



## **TV AZTECA ANNOUNCES NET REVENUE OF Ps.3,967 MILLION AND EBITDA OF Ps.1,483 MILLION IN THE FOURTH QUARTER OF 2021**

**Mexico City, February 23, 2022**—TV Azteca, S.A.B. de C.V. (BMV: AZTECACPO Latibex: XTZA), one of the two largest producers of Spanish-language television programming in the world, today announced financial results for the fourth quarter 2021 and full year 2021.

"Weak performance in economic activity indicators in the quarter affected the television advertising market in Mexico and translated into a moderation in the company's sequential sales growth," commented Rafael Rodríguez, CEO of TV Azteca. In this context, we reinforced extraordinary measures, which are temporary, related to the reduction of production costs and the acquisition of content in the period, in order to preserve the financial and operational viability of TV Azteca."

"We anticipate the continuation of difficult conditions for the domestic broadcast television advertising market in 2022, thus we have been particularly disciplined in preserving the resources that allow us to normalize costs and expenses related to the operation of the business and the acquisition of content, indispensable for the competitiveness of our platforms in the coming quarters," concluded Mr. Rodríguez.

### **Fourth quarter results**

Net sales for the period were Ps.3,967 million, 4% higher than the Ps.3,805 million for the same quarter of the previous year. Total costs and expenses increased 2% to Ps.2,484 million, from Ps.2,424 million in the previous year.

As a result, TV Azteca reported EBITDA of Ps.1,483 million, compared to Ps.1,381 million a year ago. The company generated an operating profit of Ps.1,308 million, from a profit of Ps.1,153 million the previous year.

TV Azteca recorded a net income of Ps.251 million, compared to a net income of Ps.1,344 million in the same period of 2020.

	4Q 2020	4Q 2021	Change	
			Ps.	%
<b>Net sales</b>	\$3,805	<b>\$3,967</b>	<b>\$162</b>	<b>4%</b>
<b>EBITDA</b>	\$1,381	<b>\$1,483</b>	<b>\$102</b>	<b>7%</b>
<b>Operating result</b>	\$1,153	<b>\$1,308</b>	<b>\$154</b>	<b>13%</b>
<b>Net result</b>	\$1,344	<b>\$251</b>	<b>\$(1,093)</b>	<b>-81%</b>
<b>Net result per CPO</b>	\$0.45	<b>\$0.08</b>	<b>\$(0.37)</b>	<b>-81%</b>

Figures in millions of pesos.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.

The number of CPOs outstanding as of December 31, 2020 was 2,986 million and as of December 31, 2021 was 2,986 million.

### **Net sales**

The company's advertising sales in Mexico grew 4%, to Ps.3,889 million, from Ps.3,734 million a year earlier.

The sum of revenue of TV Azteca Guatemala and TV Azteca Honduras, as well as the company's content sales outside of Mexico, was Ps.78 million, compared to Ps.71 million the previous year.

### **Costs and SG&A Expenses**

Total costs and expenses increased 2% in the quarter as a result of a 1% growth in production, programming and transmission costs — to Ps.2,233 million, from Ps.2,207 million a year ago — together with an increase in 15% in selling and administrative expenses, to Ps.251 million, compared to Ps.217 million in the previous year.

The increase in costs, lower than the growth in income this period, reflects the extraordinary rationalization of production costs, in order to preserve the operational viability of the company.

The increase in selling and administrative expenses reflects expenses for fees related to financial advisory services in the period, partially offset by lower personnel, operating and travel expenses.

### **EBITDA and net results**

The company's EBITDA was Ps.1,483 million, compared to Ps.1,381 million in the same period of the previous year. TV Azteca reported an operating profit of Ps.1,308 million, from a profit of Ps.1,153 million a year ago.

The main variations below EBITDA were as follows:

Ps.59 million in income from affiliates, compared to a loss of Ps.122 million a year ago, mainly due to positive results of Grupo Orlegi this period compared to a loss in the same quarter of 2020.

Ps.819 million decrease in foreign exchange gains, as a consequence of the net dollar liability monetary position, together with a lower appreciation of the exchange rate of the peso against the dollar this period compared to the previous year.

Ps.491 million increase in tax provision for provision for tax contingencies this year.

Ps.176 million reductions in discontinued operations, due to the discontinued operation of Azteca Comunicaciones Peru this quarter, compared to the cancellation of the provision for contingencies related to the Atlas soccer team the previous year.

TV Azteca recorded a net income of Ps.251 million in the quarter, from a net income of Ps.1,344 million the previous year.

### **Balance Sheet**

As of December 31, 2021, TV Azteca's debt with cost was Ps.12,629 million, compared to Ps.13,529 million from the previous year. The decrease is mainly due to a reduction in the balance of the company's Certificados Bursátiles in the month of March.

The balance of cash and cash equivalents at the end of the quarter totaled Ps.2,728 million, compared to Ps.3,261 million a year ago. The company's net debt as of December 31, 2021 was Ps.9,901 million, from Ps.10,268 million the previous year.

The restricted cash balance — which reflects the amount to cover payments for content exhibition rights and other short-term obligations of the company — was Ps.1,884 million, compared to Ps.305 million a year ago.

### **Azteca Comunicaciones Perú**

As it is a matter of public knowledge, in July 2021, the Ministry of Transport and Communications of Peru decided an early termination of the Concession Contract for the National Fiber Optic Network of that country with Azteca Comunicaciones Perú, a subsidiary of TV Azteca. In accordance with this decision, on January 14, 2022 that Contract expired.

Due to the above, as of the fourth quarter of 2021, TV Azteca will present the operations of Azteca Comunicaciones Peru in the line of discontinued operations in its financial statements.

## Twelve month results

Net sales for 2021 grew 25%, to Ps.12,876 million, compared to Ps.10,291 million in 2020, as a result of higher demand for advertising space, in the context of the recovery of economic activity indicators during the first half of the year in Mexico.

Total costs and expenses were Ps.9,226 million, 6% above the Ps.8,745 million of the previous year. As a result, TV Azteca reported EBITDA of Ps.3,650 million, from Ps.1,546 million the previous year. Operating profit was Ps.2,960 million, compared to a profit of Ps.590 million in 2020.

The company posted net income of Ps.354 million, compared to a loss of Ps.2,216 million a year ago.

	2020	2021	Change Ps.	%
<b>Net sales</b>	\$10,291	<b>\$12,876</b>	<b>\$2,585</b>	<b>25%</b>
<b>EBITDA</b>	\$1,546	<b>\$3,650</b>	<b>\$2,104</b>	----
<b>Operating result</b>	\$590	<b>\$2,960</b>	<b>\$2,370</b>	----
<b>Net result</b>	\$(2,216)	<b>\$354</b>	<b>\$2,570</b>	----
<b>Net result per CPO</b>	\$(0.74)	<b>\$0.12</b>	<b>\$0.86</b>	----

Figures in millions of pesos.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.

The number of CPOs outstanding as of December 31, 2020 was 2,986 million and as of December 31, 2021 was 2,986 million.

### About TV Azteca

TV Azteca is one of the two largest producers of Spanish-language television programming in the world, operating four television networks in Mexico: Azteca uno, Azteca 7, adn40 and a+, through more than 300 owned and operated stations across the country. The company also owns TV Azteca Digital, operator of several of the most visited digital platforms and social networks in Mexico.

TV Azteca is a Grupo Salinas company ([www.gruposalinas.com](http://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](http://www.ricardosalinas.com)), Grupo Salinas operates as a management development and decision forum for the top leaders of member companies. These companies include TV Azteca ([www.tvazteca.com](http://www.tvazteca.com); [www.irtvazteca.com](http://www.irtvazteca.com)), Grupo Elektra ([www.grupoelektra.com.mx](http://www.grupoelektra.com.mx)), Banco Azteca ([www.bancoazteca.com.mx](http://www.bancoazteca.com.mx)), Purpose Financial ([havepurpose.com](http://havepurpose.com)), Afore Azteca ([www.aforeazteca.com.mx](http://www.aforeazteca.com.mx)), Seguros Azteca ([www.segurosazteca.com.mx](http://www.segurosazteca.com.mx)), Punto Casa de Bolsa ([www.puntocasadebolsa.mx](http://www.puntocasadebolsa.mx)), Totalplay ([irttotalplay.mx](http://irttotalplay.mx); [www.totalplay.com.mx](http://www.totalplay.com.mx)) and Totalplay Empresarial ([totalplayempresarial.com.mx](http://totalplayempresarial.com.mx)). TV Azteca and Grupo Elektra trade shares on the Mexican Stock Market and in Spains' Latibex market. 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 TV Azteca and its subsidiaries are presented in documents sent to the securities authorities.*

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**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED RESULTS OF OPERATIONS**  
(Millions of Mexican pesos of December 31 of 2020 and 2021 )

	<u>Fourth Quarter of :</u>					
	<u>2020</u>		<u>2021</u>		<u>Change</u>	
<b>Net revenue</b>	<b>Ps 3,805</b>	<b>100%</b>	<b>Ps 3,967</b>	<b>100%</b>	<b>Ps 162</b>	<b>4%</b>
Programming, production and transmission costs	2,207	58%	2,233	56%	27	1%
Selling and administrative expenses	<u>217</u>	6%	<u>251</u>	6%	<u>34</u>	<b>15%</b>
Total costs and expenses	<u>2,424</u>	64%	<u>2,484</u>	63%	<u>60</u>	<b>2%</b>
<b>EBITDA</b>	<b>1,381</b>	<b>36%</b>	<b>1,483</b>	<b>37%</b>	<b>102</b>	<b>7%</b>
Depreciation and amortization	166		134		(32)	
Other expense -Net	<u>61</u>		<u>41</u>		<u>(20)</u>	
<b>Operating profit</b>	<b><u>1,153</u></b>	<b>30%</b>	<b><u>1,308</u></b>	<b>33%</b>	<b><u>154</u></b>	<b>13%</b>
Equity in income from affiliates	<u>(122)</u>		<u>59</u>		<u>181</u>	
Comprehensive financing result:						
Interest expense	(290)		(276)		14	
Other financing expense	(82)		(58)		24	
Interest income	15		35		19	
Exchange loss -Net	<u>833</u>		<u>15</u>		<u>(819)</u>	
	<u>477</u>		<u>(284)</u>		<u>(762)</u>	
<b>Income before the following provision</b>	<b>1,509</b>	<b>40%</b>	<b>1,083</b>	<b>27%</b>	<b>(427)</b>	
Provision for income tax	(253)		(744)		(491)	
<b>(Loss) Profit from continuing operations</b>	<b><u>1,257</u></b>		<b><u>339</u></b>		<b><u>(918)</u></b>	<b>73%</b>
Profit (loss) from discontinued operations	88		(88)		(176)	
<b>Net income</b>	<b><u>Ps 1,344</u></b>		<b><u>Ps 251</u></b>		<b><u>Ps (1,093)</u></b>	
<b>Non-controlling share in net profit</b>	<b><u>Ps 0</u></b>		<b><u>Ps 2</u></b>		<b><u>Ps 2</u></b>	
<b>Controlling share in net profit</b>	<b>Ps 1,344</b>	<b>35%</b>	<b>Ps 249</b>	<b>6%</b>	<b>Ps (1,095)</b>	<b>81%</b>

**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED RESULTS OF OPERATIONS**  
(Millions of Mexican pesos of December 31 of 2020 and 2021 )

	<u>Period ended December 31,</u>					
	<u>2020</u>		<u>2021</u>		<u>Change</u>	
<b>Net revenue</b>	<b>Ps 10,291</b>	<b>100%</b>	<b>Ps 12,876</b>	<b>100%</b>	<b>Ps 2,585</b>	<b>25%</b>
Programming, production and transmission costs	8,052	78%	8,327	65%	276	3%
Selling and administrative expenses	693	7%	898	7%	205	30%
Total costs and expenses	8,745	85%	9,226	72%	481	6%
<b>EBITDA</b>	<b>1,546</b>	<b>15%</b>	<b>3,650</b>	<b>28%</b>	<b>2,104</b>	<b>136%</b>
Depreciation and amortization	686		587		(99)	
Other expense -Net	270		103		(167)	
<b>Operating profit</b>	<b>590</b>	<b>6%</b>	<b>2,960</b>	<b>23%</b>	<b>2,370</b>	<b>401%</b>
Equity in income from affiliates	(206)		111		317	
Comprehensive financing result:						
Interest expense	(1,271)		(1,074)		198	
Other financing expense	(374)		(337)		37	
Interest income	73		97		25	
Exchange Gain -Net	(390)		(289)		100	
	(1,962)		(1,603)		359	
<b>Income before the following provision</b>	<b>(1,578)</b>	<b>-15%</b>	<b>1,468</b>	<b>11%</b>	<b>3,046</b>	<b>193%</b>
Provision for income tax	(797)		(1,096)		(299)	
<b>(Loss) Profit from continuing operations</b>	<b>(2,375)</b>		<b>372</b>		<b>2,747</b>	<b>116%</b>
Impairment of long-live assets	(94)		-		94	
Profit (loss) from discontinued operations	253		(17)		(270)	
<b>Net income</b>	<b>Ps (2,216)</b>		<b>Ps 354</b>		<b>Ps 2,570</b>	
<b>Non-controlling share in net profit</b>	<b>Ps 2</b>		<b>Ps 2</b>		<b>Ps 0</b>	
<b>Controlling share in net profit</b>	<b>Ps (2,218)</b>	<b>-22%</b>	<b>Ps 353</b>	<b>3%</b>	<b>Ps 2,570</b>	<b>116%</b>

**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Millions of Mexican pesos of December 31 of 2020 and 2021)

	<u>At December 31</u>				
	<u>2020</u>	<u>2021</u>			<u>Change</u>
<b>Current assets:</b>					
Cash and cash equivalents	Ps 3,261	Ps 2,728	Ps (533)		
Restricted Cash	305	1,884	1,579		
Accounts receivable	3,240	3,718	478		
Other current assets	2,196	2,977	781		
<b>Total current assets</b>	<b>9,002</b>	<b>11,307</b>	<b>2,305</b>		<b>26%</b>
Accounts receivable	30	231	201		
Exhibition rights	2,151	1,849	(302)		
Property, plant and equipment-Net	3,239	2,852	(387)		
Television concessions-Net	9,449	9,451	2		
Other assets	906	802	(104)		
Deferred income tax asset	1,971	1,952	(19)		
<b>Total long term assets</b>	<b>17,746</b>	<b>17,137</b>	<b>(609)</b>		<b>-3%</b>
<b>Total assets</b>	<b>Ps 26,748</b>	<b>Ps 28,444</b>	<b>Ps 1,696</b>		<b>6%</b>
<b>Current liabilities:</b>					
Short-term debt	Ps 175	Ps 2,804	Ps 2,629		
Other current liabilities	6,149	9,422	3,273		
<b>Total current liabilities</b>	<b>6,324</b>	<b>12,226</b>	<b>5,902</b>		<b>93%</b>
<b>Long-term debt:</b>					
Securities Certificates	3,970	-	(3,970)		
Long-term debt	9,384	9,825	441		
<b>Total long-term debt</b>	<b>13,354</b>	<b>9,825</b>	<b>(3,529)</b>		<b>-26%</b>
<b>Other long term liabilities:</b>					
Advertising advances	4,566	3,914	(652)		
Deferred income tax	465	353	(112)		
Other long term liabilities	907	460	(447)		
<b>Total other long-term liabilities</b>	<b>5,938</b>	<b>4,727</b>	<b>(1,211)</b>		<b>-20%</b>
<b>Total liabilities</b>	<b>25,616</b>	<b>26,778</b>	<b>1,162</b>		<b>5%</b>
<b>Total stockholders' equity</b>	<b>1,132</b>	<b>1,666</b>	<b>534</b>		<b>47%</b>
<b>Total liabilities and equity</b>	<b>Ps 26,748</b>	<b>Ps 28,444</b>	<b>Ps 1,696</b>		<b>6%</b>

**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Millions of Mexican pesos of December 31 of 2020 and 2021 )

	<u>Period ended December 31,</u>	
	<u>2020</u>	<u>2021</u>
Operating activities:		
Income before taxes on earnings	Ps (1,578)	Ps 1,468
Charges to income not affecting resource	3,051	2,312
<b>Cash flow generated before taxes to income</b>	<b><u>1,473</u></b>	<b><u>3,780</u></b>
Accounts receivable and related parties	1,020	(1,450)
Inventories and performance rights	532	(563)
Accounts payable, accrued expenses and taxes on earnings	(150)	1,794
<b>Net cash flow from operating activities</b>	<b><u>2,875</u></b>	<b><u>3,561</u></b>
<b>Investing activities:</b>		
Acquisitions of property and equipment, intangibles and others	(241)	(550)
<b>Net cash flows from investing activities</b>	<b><u>(241)</u></b>	<b><u>(550)</u></b>
<b>Financing activities:</b>		
Repayment of borrowings, net	(1,710)	(1,212)
Proceeds from borrowings	1,708	1
Interest paid	(1,214)	(398)
Others	(136)	(355)
<b>Net cash flows from financing activities</b>	<b><u>(1,352)</u></b>	<b><u>(1,965)</u></b>
Increase in cash and cash equivalents	1,282	1,046
Cash and cash equivalents at beginning of year	2,284	3,566
<b>Cash and cash equivalents at end of year</b>	<b><u>Ps 3,566</u></b>	<b><u>Ps 4,612</u></b>