



**TOTAL PLAY ANNOUNCES 12% GROWTH IN EBITDA IN THE FIRST QUARTER OF 2024
AT A RECORD LEVEL OF Ps.4,988 MILLION**

**—Capex for the quarter was equivalent to 29.7% of the company's revenue,
compared to Capex equivalent to 41.7% of revenue a year ago—**

**—The balance of EBITDA less Capex and interest was Ps.241 million,
highest figure since the company issues public debt—**

Mexico City, April 25, 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 first quarter of 2024.

“Amidst Total Play's robust positive cash flow trajectory, we have reached the pinnacle of cash generation balance this quarter – defined as EBITDA less Capex and interest paid – since the company issues public debt. This accomplishment stems from our commitment to moderating the growth of the company's subscriber base, rigorous financial discipline, and implementing initiatives aimed at enhancing our operational efficiency. Consistent with this strategy, EBITDA has sustained its strong momentum, experiencing a double-digit increase, while Capex for the period accounted for only 29.7% of revenue, which boosts the cash generation and reaffirms the financial strength of the company,” commented Eduardo Kuri, CEO of Total Play.

On the balance sheet, Total Play announced this April that it has significantly extended its debt profile through the successful refinancing of 90% of its US\$575 million Senior Notes due 2025 into new Senior Notes with a final maturity in 2028,” Mr. Kuri added. “The refinancing, together with the growing cash generation, shows the solid results of our strategy that further strengthens Total Play's capital structure and additionally boosts its liquidity prospects.”

First quarter results

Revenue for the quarter was Ps.11,087 million, 13% higher from Ps.9,826 million of the same period of the previous year. Total costs and expenses were Ps.6,099 million, compared to Ps.5,391 million in the previous year.

As a result, Total Play's EBITDA grew 12%, to Ps.4,988 million, from Ps.4,435 million a year ago; EBITDA margin for the quarter was 45%. The company recorded operating income of Ps.836 million, compared to Ps.593 million a year ago.

Total Play reported a net loss of Ps.1,164 million, from a profit of Ps.317 million in the same quarter of 2023.

	Q1 2023	Q1 2024	Change	
			Ps.	%
Revenue from services	\$9,826	\$11,087	\$1,261	13%
EBITDA	\$4,435	\$4,988	\$553	12%
Operating income	\$593	\$836	\$243	41%
Net result	\$317	\$(1,164)	\$(1,481)	----

Amounts in millions of pesos.

EBITDA: Earnings before interest, depreciation, and amortization.

Service revenue

The company's revenue grew 13%, driven by a 10% increase in sales from the residential segment and a 29% growth in revenue from the corporate business.

Totalplay Residencial's revenue growth, to Ps.9,078 million, compared to Ps.8,273 million the previous year, is related to a 10% increase in the number of subscribers to the company's services compared to the same quarter of the previous year, to reach 4,907,389 — a figure that includes 68,958 small and medium-sized companies — this period. Compared to the previous quarter, the number of net additions grew by 127,909 subscribers, in line with Total Play's subscriber base growth moderation strategy.

The average revenue per subscriber for the quarter — ARPU — was Ps.617, unchanged from the same quarter of the previous year.

As previously announced, during the first quarter of 2023 the company's investment program in geographic coverage concluded, given that the areas in which its target market is located throughout the country was reached. Accordingly, the number of homes passed in Mexico at the end of this period was 17,568,145, a figure with minor variations compared to 17,503,742 a year ago.

Penetration — the proportion of homes passed by Total Play that use its telecommunications services — was 27.9% at the end of the quarter, up from 25.5% a year ago.

Revenue from the corporate segment was Ps.2,009 million, from Ps.1,553 million the previous year. This increase is attributed to the implementation of projects by various organizations in recent months.

Costs and expenses

Total costs and expenses grew 13%, driven by both, a 14% increase in service costs and a 12% rise in general expenses.

The increase in costs, to Ps.2,295 million, from Ps.2,008 million the previous year results mainly from increased costs of content, links and business projects, partially offset by lower membership and interconnection costs.

The increase in expenses, to Ps.3,804 million, from Ps.3,383 million, reflects higher maintenance and fee expenses — in the context of the company's growing operations — partially offset by reduction in advertising and personnel expenses.

EBITDA and net result

Total Play's EBITDA was Ps.4,988 million, 12% higher compared to Ps.4,435 million the previous year.

Relevant variations below EBITDA were the following:

Increase of Ps.310 million in depreciation and amortization, mainly from user acquisition costs, related to telecommunications equipment, labor, and installation expenses.

Growth of Ps.151 million in interest expenses, consistent with the increase in the balance of financial debt.

Decrease of Ps.1,442 million in foreign exchange gains, attributed to the net liability monetary position in foreign currency, coupled with a more moderated appreciation of the peso against the basket of currencies in which the company's monetary liabilities are denominated this quarter, compared to the previous year.

Total Play reported a net loss of Ps.1,164 million, from a profit of Ps.317 million in the same period of 2023.

Balance sheet

As of March 31, 2024, the company's debt with cost from loans was Ps.51,388 million, compared to Ps.48,228 million the previous year. The growth of the debt balance is related to loans from financial institutions during the period.

The lease liability was Ps.5,459 million, 23% lower compared to Ps.7,077 million the previous year.

The balance of cash and cash equivalents, including restricted cash in trusts, totaled Ps.4,860 million, 9% higher compared to Ps.4,445 million a year ago. Consequently, the company's net debt was Ps.51,987 million, compared to Ps.50,860 million in the previous year.

The debt ratio — Net Debt / EBITDA for the last two annualized quarters — was 2.67 times, as a result of solid EBITDA growth, together with greater relative stability of the net debt balance.

Total Play's fixed assets — which include the accumulated investment in fiber optics, telecommunications equipment, and the cost of acquiring subscribers, among other assets — were Ps.61,693 million, 4% above Ps.59,227 million a year ago.

In line with the company's strategy to extend its maturity profile, the balance of short-term debt with cost decreased 38% to Ps.4,555 million, from Ps.7,340 million a year ago.

Additionally, as previously announced, Total Play concluded in April a successful refinancing process of US\$519 million from its US\$575 million Senior Notes due in 2025, extending the maturity to 2028, which further expands Total Play's debt profile.

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)

	1Q23		1Q24		Change	
	\$	%	\$	%	\$	%
Revenue from services	9,826	100%	11,087	100%	1,261	13%
Cost of services	(2,008)	(20%)	(2,295)	(21%)	(287)	(14%)
Gross profit	7,818	80%	8,792	79%	974	12%
General expenses	(3,383)	(34%)	(3,804)	(34%)	(421)	(12%)
EBITDA	4,435	45%	4,988	45%	553	12%
Depreciation and amortization	(3,842)	(39%)	(4,152)	(37%)	(310)	(8%)
Operating profit	593	6%	836	8%	243	41%
Financial cost:						
Interest revenue	51	1%	69	1%	18	35%
Change in fair value of financial instruments	(189)	(2%)	(297)	(3%)	(108)	(57%)
Accrued interest expense	(1,326)	(13%)	(1,477)	(13%)	(151)	(11%)
Other financial expenses	(112)	(1%)	(42)	(0%)	70	62%
Foreign exchange gain - Net	1,852	19%	410	4%	(1,442)	(78%)
	276	3%	(1,337)	(12%)	(1,613)	n.m.
Equity interest in net results of non-controlling entities	(1)	(0%)	-	0%	1	100%
Profit (Loss) before income tax provisions	868	9%	(501)	(5%)	(1,369)	(158%)
Income tax provision	(551)	(6%)	(663)	(6%)	(112)	(20%)
Net profit (Loss) for the period	317	3%	(1,164)	(10%)	(1,481)	n.m.

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

	As of March 31,				Change	
	2023		2024			
	\$	%	\$	%	\$	%
<u>Assets</u>						
CURRENT ASSETS						
Cash and cash equivalents	2,062	2%	2,138	3%	76	4%
Restricted cash in trusts	2,383	3%	2,722	3%	339	14%
Customers - net	4,650	6%	4,177	5%	(473)	(10%)
Other accounts receivable	174	0%	182	0%	8	5%
Recoverable taxes	3,885	5%	4,137	5%	252	6%
Related parties	325	0%	319	0%	(6)	(2%)
Inventories	2,343	3%	2,507	3%	164	7%
Prepaid expenses	707	1%	593	1%	(114)	(16%)
Total current assets	16,529	20%	16,775	20%	246	1%
NON-CURRENT ASSETS						
Related parties	145	0%	233	0%	88	61%
Property, plant and equipments - Net	59,227	71%	61,693	72%	2,466	4%
Rights-of-use assets -Net	6,479	8%	4,492	5%	(1,987)	(31%)
Trademarks and other assets	1,453	2%	2,093	2%	640	44%
Total non-current assets	67,304	80%	68,511	80%	1,207	2%
Total assets	83,833	100%	85,286	100%	1,453	2%
<u>Liabilities and Stockholders' Equity</u>						
SHORT-TERM LIABILITIES						
Financial debt	7,340	9%	4,555	5%	(2,785)	(38%)
Lease liabilities	2,234	3%	2,457	3%	223	10%
Trade payables	12,037	14%	14,708	17%	2,671	22%
Reverse factoring	2,424	3%	1,743	2%	(681)	(28%)
Other payables and payable taxes	2,097	3%	1,809	2%	(288)	(14%)
Related parties	615	1%	1,026	1%	411	67%
Liabilities from contracts with customers	775	1%	471	1%	(304)	(39%)
Interest payable	392	0%	258	0%	(134)	(34%)
Derivative financial instruments	187	0%	111	0%	(76)	(41%)
Total short-term liabilities	28,101	34%	27,138	32%	(963)	(3%)
LONG-TERM LIABILITIES						
Financial debt	40,888	49%	46,833	55%	5,945	15%
Lease liabilities	4,843	6%	3,002	4%	(1,841)	(38%)
Derivative financial instruments	1,822	2%	-	0%	(1,822)	(100%)
Employee benefits	55	0%	84	0%	29	53%
Deferred income tax	2,906	3%	5,916	7%	3,010	104%
Total long-term liabilities	50,514	60%	55,835	65%	5,321	11%
Total liabilities	78,615	94%	82,973	97%	4,358	6%
STOCKHOLDERS' EQUITY						
	5,218	6%	2,313	3%	(2,905)	(56%)
Total liabilities and stockholders' equity	83,833	100%	85,286	100%	1,453	2%

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

	3rd months period ended	
	March 31,	
	<u>2023</u>	<u>2024</u>
<u>Operating activities:</u>		
Profit (Loss) before income tax provision	868	(501)
Items not requiring the use of resources:		
Depreciation and amortization	3,841	4,152
Employee benefits	7	9
Items related to investing or financing activities:		
Accrued interest income	(51)	(69)
Accrued interest expense and other financial transactions	1,627	1,816
Unrealized foreign exchange gain	(1,920)	(187)
Non-Controlling Participation	1	-
	<u>4,373</u>	<u>5,220</u>
Resources (used in) generated by operating activities:		
Customers and unearned revenue	644	(274)
Other receivables	62	2
Related parties, net	197	65
Taxes to be recovered	(75)	4
Inventories	(1)	419
Advance payments	201	(64)
Trade payables	1,347	1,195
Other payables	(345)	394
	<u>6,403</u>	<u>6,961</u>
Cash flows generated by operating activities		
	<u>6,403</u>	<u>6,961</u>
<u>Investing activities:</u>		
Acquisition of property, plant and equipment	(4,096)	(3,293)
Other assets	(87)	15
Collected interest	51	69
	<u>(4,132)</u>	<u>(3,209)</u>
Cash flows (used in) investing activities		
	<u>(4,132)</u>	<u>(3,209)</u>
<u>Financing activities:</u>		
Loans received	473	(538)
Leasing cash flows	(659)	(601)
Restricted Cash in Trusts	(396)	654
Reverse factoring	(267)	(491)
Derivative financial instruments	(25)	(1,561)
Interest payment	(1,225)	(1,454)
	<u>(2,099)</u>	<u>(3,991)</u>
Cash flows used in financing activities		
	<u>(2,099)</u>	<u>(3,991)</u>
Net increase (decrease) in cash and cash equivalents	172	(239)
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>2,062</u>	<u>2,138</u>