



**TV AZTECA ANNOUNCES SALES OF Ps.5,203 MILLION  
AND EBITDA OF Ps.668 MILLION IN THE FOURTH QUARTER OF 2022**

**Mexico City, March 27, 2023**—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 2022 and full-year 2022.

“The increase in sales in the quarter results, to a large extent, from income related to the broadcast of the Qatar 2022 Soccer World Cup matches; however, the broadcast television advertising market in Mexico continues to face strong limitations”, commented Rafael Rodríguez, CEO of TV Azteca. “The growth in costs for the period is derived from exhibition rights and content production related to the World Cup, as well as the generation of competitive programming to preserve our position in the sector, while the increase in expenses reflects operating activities consistent with the higher production efforts. Despite the increase in revenue in the quarter, higher costs and expenses negatively affected EBITDA”.

“TV Azteca's sales have not been immune to the downward trend of the domestic broadcast television advertising market in the long term; the company's annual revenue in 2022 was down 15% in real terms compared to 2018 — the year in which World Cup games were also broadcast — translating into a real 12% decline in EBITDA. Alternatively, when compared to 2019, the period prior to the confinement due to the SARS-Cov-2 virus, revenue decreased 1% and EBITDA decreased 4%, after discounting inflation”, added Mr. Rodríguez. “The company's sales are beginning to recover gradually, and will eventually reach pre-lockdown levels, however, we believe that the strong presence of digital media in the advertising market will pose major challenges and will continue to affect the trend of broadcast television revenues towards the future, which together with higher costs derived from increased production efforts, will keep our EBITDA at relatively low levels”.

## **Fourth quarter results**

Net sales for the period totaled Ps.5,203 million, 31% above the Ps.3,967 million of the same quarter of the previous year. Total costs and expenses increased 83% to Ps.4,535 million, from Ps.2,484 million the previous year.

As a result, the company reported EBITDA of Ps.668 million, compared to Ps.1,483 million a year ago. TV Azteca generated operating income of Ps.425 million, from Ps.1,308 million the previous year.

The company registered net income of Ps.125 million, compared to Ps.251 million in the same period of 2021.

	4Q 2021	4Q 2022	Change Ps.	%
<b>Net sales</b>	\$3,967	<b>\$5,203</b>	<b>\$1,236</b>	<b>31%</b>
<b>EBITDA</b>	\$1,483	<b>\$668</b>	<b>\$(815)</b>	<b>-55%</b>
<b>Operating result</b>	\$1,308	<b>\$425</b>	<b>\$(883)</b>	<b>-68%</b>
<b>Net result</b>	\$251	<b>\$125</b>	<b>\$(126)</b>	<b>-50%</b>
<b>Net result per CPO</b>	\$0.08	<b>\$0.04</b>	<b>\$(0.04)</b>	<b>-50%</b>

Figures in millions of pesos.

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

The number of CPOs outstanding as of December 31, 2022 was 2,986 million, unchanged from the previous year.

## **Net sales**

The company's advertising sales in Mexico increased 30%, to Ps.5,065 million, from Ps.3,889 million the previous year, in the context of extraordinary income from the broadcast of the Soccer World Cup games in Qatar 2022.

The sum of the revenue of TV Azteca Guatemala and TV Azteca Honduras, as well as the sales of the company's content outside of Mexico, was Ps.138 million, compared to Ps.78 million the previous year.

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

Total costs and expenses grew 83% in the quarter as a result of an 82% increase in production, programming and transmission costs — to Ps.4,072 million, from Ps.2,233 million a year ago — together with an increase of 85 % in selling and administrative expenses, to Ps.463 million, compared to Ps.251 million of the previous year.

Cost performance reflects payments for exhibition rights and production costs related to the broadcast of Soccer World Cup matches, as well as efforts to generate competitive programming, both in broadcast television and digital media during the period.

The increase in selling and administrative expenses reflects higher operating expenses, personnel and fees this quarter.

The company is in the process of normalizing its content production capacities, in a competitive market, as well as operations related to greater productive activities — which were reduced during the Covid 19 health contingency —. This increases the costs and expenses of the period, to levels consistent with regular activities in the economy.

### **EBITDA and net result**

The company's EBITDA was Ps.668 million, compared to Ps.1,483 million in the same period of the previous year. TV Azteca reported operating income of Ps.425 million, from Ps.1,308 million a year ago.

The main variation below EBITDA was an increase of Ps.482 million in foreign exchange gain as a result of the net liability monetary position in dollars, together with a greater appreciation of the exchange rate of the peso against the dollar this quarter, compared to the previous year .

### **Balance sheet**

As of December 31, 2022, TV Azteca's debt with cost was Ps.9,449 million, from Ps.12,629 million the previous year.

In accordance with the company's commitment to reorganize its debt, during the quarter, TV Azteca finished amortizing its Cebures with principal of Ps.4,000 million due in 2022.

The balance of cash and cash equivalents at the end of the quarter was Ps.2,000 million, compared to Ps.2,896 million a year ago. The company's net debt as of December 31, 2022 was Ps.7,449 million, from Ps.9,733 million the previous year.

The restricted cash balance — which reflects the amount to cover payments for content display rights and other short-term obligations of the company — was Ps.226 million, compared to Ps.1,715 million a year ago.

### **Twelve months results**

Net sales for 2022 totaled Ps.15,099 million, compared to Ps.12,876 million of the previous year. Total costs and expenses were Ps.12,149 million, from Ps.9,226 million in 2021.

As a consequence, TV Azteca reported EBITDA of Ps.2,949 million, compared to Ps.3,650 million of the previous year. Operating income was Ps.2,099 million, from Ps.2,960 million a year ago. The company registered net income of Ps.577 million, compared to Ps.355 million in 2021.

	2021	2022	Change Ps.	%
<b>Net sales</b>	\$12,876	\$15,099	\$2,222	17%
<b>EBITDA</b>	\$3,650	\$2,949	\$(701)	-19%
<b>Operating result</b>	\$2,960	\$2,099	\$(861)	-29%
<b>Net result</b>	\$355	\$577	\$222	63%
<b>Net result per CPO</b>	\$0.12	\$0.19	\$0.07	63%

Figures in millions of pesos.

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

The number of CPOs outstanding as of December 31, 2022 was 2,986 million, unchanged from the previous year.

#### **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 más +, 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 2021 and 2022 )

	Fourth Quarter of :						Change	
	2021		2022					
<b>Net revenue</b>	<b>Ps 3,967</b>	<b>100%</b>	<b>Ps 5,203</b>	<b>100%</b>	<b>Ps 1,236</b>	<b>31%</b>		
Programming, production and transmission costs	2,233	56%	4,072	78%	1,839	82%		
Selling and administrative expenses	251	6%	463	9%	212	85%		
Total costs and expenses	2,484	63%	4,535	87%	2,051	83%		
<b>EBITDA</b>	<b>1,483</b>	<b>37%</b>	<b>668</b>	<b>13%</b>	<b>(815)</b>	<b>-55%</b>		
Depreciation and amortization	134		214		80			
Other expense -Net	41		29		(12)			
<b>Operating profit</b>	<b>1,308</b>	<b>33%</b>	<b>425</b>	<b>8%</b>	<b>(883)</b>	<b>-68%</b>		
Equity in income from affiliates	59		(3)		(62)			
Comprehensive financing result:								
Interest expense	(276)		(231)		45			
Other financing expense	(58)		(16)		42			
Interest income	35		34		(1)			
Exchange loss -Net	15		497		482			
	(284)		284		568			
<b>Income before the following provision</b>	<b>1,083</b>	<b>27%</b>	<b>706</b>	<b>14%</b>	<b>(377)</b>			
Provision for income tax	(744)		(572)		172			
<b>(Loss) Profit from continuing operations</b>	<b>339</b>		<b>134</b>		<b>(205)</b>			
Profit (loss) from discontinued operations	(88)		(9)		79			
<b>Net income</b>	<b>Ps 251</b>		<b>Ps 125</b>		<b>Ps (126)</b>	<b>-50%</b>		
<b>Non-controlling share in net profit</b>	<b>Ps 2</b>		<b>Ps -</b>		<b>Ps (2)</b>			
<b>Controlling share in net profit</b>	<b>Ps 249</b>	<b>6%</b>	<b>Ps 125</b>	<b>2%</b>	<b>Ps (124)</b>	<b>-50%</b>		

**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED RESULTS OF OPERATIONS**  
(Millions of Mexican pesos of December 31 of 2021 and 2022 )

	<u>Period ended December 31,</u>					
	<u>2021</u>		<u>2022</u>		<u>Change</u>	
<b>Net revenue</b>	<b>Ps 12,876</b>	<b>100%</b>	<b>Ps 15,099</b>	<b>100%</b>	<b>Ps 2,222</b>	<b>17%</b>
Programming, production and transmission costs	8,327	65%	11,172	74%	2,845	34%
Selling and administrative expenses	898	7%	977	6%	79	9%
Total costs and expenses	9,226	72%	12,149	80%	2,924	32%
<b>EBITDA</b>	<b>3,650</b>	<b>28%</b>	<b>2,949</b>	<b>20%</b>	<b>(701)</b>	<b>-19%</b>
Depreciation and amortization	587		758		171	
Other expense -Net	103		92		(11)	
<b>Operating profit</b>	<b>2,960</b>	<b>23%</b>	<b>2,099</b>	<b>14%</b>	<b>(861)</b>	<b>-29%</b>
Equity in income from affiliates	111		190		80	
Comprehensive financing result:						
Interest expense	(1,074)		(1,017)		57	
Other financing expense	(337)		(181)		156	
Interest income	97		119		22	
Exchange Gain -Net	(289)		464		753	
	(1,603)		(615)		988	
<b>Income before the following provision</b>	<b>1,468</b>	<b>11%</b>	<b>1,675</b>	<b>11%</b>	<b>207</b>	
Provision for income tax	(1,096)		(997)		99	
<b>(Loss) Profit from continuing operations</b>	<b>372</b>		<b>677</b>		<b>306</b>	
Impairment of long-live assets	-		-		-	
Profit (loss) from discontinued operations	(17)		(100)		(83)	
<b>Net income</b>	<b>Ps 355</b>		<b>Ps 577</b>		<b>Ps 222</b>	<b>63%</b>
<b>Non-controlling share in net profit</b>	<b>Ps 2</b>		<b>Ps -</b>		<b>Ps (2)</b>	
<b>Controlling share in net profit</b>	<b>Ps 353</b>	<b>3%</b>	<b>Ps 577</b>	<b>4%</b>	<b>Ps 224</b>	<b>64%</b>

**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Millions of Mexican pesos of December 31 of 2021 and 2022)

	At December 31			
	2021	2022		
			<u>Change</u>	
<b>Current assets:</b>				
Cash and cash equivalents	Ps 2,896	Ps 2,000	Ps (896)	
Restricted Cash	1,715	226	(1,489)	
Accounts receivable	3,718	4,039	320	
Other current assets	2,032	1,738	(294)	
<b>Total current assets</b>	<b>10,362</b>	<b>8,003</b>	<b>(2,359)</b>	<b>-23%</b>
Accounts receivable	231	218	(13)	
Exhibition rights	1,849	2,165	317	
Property, plant and equipment-Net	2,857	2,686	(171)	
Television concessions-Net	9,451	9,247	(204)	
Other assets	810	824	14	
Deferred income tax asset	1,640	1,643	3	
<b>Total long term assets</b>	<b>16,838</b>	<b>16,784</b>	<b>(54)</b>	<b>0%</b>
<b>Total assets</b>	<b><u>Ps 27,201</u></b>	<b><u>Ps 24,787</u></b>	<b><u>Ps (2,414)</u></b>	<b>-9%</b>
<b>Current liabilities:</b>				
Short-term debt	Ps 10,927	Ps 7,781	Ps (3,146)	
Other current liabilities	7,987	8,533	546	
Advertising advances	3,339	2,920	(419)	
<b>Total current liabilities</b>	<b>22,253</b>	<b>19,234</b>	<b>(3,019)</b>	<b>-14%</b>
<b>Long-term debt:</b>				
Long-term debt	1,702	1,668	(34)	
<b>Total long-term debt</b>	<b>1,702</b>	<b>1,668</b>	<b>(34)</b>	<b>-2%</b>
<b>Other long term liabilities:</b>				
Advertising advances	575	849	273	
Deferred income tax	543	252	(291)	
Other long term liabilities	461	452	(9)	
<b>Total other long-term liabilities</b>	<b>1,579</b>	<b>1,553</b>	<b>(26)</b>	<b>-2%</b>
<b>Total liabilities</b>	<b>25,535</b>	<b>22,455</b>	<b>(3,079)</b>	<b>-12%</b>
<b>Total stockholders' equity</b>	<b>1,666</b>	<b>2,332</b>	<b>666</b>	<b>40%</b>
<b>Total liabilities and equity</b>	<b><u>Ps 27,201</u></b>	<b><u>Ps 24,787</u></b>	<b><u>Ps (2,414)</u></b>	<b>-9%</b>

**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Millions of Mexican pesos of December 31 of 2021 and 2022 )

	<b>Period ended December 31,</b>	
	<b>2021</b>	<b>2022</b>
Operating activities:		
Income before taxes on earnings	<b>Ps</b> 1,468	<b>Ps</b> 1,675
Charges to income not affecting resource	2,220	1,605
<b>Cash flow generated before taxes to income</b>	<b>3,688</b>	<b>3,280</b>
Accounts receivable and related parties	(1,450)	(639)
Inventories and performance rights	569	305
Accounts payable, accrued expenses and taxes on earnings	638	(1,830)
<b>Net cash flow from operating activities</b>	<b>3,445</b>	<b>1,115</b>
<b>Investing activities:</b>		
Acquisitions of property and equipment, intangibles and others	(432)	(293)
<b>Net cash flows from investing activities</b>	<b>(432)</b>	<b>(293)</b>
<b>Financing activities:</b>		
Repayment of borrowings, net	(1,214)	(2,792)
Interest paid	(398)	(320)
Others	(355)	(96)
<b>Net cash flows from financing activities</b>	<b>(1,967)</b>	<b>(3,208)</b>
Increase in cash and cash equivalents	1,046	(2,386)
Cash and cash equivalents at beginning of year	3,566	4,612
<b>Cash and cash equivalents at end of year</b>	<b>Ps</b> 4,612	<b>Ps</b> 2,226