fair value of financial instruments	(135)	(1%)	(110)	(1%)	25	19%
Accrued interest expense	(1,386)	(14%)	(1,614)	(15%)	(228)	(16%)
Other financial expenses	(121)	(1%)	(134)	(1%)	(13)	(11%)
Foreign exchange loss - Net	(701)	(7%)	(1,564)	(14%)	(863)	(123%)
	(2,295)	(23%)	(3,331)	(30%)	(1,036)	(45%)
Loss before income tax provisions	(1,476)	(15%)	(2,184)	(20%)	(708)	(48%)
Income tax provision	(654)	(6%)	1,097	10%	1,751	n.m.
Net loss for the period	(2,130)	(21%)	(1,087)	(10%)	1,043	49%

TOTAL PLAY TELECOMUNICACIONES, S.A.P.I. DE C.V. AND SUBSIDIARIES
CONSOLIDATED ACCUMULATED INCOME STATEMENTS
(Millions of Mexican pesos)

	<u>Accumulated</u>		<u>Accumulated</u>		<u>Change</u>	
	<u>9M23</u>		<u>9M24</u>			
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Revenue from services	29,830	100%	33,355	100%	3,525	12%
Cost of services	(5,737)	(19%)	(6,400)	(19%)	(663)	(12%)
Gross profit	24,093	81%	26,955	81%	2,862	12%
General expenses	(10,468)	(35%)	(11,481)	(34%)	(1,013)	(10%)
EBITDA	13,625	46%	15,474	46%	1,849	14%
Depreciation and amortization	(11,914)	(40%)	(12,602)	(38%)	(688)	(6%)
Operating profit	1,711	6%	2,872	9%	1,161	68%
Financial cost:						
Interest revenue	138	0%	235	1%	97	70%
Change in fair value of financial instruments	(463)	(2%)	(1,124)	(3%)	(661)	(143%)
Accrued interest expense	(4,067)	(14%)	(4,656)	(14%)	(589)	(14%)
Other financial expenses	(338)	(1%)	(78)	(0%)	260	77%
Foreign exchange gain (loss) - Net	2,771	9%	(3,627)	(11%)	(6,398)	n.m.
	(1,959)	(7%)	(9,250)	(28%)	(7,291)	n.m.
Equity interest in net results of non-controlling entities	(19)	(0%)	-	0%	(19)	(100%)
Loss before income tax provisions	(267)	(1%)	(6,378)	(19%)	(6,111)	n.m.
Income tax provision	(1,856)	(6%)	394	1%	(2,250)	(121%)
Net loss for the period	(2,123)	(7%)	(5,984)	(18%)	(3,861)	(182%)

TOTAL PLAY TELECOMUNICACIONES, S.A.P.I. DE C.V. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Millions of Mexican pesos)

	As of September 30,					
	2023		2024		Change	
	\$	%	\$	%	\$	%
<u>Assets</u>						
CURRENT ASSETS						
Cash and cash equivalents	1,750	2%	3,507	4%	1,757	100%
Restricted cash in trusts	3,828	4%	2,379	3%	(1,449)	(38%)
Customers - net	4,445	5%	3,877	5%	(568)	(13%)
Other accounts receivable	187	0%	149	0%	(38)	(20%)
Recoverable taxes	4,086	5%	3,897	5%	(189)	(5%)
Related parties	264	0%	272	0%	8	3%
Inventories	2,765	3%	2,486	3%	(279)	(10%)
Prepaid expenses	516	1%	494	1%	(22)	(4%)
Total current assets	17,841	21%	17,061	20%	(780)	(4%)
NON-CURRENT ASSETS						
Related parties	159	0%	275	0%	116	73%
Property, plant and equipment - Net	60,365	70%	62,229	73%	1,864	3%
Rights-of-use assets -Net	5,445	6%	3,642	4%	(1,803)	(33%)
Trademarks and other assets	2,181	3%	2,465	3%	284	13%
Total non-current assets	68,150	79%	68,611	80%	461	1%
Total assets	85,991	100%	85,672	100%	(319)	(0%)
<u>Liabilities and Stockholders' Equity</u>						
SHORT-TERM LIABILITIES						
Financial debt	4,448	5%	6,137	7%	1,689	38%
Lease liabilities	2,399	3%	2,468	3%	69	3%
Trade payables	13,274	15%	16,034	19%	2,760	21%
Reverse factoring	2,225	3%	1,488	2%	(737)	(33%)
Other payables and payable taxes	2,013	2%	2,106	2%	93	5%
Related parties	863	1%	1,309	2%	446	52%
Liabilities from contracts with customers	681	1%	400	0%	(281)	(41%)
Interest payable	430	1%	79	0%	(351)	(82%)
Derivative financial instruments	57	0%	10	0%	(47)	(82%)
Total short-term liabilities	26,390	31%	30,031	35%	3,641	14%
LONG-TERM LIABILITIES						
Financial debt	45,832	53%	47,599	56%	1,767	4%
Lease liabilities	3,975	5%	2,346	3%	(1,629)	(41%)
Derivative financial instruments	2,086	2%	-	0%	(2,086)	(100%)
Employee benefits	56	0%	101	0%	45	80%
Deferred income tax	4,211	5%	5,517	6%	1,306	31%
Total long-term liabilities	56,160	65%	55,563	65%	(597)	(1%)
Total liabilities	82,550	96%	85,594	100%	3,044	4%
STOCKHOLDERS' EQUITY						
	3,441	4%	78	0%	(3,363)	(98%)
Total liabilities and stockholders' equity	85,991	100%	85,672	100%	(319)	(0%)

TOTAL PLAY TELECOMUNICACIONES, S.A.P.I. DE C.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Millions of Mexican pesos)

	9th months period ended September 30,	
	<u>2023</u>	<u>2024</u>
<u>Operating activities:</u>		
Loss before income tax provision	(267)	(6,378)
Items not requiring the use of resources:		
Depreciation and amortization	11,914	12,602
Employee benefits	7	26
Items related to investing or financing activities:		
Accrued interest income	(138)	(235)
Accrued interest expense and other financial transactions	4,880	5,857
Unrealized exchange (gain) loss	(2,832)	3,647
Non-controlling participation	19	-
	<u>13,583</u>	<u>15,519</u>
Resources (used in) generated by operating activities:		
Customers and unearned revenue	756	(45)
Other receivables	49	35
Related parties, net	420	354
Taxes to be recovered	(275)	244
Inventories	(423)	441
Advance payments	392	35
Trade payables	2,587	2,505
Other payables	(427)	684
	<u>16,662</u>	<u>19,772</u>
Cash flows generated by operating activities		
	<u>16,662</u>	<u>19,772</u>
<u>Investing activities:</u>		
Acquisition of property, plant and equipment	(11,815)	(8,902)
Other assets	(63)	(120)
Collected interest	138	235
	<u>138</u>	<u>235</u>
Cash flows (used in) investing activities		
	<u>(11,740)</u>	<u>(8,787)</u>
<u>Financing activities:</u>		
Loans received	3,304	(2,165)
Leasing cash flows	(1,936)	(1,796)
Restricted Cash in Trusts	(1,841)	998
Reverse factoring	(466)	(746)
Derivative financial instruments	(315)	(1,522)
Interest payment	(3,808)	(4,624)
	<u>(3,808)</u>	<u>(4,624)</u>
Cash flows used in financing activities		
	<u>(5,062)</u>	<u>(9,855)</u>
Net increase (decrease) in cash and cash equivalents	(140)	1,130
Cash and cash equivalents at the beginning of the year	<u>1,890</u>	<u>2,377</u>
Cash and cash equivalents at the end of the year	<u>1,750</u>	<u>3,507</u>