



TOTAL PLAY ANNOUNCES REVENUE OF Ps.7,624 MILLION AND EBITDA OF Ps.3,345 MILLION IN THE FOURTH QUARTER OF 2021

Mexico City, February 24, 2022— 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 telephone services, through one of the largest 100% fiber optic networks in the country, today announced financial results for the fourth quarter of 2021.

Fourth quarter results

Revenue for the quarter totaled Ps.7,624 million, compared to Ps.5,676 million from the previous year. Total costs and expenses were Ps.4,279 million, from Ps.3,211 million a year ago.

As a result, Total Play's EBITDA totaled Ps.3,345 million, from Ps.2,465 million the previous year. The company posted an operating profit of Ps.838 million, compared to Ps.646 million a year ago. Total Play reported a net loss of Ps.163 million, from a profit of Ps.420 million in the same period of 2020

Revenue from services

The growth in the company's revenue in the period is the result of an increase, both in the residential and the enterprise segments sales, due to greater demand from users for Total Play's telecommunications services.

Costs and expenses

Total costs and expenses grew 33%, as a result of a 19% increase in service costs and a 43% increase in general expenses. The growth in costs, to Ps.1,573 million, from Ps.1,322 million in the previous year, results mainly from the purchase of content, cost of sales of telecommunications equipment for business customers, leasing of connection links and licenses for the operation of the network.

The increase in expenses, to Ps.2,706 million, from Ps.1,889 million, reflects higher expenses for services, advertising and promotion, as well as maintenance.

EBITDA and net result

Total Play's EBITDA was Ps.3,345 million compared to Ps.2,465 million in the previous year.

The main variations below EBITDA were the following:

Ps.688 million increase in depreciation and amortization, as a result of investments in coverage of the fiber optic network and user acquisition cost — telecommunications equipment, labor and installation expenses.

Ps.401 million growth in interest expense, mainly derived from growth in long-term financial debt.

Ps.49 million losses in foreign exchange this quarter, compared to a profit of Ps.263 million a year ago, as a result of exchange rate volatility this period together with flows of monetary assets in dollars, compared to the appreciation of the exchange rate of the peso against the dollar a year ago and net liability monetary position in dollars.

Total Play reported net loss of Ps.163 million, from a net income of Ps.420 million in the same period of 2020.

Balance Sheet

As of December 31, 2021, the company's debt with cost was Ps.41,496 million, compared to Ps.26,193 million in the previous year.

The growth of the debt balance is mainly related to the placement of Senior Notes in international markets for US\$600 million, in September 2021.

The lease liability was Ps.5,409 million, compared to Ps.4,429 million in the previous year.

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 wellbeing; 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)

	4Q20		4Q21		Change	
	\$	%	\$	%	\$	%
Revenue from services	5,676	100%	7,624	100%	1,948	34%
Cost of services	(1,322)	(23%)	(1,573)	(21%)	(251)	(19%)
Gross profit	4,354	77%	6,051	79%	1,697	39%
General expenses	(1,889)	(33%)	(2,706)	(35%)	(817)	(43%)
EBITDA	2,465	43%	3,345	44%	880	36%
Depreciation and amortization	(1,819)	(32%)	(2,507)	(33%)	(688)	(38%)
Operating profit (loss)	646	11%	838	11%	192	30%
Financial cost:						
Interest revenue	14	0%	22	0%	8	57%
Accrued interest expense	(538)	(9%)	(939)	(12%)	(401)	(75%)
Other financial (expenses) income - Net	(74)	(1%)	(35)	(0%)	39	53%
Foreign exchange (loss) gain - Net	263	5%	(49)	(1%)	(312)	119%
Profit (loss) before income tax provision	311	5%	(163)	(2%)	(474)	152%
Income tax provision	109	2%	-	0%	(109)	100%
Net income (loss) for the period	420	7%	(163)	(2%)	(583)	139%

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>12M20</u>		<u>12M21</u>			
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Revenue from services	19,557	100%	28,089	100%	8,532	44%
Cost of services	(5,031)	(26%)	(6,481)	(23%)	(1,450)	(29%)
Gross profit	14,526	74%	21,608	77%	7,082	49%
General expenses	(7,190)	(37%)	(9,574)	(34%)	(2,384)	(33%)
EBITDA	7,336	38%	12,034	43%	4,698	64%
Depreciation and amortization	(6,440)	(33%)	(8,902)	(32%)	(2,462)	(38%)
Other income (expenses) - Net	-	0%	-	0%	-	na
Operating profit	896	5%	3,132	11%	2,236	250%
Financial cost:						
Interest revenue	45	0%	54	0%	9	20%
Accrued interest expense	(1,441)	(7%)	(3,013)	(11%)	(1,572)	(109%)
Other financial expenses	(135)	(1%)	(230)	(1%)	(95)	(70%)
Foreign exchange gain (loss) - Net	-	0%	(578)	(2%)	(578)	0%
Profit (loss) before income tax provision	(635)	(3%)	(635)	(2%)	-	0%
Income tax provision	88	0%	(20)	(0%)	(108)	123%
Net income (loss) for the period	(547)	(3%)	(655)	(2%)	(108)	(20%)

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

	As of December 31,					
	2020		2021		Change	
	\$	%	\$	%	\$	%
<u>Assets</u>						
CURRENT ASSETS						
Cash and cash	1,787	4%	4,166	6%	2,379	133%
Restricted cash in trusts	1,272	3%	887	1%	(385)	(30%)
Customers - net	2,376	5%	3,749	5%	1,373	58%
Derivative financial instruments	-	0%	221	0%	221	0%
Other receivables and recoverable taxes	3,388	7%	4,272	6%	884	26%
Inventories	1,621	3%	1,880	3%	259	16%
Prepaid expenses	407	1%	467	1%	60	15%
Total current assets	10,851	22%	15,642	23%	4,791	44%
NON-CURRENT ASSETS						
Property, plant and equipment - Net	32,756	67%	45,841	67%	13,085	40%
Rights-of-use assets -Net	4,142	8%	4,997	7%	855	21%
Other non-current assets	1,497	3%	2,085	3%	588	39%
Total non-current assets	38,395	78%	52,923	77%	14,528	38%
Total assets	49,246	100%	68,565	100%	19,319	39%
<u>Liabilities and Stockholders' Equity</u>						
SHORT-TERM LIABILITIES						
Short-term financial debt	443	1%	2,615	4%	2,172	490%
Trade payables	8,336	17%	8,767	13%	431	5%
Other payables and taxes	1,777	4%	2,984	4%	1,207	68%
Derivative financial instruments	214	0%	-	0%	(214)	n.m.
Lease liabilities	1,681	3%	1,651	2%	(30)	(2%)
Total short-term liabilities	12,451	25%	16,017	23%	3,566	29%
LONG-TERM LIABILITIES						
Long-term financial debt	25,750	52%	38,881	57%	13,131	51%
Trade payables	14	0%	4	0%	(10)	(71%)
Other long-term payables	104	0%	50	0%	(54)	(52%)
Lease liabilities	2,748	6%	3,758	5%	1,010	37%
Total long-term liabilities	28,616	58%	42,693	62%	14,077	49%
Total liabilities	41,067	83%	58,710	86%	17,643	43%
STOCKHOLDERS' EQUITY						
	8,179	17%	9,855	14%	1,676	20%
Total stockholders' equity and liabilities	49,246	100%	68,565	100%	19,319	39%

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

	Years ended December 30,	
	<u>2020</u>	<u>2021</u>
<u>Operating activities:</u>		
(Loss) income before income tax provision	(516)	(635)
Items not requiring the use of resources:		
Depreciation and amortization	6,440	8,902
Employee benefits	11	19
Items related to investing or financing activities:		
Accrued interest income	(45)	(54)
Accrued interest expense and other financial transactions	1,441	3,012
Valuation of financial derivative instruments	216	(436)
	7,547	10,808
Resources (used in) generated by operating activities:		
Customers and unearned revenue	(220)	(1,373)
Other receivables	(2)	(103)
Related parties, net	54	(207)
Taxes to be recovered	(1,342)	(742)
Inventories	(361)	(258)
Advance payments	(264)	(59)
Trade payables	3,106	773
Other payables	98	1,090
Cash flows generated by operating activities	8,616	9,929
<u>Investing activities:</u>		
Acquisition of property, plant and equipment	(14,201)	(17,950)
Other assets	(111)	(130)
Collected interest	45	54
Cash flows (used in) investing activities	(14,267)	(18,026)
<u>Financing activities:</u>		
Loans received	11,072	15,303
Leasing cash flows	(2,035)	(1,671)
Interest payment	(2,158)	(3,240)
Restricted Cash in Trusts	(325)	384
Reverse factoring	657	(352)
Capital contributions	-	5,052
Contributions for future capital increases	0	(5,000)
Net cash flows generated by financing activities	7,211	10,476
Increase in cash and cash equivalents	1,560	2,379
Cash and cash equivalents at the beginning of the year	227	1,787
Cash and cash equivalents at the end of the year	1,787	4,166