



**TOTAL PLAY ANNOUNCES 16% GROWTH IN EBITDA IN THE SECOND QUARTER OF 2024
TO AN ALL-TIME HIGH OF Ps.5,096 MILLION**

**—Capex for the quarter was equivalent to 23.9% of the company's revenue,
compared to Capex equivalent of 40.3% of revenue a year ago—**

**—EBITDA balance, less Capex and interest, reached a record level
of Ps. 926 million in the period—**

Mexico City, July 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 second quarter of 2024.

"Total Play's firm subscriber base moderation strategy, strict financial discipline, and initiatives that strengthen our operational efficiency, significantly boosted profitability and cash generation this quarter. EBITDA grew double-digit, reaching a record level of Ps.5,096 million, while EBITDA margin increased by two percentage points to 46%," commented Eduardo Kuri, CEO of Total Play. "Capex for the quarter was Ps.2,668 million, equivalent to 23.9% of the company's revenue. This, along with increasing profitability, significantly improved our cash generation — defined as EBITDA less Capex and interest paid — to the highest level in Total Play's history."

"On the balance sheet, the solid growth in cash flow significantly boosted our liquidity. Additionally, we amortized bank loans and *Cebures* equivalent to Ps. 2,182 million in the period, which contributed to reducing the balance of short-term debt with cost by 30% and to further strengthen Total Play's capital structure," added Mr. Kuri.

Second quarter results

Revenue for the quarter was Ps.11,150 million, 13% above the Ps.9,867 million for the same period of the previous year. Total costs and expenses were Ps.6,054 million, compared to Ps.5,490 million of the previous year.

As a result, Total Play's EBITDA grew 16% to Ps. 5,096 million, up from Ps. 4,377 million a year ago. The EBITDA margin for the quarter was 46%, compared to 44% in the same quarter

of 2023. The company recorded operating income of Ps. 889 million, compared to Ps. 300 million a year ago.

Total Play reported net loss of Ps.3,733 million, from a loss of Ps.310 million in the same quarter of 2023.

	Q2 2023	Q2 2024	Change	
			Ps.	%
Revenue from services	\$9,867	\$11,150	\$1,283	13%
EBITDA	\$4,377	\$5,096	\$719	16%
Operating income	\$300	\$889	\$589	----
Net result	\$(310)	\$(3,733)	\$(3,423)	----

Amounts in millions of pesos.

EBITDA: Earnings before interest, depreciation, and amortization.

Service revenue

The company's revenue grew 13%, as a result of an 8% increase in sales in the residential segment and a 45% increase in revenues from the enterprise business.

Totalplay Residencial's revenue growth to Ps. 9,196 million, compared to Ps. 8,521 million a year earlier, relates to a 9% increase in the number of subscribers to the company's services, compared to the same quarter a year ago, to reach 5,009,091 this period, including 69,001 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 number of net additions grew by 101,702 users, in line with Total Play's strategy of moderating its subscriber base growth.

Average revenue per subscriber (ARPU) for the quarter was Ps.612, compared to Ps.615 a year ago.

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 17,590,606, a figure with minor variations compared to 17,503,742 a year ago.

Penetration — the proportion of homes passed by Total Play that have the company's telecommunications services — was 28.5% at the end of the quarter, up from 26.2% a year ago.

The enterprise segment's revenue was Ps.1,954 million, up from Ps.1,346 million in the previous year, due to the launch of various organizations' projects in recent months.

Costs and expenses

Total costs and expenses increased 10%, as a result of a 15% increase in service costs and an 8% increase in general expenses.

The increase in costs to Ps. 2,187 million from Ps. 1,902 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. 3,867 million, from Ps. 3,588 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, resulting from strategies that generate solid operating efficiencies.

EBITDA and net result

Total Play's EBITDA was Ps.5,096 million, 16% higher compared to Ps.4,377 million of the previous year.

Relevant variations below EBITDA were the following:

An increase of Ps.130 million in depreciation and amortization mainly due to user acquisition costs, including telecommunications equipment, labor, and installation expenses.

An increase of Ps.582 million in changes in the fair value of financial instruments, largely due to the recording of the remaining expenses associated with the issuance of the company's Senior Notes due in 2025, as a result of the 90% exchange of these notes with the new Senior Notes with final maturity in 2028, as previously announced.

An increase of Ps.209 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.

A foreign exchange loss of Ps. 2,473 million this period, compared to a gain of Ps. 1,619 million a year ago, resulted from a net liability monetary position in foreign currency and the depreciation of the peso against the basket of currencies in which the company's monetary liabilities are denominated this quarter. This contrasts with the exchange rate appreciation experienced in the previous year.

Total Play reported a net loss of Ps.3,733 million, compared to a loss of Ps.310 million in the same period of 2023.

Balance sheet

As of June 30, 2024, the Company's debt with cost was Ps.52,919 million, compared to Ps.47,684 million in the previous year. The increase shows the effect of exchange rate depreciation on dollar-denominated debt.

Lease liabilities were Ps.5,210 million, 24% lower compared to Ps.6,868 million of the previous year.

Cash and cash equivalents, plus restricted cash held in trusts, totaled Ps. 5,225 million, a 23% increase from Ps. 4,249 million a year ago. Consequently, the company's net debt was Ps. 52,904 million, compared to Ps. 50,303 million a year ago.

The debt ratio — Net Debt / EBITDA for the last two annualized quarters — was 2.62 times, as a result of solid EBITDA growth, together with greater relative stability of the net debt balance.

Consistent with the strategy to extend Total Play's debt profile — in line with the company's cash generation — the balance of short-term debt with cost was reduced by 30% to Ps.4,212 million, from Ps.5,994 million a year ago.

Total Play's fixed assets — including accumulated investments in fiber optics, telecommunications equipment, subscriber acquisition costs, and other assets — was Ps.61,775 million, compared to Ps. 59,912 million a year ago.

Six months results

Revenue for the first six months of 2024 was Ps.22,237 million, 13% higher from Ps.19,694 million the previous year. This growth was driven by a 37% increase in enterprise revenues and a 9% growth in residential revenues. Total costs and expenses rose 12% to Ps.12,154 million from Ps.10,883 million, due to a 10% increase in general expenses and a 15% increase in service costs.

Total Play reported EBITDA of Ps.10,083 million, a 14% increase from Ps.8,811 million the previous year. The EBITDA margin for the period was 45%. Operating income reached Ps.1,724 million, up from Ps.892 million in the same period of 2023.

The company recorded a net loss of Ps.4,897 million, compared to a profit of Ps.6 million a year ago.

	6M 2023	6M 2024	Change	
			Ps.	%
Revenue from services	\$19,694	\$22,237	\$2,543	13%
EBITDA	\$8,811	\$10,083	\$1,272	14%
Operating income	\$892	\$1,724	\$832	93%
Net result	\$6	\$(4,897)	\$(4,903)	----

Amounts in millions of pesos.

EBITDA: Earnings before interest, 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)

	2Q23		2Q24		Change	
	\$	%	\$	%	\$	%
Revenue from services	9,867	100%	11,150	100%	1,283	13%
Cost of services	(1,902)	(19%)	(2,187)	(20%)	(285)	(15%)
Gross profit	7,965	81%	8,963	80%	998	13%
General expenses	(3,588)	(36%)	(3,867)	(35%)	(279)	(8%)
EBITDA	4,377	44%	5,096	46%	719	16%
Depreciation and amortization	(4,077)	(41%)	(4,207)	(38%)	(130)	(3%)
Operating profit	300	3%	889	8%	589	196%
Financial cost:						
Interest revenue	39	0%	74	1%	35	90%
Change in fair value of financial instruments	(135)	(1%)	(717)	(6%)	(582)	n.m.
Accrued interest expense	(1,356)	(14%)	(1,565)	(14%)	(209)	(15%)
Other financial expenses	(108)	(1%)	100	1%	208	193%
Foreign exchange gain (loss) - Net	1,619	16%	(2,473)	(22%)	(4,092)	n.m.
	59	1%	(4,581)	(41%)	(4,640)	n.m.
Equity interest in net results of non-controlling entities	(18)	(0%)	-	0%	18	100%
Profit (Loss) before income tax provisions	341	3%	(3,692)	(33%)	(4,033)	n.m.
Income tax provision	(651)	(7%)	(41)	(0%)	610	94%
Net loss for the period	(310)	(3%)	(3,733)	(33%)	(3,423)	n.m.

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>6M23</u>		<u>6M24</u>			
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Revenue from services	19,694	100%	22,237	100%	2,543	13%
Cost of services	(3,910)	(20%)	(4,482)	(20%)	(572)	(15%)
Gross profit	15,784	80%	17,755	80%	1,971	12%
General expenses	(6,973)	(35%)	(7,672)	(35%)	(699)	(10%)
EBITDA	8,811	45%	10,083	45%	1,272	14%
Depreciation and amortization	(7,919)	(40%)	(8,359)	(38%)	(440)	(6%)
Operating profit	892	5%	1,724	8%	832	93%
Financial cost:						
Interest revenue	90	0%	143	1%	53	59%
Change in fair value of financial instruments	(324)	(2%)	(1,014)	(5%)	(690)	n.m.
Accrued interest expense	(2,682)	(14%)	(3,042)	(14%)	(360)	(13%)
Other financial expenses	(220)	(1%)	59	0%	279	127%
Foreign exchange gain (loss) - Net	3,471	18%	(2,063)	(9%)	(5,534)	(159%)
	335	2%	(5,917)	(27%)	(6,252)	n.m.
Equity interest in net results of non-controlling entities	(19)	(0%)	-	0%	(19)	(100%)
Profit (Loss) before income tax provisions	1,208	6%	(4,193)	(19%)	(5,401)	n.m.
Income tax provision	(1,202)	(6%)	(704)	(3%)	(498)	(41%)
Net Profit (Loss) for the period	6	0%	(4,897)	(22%)	(4,903)	n.m.

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

	As of Jun 30,					
	2023		2024		Change	
	\$	%	\$	%	\$	%
<u>Assets</u>						
CURRENT ASSETS						
Cash and cash equivalents	1,290	2%	2,728	3%	1,438	111%
Restricted cash in trusts	2,959	4%	2,497	3%	(462)	(16%)
Customers - net	4,563	5%	4,869	6%	306	7%
Other accounts receivable	146	0%	168	0%	22	15%
Recoverable taxes	3,975	5%	4,057	5%	82	2%
Related parties	247	0%	312	0%	65	26%
Inventories	2,489	3%	2,581	3%	92	4%
Prepaid expenses	595	1%	729	1%	134	23%
Total current assets	16,264	19%	17,941	21%	1,677	10%
NON-CURRENT ASSETS						
Related parties	222	0%	257	0%	35	16%
Property, plant and equipment - Net	59,912	71%	61,775	71%	1,863	3%
Rights-of-use assets -Net	6,064	7%	4,129	5%	(1,935)	(32%)
Trademarks and other assets	1,423	2%	2,473	3%	1,050	74%
Total non-current assets	67,621	81%	68,634	79%	1,013	1%
Total assets	83,885	100%	86,575	100%	2,690	3%
<u>Liabilities and Stockholders' Equity</u>						
SHORT-TERM LIABILITIES						
Financial debt	5,994	7%	4,212	5%	(1,782)	(30%)
Lease liabilities	2,319	3%	2,604	3%	285	12%
Trade payables	12,603	15%	16,401	19%	3,798	30%
Reverse factoring	2,606	3%	1,452	2%	(1,154)	(44%)
Other payables and payable taxes	1,910	2%	1,901	2%	(9)	(0%)
Related parties	777	1%	1,268	1%	491	63%
Liabilities from contracts with customers	665	1%	601	1%	(64)	(10%)
Interest payable	359	0%	226	0%	(133)	(37%)
Derivative financial instruments	187	0%	48	0%	(139)	(74%)
Total short-term liabilities	27,420	33%	28,713	33%	1,293	5%
LONG-TERM LIABILITIES						
Financial debt	41,690	50%	48,707	56%	7,017	17%
Lease liabilities	4,549	5%	2,606	3%	(1,943)	(43%)
Derivative financial instruments	2,169	3%	-	0%	(2,169)	(100%)
Employee benefits	46	0%	92	0%	46	100%
Deferred income tax	3,557	4%	6,259	7%	2,702	76%
Total long-term liabilities	52,011	62%	57,664	67%	5,653	11%
Total liabilities	79,431	95%	86,377	100%	6,946	9%
STOCKHOLDERS' EQUITY						
	4,454	5%	198	0%	(4,256)	(96%)
Total liabilities and stockholders' equity	83,885	100%	86,575	100%	2,690	3%

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

	6th months period ended Jun 30,	
	<u>2023</u>	<u>2024</u>
<u>Operating activities:</u>		
Profit (Loss) before income tax provision	1,208	(4,193)
Items not requiring the use of resources:		
Depreciation and amortization	7,919	8,359
Employee benefits	(3)	18
Items related to investing or financing activities:		
Accrued interest income	(90)	(143)
Accrued interest expense and other financial transactions	3,238	4,115
Unrealized foreign exchange gain	(3,540)	2,268
Effect per conversion	19	-
	<u>8,751</u>	<u>10,424</u>
Resources (used in) generated by operating activities:		
Customers and unearned revenue	622	(836)
Other receivables	90	14
Related parties, net	316	291
Taxes to be recovered	(165)	84
Inventories	(147)	345
Advance payments	313	(200)
Trade payables	1,905	2,578
Other payables	<u>(527)</u>	<u>(24)</u>
Cash flows generated by operating activities	<u>11,158</u>	<u>12,676</u>
<u>Investing activities:</u>		
Acquisition of property, plant and equipment	(8,076)	(5,961)
Other assets	(75)	(390)
Collected interest	<u>90</u>	<u>143</u>
Cash flows (used in) investing activities	<u>(8,061)</u>	<u>(6,208)</u>
<u>Financing activities:</u>		
Equity contributions	-	700
Loans received	1,475	(1,267)
Leasing cash flows	(1,303)	(1,217)
Restricted Cash in Trusts	(971)	880
Reverse factoring	(85)	(782)
Derivative financial instruments	(267)	(1,475)
Interest payment	<u>(2,546)</u>	<u>(2,956)</u>
Cash flows used in financing activities	<u>(3,697)</u>	<u>(6,117)</u>
Net increase (decrease) in cash and cash equivalents	(600)	351
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>1,290</u>	<u>2,728</u>