



**TV AZTECA ANNOUNCES NET REVENUE OF Ps.2,980 MILLION  
AND EBITDA OF Ps.676 MILLION IN THE SECOND QUARTER OF 2021**

**Mexico City, July 22, 2021**—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 second quarter 2021.

"Higher demand for advertising time in the company's competitive content, in the context of the recovery of economic activity indicators — from limited levels of activity a year ago — drove growth in sales this quarter," commented Rafael Rodríguez, CEO of TV Azteca. "Higher revenue was congruent with initiatives that generate higher efficiencies in our programming production process, which contributed to strengthening the operational and financial viability of the company in the period."

**Second quarter results**

Net revenue for the period was Ps.2,980 million, 60% higher the Ps.1,857 million for the same quarter of last year. Total costs and expenses increased 34% to Ps.2,304 million, from Ps.1,714 million for the previous year.

As a result, the company reported EBITDA of Ps.676 million, compared to Ps.142 million a year ago. TV Azteca reported operating income of Ps.485 million, from an operating loss of Ps.112 million in the previous year.

The company recorded a net income of Ps.283 million, compared to a net loss of Ps.707 million in the same period of 2020.

	2Q 2020	2Q 2021	Change	
			Ps.	%
<b>Net sales</b>	\$1,857	<b>\$2,980</b>	<b>\$1,123</b>	<b>60%</b>
<b>EBITDA</b>	\$142	<b>\$676</b>	<b>\$533</b>	<b>374%</b>
<b>Operating income</b>	\$(112)	<b>\$485</b>	<b>\$597</b>	----
<b>Net result</b>	\$(707)	<b>\$283</b>	<b>\$989</b>	----
<b>Net result per CPO</b>	\$(0.24)	<b>\$0.09</b>	<b>\$0.33</b>	----

Figures in millions of pesos.

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

The number of CPOs outstanding as of June 30, 2020 was 2,984 million and as of June 30, 2021 was 2,986 million.

## **Net sales**

Advertising sales for the company in Mexico increased 66% to Ps.2,810 million, from Ps.1,694 million the previous year, in the context of better performing economic aggregates compared to the previous year.

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.66 million, compared to Ps.50 million the previous year.

Azteca Comunicaciones Perú reported revenue of Ps.104 million from Ps.113 million a year ago. The revenue resulted from telecommunications services and reimbursements from the Peruvian government for maintenance and operation of the fiber optic network.

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

Total costs and expenses increased 34% in the quarter as a result of a 29% growth in production, programming and transmission and telecommunications services costs — to Ps.2,085 million, from Ps.1,612 million a year ago —together with a 114% increase in selling and administrative expenses, to Ps.219 million, compared to Ps.103 million from the previous year.

The increase in costs, which was lower than the revenue growth this period, reflects strategies that strengthen efficiencies in the content production process, which preserve the operational viability of the company, while maintaining the superior quality of the programming.

The costs of Azteca Comunicaciones Perú were Ps.82 million, from Ps.85 million a year ago. The reduction is mainly due to lower costs for the maintenance of the transmission infrastructure.

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

### **EBITDA and net results**

The company's EBITDA was Ps.676 million, compared to Ps.142 million in the same period of the previous year. TV Azteca reported operating income of Ps.485 million, from an operating loss of Ps.112 million a year ago.

Significant variations below EBITDA were the following:

A Ps.79 million reduction in paid interests, as a result of a lower balance of debt with cost in the company, as well as a lower average exchange rate during the first half of this year, compared to 2020.

A Ps.78 million decrease in other financial expenses, derived from the sale of the company's investment portfolio a year ago.

A Ps.72 million increase in foreign exchange gain, as a consequence of the net monetary liability 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.

A Ps.64 million reduction in asset impairment, due to a change of venue and image of the Club Atlético Morelia soccer team a year ago.

An Ps.87 million decrease in tax provision, derived from an extraordinary provision of income tax a year ago.

TV Azteca recorded a net income of Ps.283 million in the quarter, from a net loss of Ps.707 million a year ago.

### **Balance Sheet**

As of June 30, 2021, TV Azteca's debt with cost was Ps.12,356 million, compared to Ps.14,791 million from the previous year. The decrease results from the effect of a lower exchange rate — as of June 30, 2021, compared to the previous year — on the dollar denominated debt with cost, as well as a reduction in the balance of the company's *Certificados Bursátiles*.

In March, the company announced that it repurchased and canceled Ps.1,211 million of its *Certificados Bursátiles* with a principal of Ps.4,000 million and maturity in 2022, as a consequence of the purchase of Certificates in the secondary market.

The cash and cash equivalents balance at the end of the quarter was Ps.2,550 million, compared to Ps.2,234 million a year ago. The company's net debt as of June 30, 2021, was Ps.9,806 million, from Ps.12,557 million the previous year.

### **Six months' results**

Net sales for the first six months of 2021 were Ps.5,649 million, in comparison with Ps.4,319 million for the same period of 2020. The growth derives from higher demand for advertising time in the context of the recovery of economic activity indicators in Mexico.

Total costs and expenses were Ps.4,363 million, a 2% reduction from Ps.4,449 million in the same period of the previous year, largely as a consequence of the implementation of strategies that generate greater efficiency in content production.

TV Azteca reported EBITDA of Ps.1,286 million, compared to a negative figure of Ps.130 million in the first half of the previous year. Operating income was Ps.921 million, from a negative result of Ps.649 million a year ago. The company recorded a net income of Ps.1 million, compared to a net loss of Ps.3,483 million in the same period of 2020.

	6M 2020	6M 2021	Change	
			Ps.	%
<b>Net sales</b>	\$4,319	<b>\$5,649</b>	<b>\$1,330</b>	<b>31%</b>
<b>EBITDA</b>	\$(130)	<b>\$1,286</b>	<b>\$1,416</b>	----
<b>Operating result</b>	\$(649)	<b>\$921</b>	<b>\$1,569</b>	----
<b>Net result</b>	\$(3,483)	<b>\$1</b>	<b>\$3,485</b>	----
<b>Net result per CPO</b>	\$(1.17)	<b>\$0.00</b>	<b>\$1.17</b>	----

Figures in millions of pesos.

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

The number of CPOs outstanding as of June 30, 2020 was 2,984 million and as of June 30, 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 ([irtotalplay.mx](http://irtotalplay.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 Spain's 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 June 30 of 2020 and 2021 )

	Second Quarter of :						Change		
	2020		2021						
<b>Net revenue</b>	<b>Ps</b>	<b>1,857</b>	<b>100%</b>	<b>Ps</b>	<b>2,980</b>	<b>100%</b>	<b>Ps</b>	<b>1,123</b>	<b>60%</b>
Programming, production and transmission costs		1,612	87%		2,085	70%		473	29%
Selling and administrative expenses		103	6%		219	7%		117	114%
Total costs and expenses		1,714	92%		2,304	77%		590	34%
<b>EBITDA</b>		<b>142</b>	<b>8%</b>		<b>676</b>	<b>23%</b>		<b>533</b>	<b>374%</b>
Depreciation and amortization		186			159			(27)	
Other expense -Net		68			31			(37)	
<b>Operating profit</b>		<b>(112)</b>	<b>-6%</b>		<b>485</b>	<b>16%</b>		<b>597</b>	
Equity in income from affiliates		(6)			5			12	
Comprehensive financing result:									
Interest expense		(341)			(262)			79	
Other financing expense		(173)			(95)			78	
Interest income		16			16			1	
Exchange loss -Net		154			226			72	
		(345)			(114)			231	
<b>Income before the following provision</b>		<b>(463)</b>	<b>-25%</b>		<b>376</b>	<b>13%</b>		<b>839</b>	
Provision for income tax		(180)			(93)			87	
<b>(Loss) Profit from continuing operations</b>		<b>(643)</b>			<b>283</b>			<b>926</b>	
Impairment of long-live assets		(64)			-			64	
<b>Net income</b>	<b>Ps</b>	<b>(707)</b>		<b>Ps</b>	<b>283</b>		<b>Ps</b>	<b>989</b>	
<b>Non-controlling share in net profit</b>	<b>Ps</b>	<b>1</b>		<b>Ps</b>	<b>1</b>		<b>Ps</b>	<b>(1)</b>	
<b>Controlling share in net profit</b>	<b>Ps</b>	<b>(708)</b>	<b>-38%</b>	<b>Ps</b>	<b>282</b>	<b>9%</b>	<b>Ps</b>	<b>990</b>	

**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED RESULTS OF OPERATIONS**  
(Millions of Mexican pesos of June 30 of 2020 and 2021 )

	<u>Period ended June 30,</u>				<u>Change</u>	
	<u>2020</u>		<u>2021</u>			
<b>Net revenue</b>	<b>Ps 4,319</b>	<b>100%</b>	<b>Ps 5,649</b>	<b>100%</b>	<b>Ps 1,330</b>	<b>31%</b>
Programming, production and transmission costs	4,117	95%	3,970	70%	(147)	-4%
Selling and administrative expenses	332	8%	393	7%	62	19%
Total costs and expenses	4,449	103%	4,363	77%	(86)	-2%
<b>EBITDA</b>	<b>(130)</b>	<b>-3%</b>	<b>1,286</b>	<b>23%</b>	<b>1,416</b>	
Depreciation and amortization	367		323		(43)	
Other expense -Net	152		42		(110)	
<b>Operating profit</b>	<b>(649)</b>	<b>-15%</b>	<b>921</b>	<b>16%</b>	<b>1,569</b>	
Equity in income from affiliates	48		30		(18)	
Comprehensive financing result:						
Interest expense	(680)		(541)		139	
Other financing expense	(263)		(287)		(24)	
Interest income	40		34		(6)	
Exchange Gain -Net	(1,556)		30		1,586	
	(2,458)		(764)		1,695	
<b>Income before the following provision</b>	<b>(3,059)</b>	<b>-71%</b>	<b>186</b>	<b>3%</b>	<b>3,246</b>	
Provision for income tax	(360)		(185)		175	
<b>(Loss) Profit from continuing operations</b>	<b>(3,420)</b>		<b>1</b>		<b>3,421</b>	
Impairment of long-live assets	(64)		-		64	
<b>Net income</b>	<b>Ps (3,483)</b>		<b>Ps 1</b>		<b>Ps 3,485</b>	
<b>Non-controlling share in net profit</b>	<b>Ps 1</b>		<b>Ps 1</b>		<b>Ps (0)</b>	
<b>Controlling share in net profit</b>	<b>Ps (3,484)</b>	<b>-81%</b>	<b>Ps 1</b>	<b>0%</b>	<b>Ps 3,485</b>	

**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Millions of Mexican pesos of June 30 of 2020 and 2021)

	At June 30				Change
	2020	2021			
<b>Current assets:</b>					
Cash and cash equivalents	Ps 2,234	Ps 2,550			Ps 316
Accounts receivable	4,355	3,636			(719)
Other current assets	2,932	2,411			(521)
<b>Total current assets</b>	<b>9,521</b>	<b>8,597</b>			<b>(924) -10%</b>
Accounts receivable	28	-			(28)
Exhibition rights	2,469	2,012			(457)
Property, plant and equipment-Net	3,478	3,019			(459)
Television concessions-Net	9,461	9,450			(11)
Other assets	1,726	925			(801)
Deferred income tax asset	2,332	1,970			(362)
<b>Total long term assets</b>	<b>19,494</b>	<b>17,376</b>			<b>(2,118) -11%</b>
<b>Total assets</b>	<b>Ps 29,015</b>	<b>Ps 25,973</b>			<b>Ps (3,042) -10%</b>
<b>Current liabilities:</b>					
Short-term debt	Ps 174	Ps 4			Ps (170)
Other current liabilities	6,408	6,745			337
<b>Total current liabilities</b>	<b>6,582</b>	<b>6,749</b>			<b>167 3%</b>
<b>Long-term debt:</b>					
Securities Certificates	3,969	2,774			(1,195)
Long-term debt	10,648	9,578			(1,070)
<b>Total long-term debt</b>	<b>14,617</b>	<b>12,352</b>			<b>(2,265) -15%</b>
<b>Other long term liabilities:</b>					
Advertising advances	6,472	4,594			(1,878)
Deferred income tax	608	571			(37)
Other long term liabilities	584	390			(194)
<b>Total other long-term liabilities</b>	<b>7,664</b>	<b>5,555</b>			<b>(2,109) -28%</b>
<b>Total liabilities</b>	<b>28,863</b>	<b>24,656</b>			<b>(4,207) -15%</b>
<b>Total stockholders' equity</b>	<b>152</b>	<b>1,317</b>			<b>1,165 766%</b>
<b>Total liabilities and equity</b>	<b>Ps 29,015</b>	<b>Ps 25,973</b>			<b>Ps (3,042) -10%</b>



**TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Millions of Mexican pesos of June 30 of 2020 and 2021 )

	<u>Period ended June 30,</u>	
	<u>2020</u>	<u>2021</u>
Operating activities:		
Income before taxes on earnings	Ps (3,059)	Ps 186
Charges to income not affecting resource	2,601	1,237
<b>Cash flow generated before taxes to income</b>	<b><u>(459)</u></b>	<b><u>1,424</u></b>
Accounts receivable and related parties	795	(688)
Inventories and performance rights	148	(57)
Accounts payable, accrued expenses and taxes on earnings	268	157
<b>Net cash flow from operating activities</b>	<b><u>752</u></b>	<b><u>836</u></b>
<b>Investing activities:</b>		
Acquisitions of property and equipment, intangibles and others	(129)	(343)
<b>Net cash flows from investing activities</b>	<b><u>(129)</u></b>	<b><u>(343)</u></b>
<b>Financing activities:</b>		
Repayment of borrowings, net	(1,709)	(1,213)
Proceeds from borrowings	1,708	-
Interest paid	(616)	(235)
Others	(57)	(61)
<b>Net cash flows from financing activities</b>	<b><u>(674)</u></b>	<b><u>(1,509)</u></b>
Increase in cash and cash equivalents	(50)	(1,016)
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 2,234</u></b>	<b><u>Ps 2,550</u></b>