

axtel

alestra*

axnet | AXTEL
NETWORKS

**Technology
connecting
your life**

Corporate Presentation

FOURTH QUARTER 2024

I. Axtel at a Glance

II. Financial Performance

III. Growth Plan


IV. Shareholder Structure




alestra*

axnet | AXTEL NETWORKS

Information and Communications Technology (ICT) Company with 28 years of experience that, through its commercial brands Alestra and Axnet, provides advanced and reliable technological solutions in Mexico.

 **3,841**
employees

 **+1,000**
Certified engineers

 **+26%**
Female talent

 **Management**
+21 years
experience



ICT Company; Moving Towards Specialization

alestra*

Information Technology (IT), cybersecurity and connectivity solutions.

ENTERPRISE

- Specialization by industry (verticals) and business lines
- 70% of the top 500 companies in Mexico
- +12,000 customers

GOVERNMENT

- Federal & local presence; diversification & smoothing out political cycles
- 25% of federal institutions
- Presence in 22 states
- +200 customers

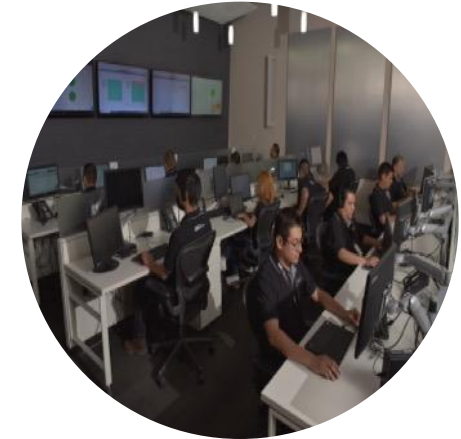
axnet | AXTEL NETWORKS

High-capacity fiber optic connectivity.

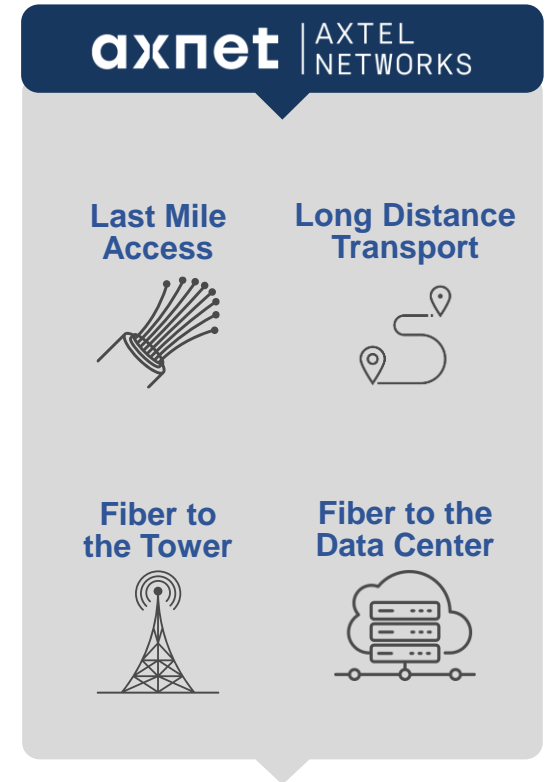
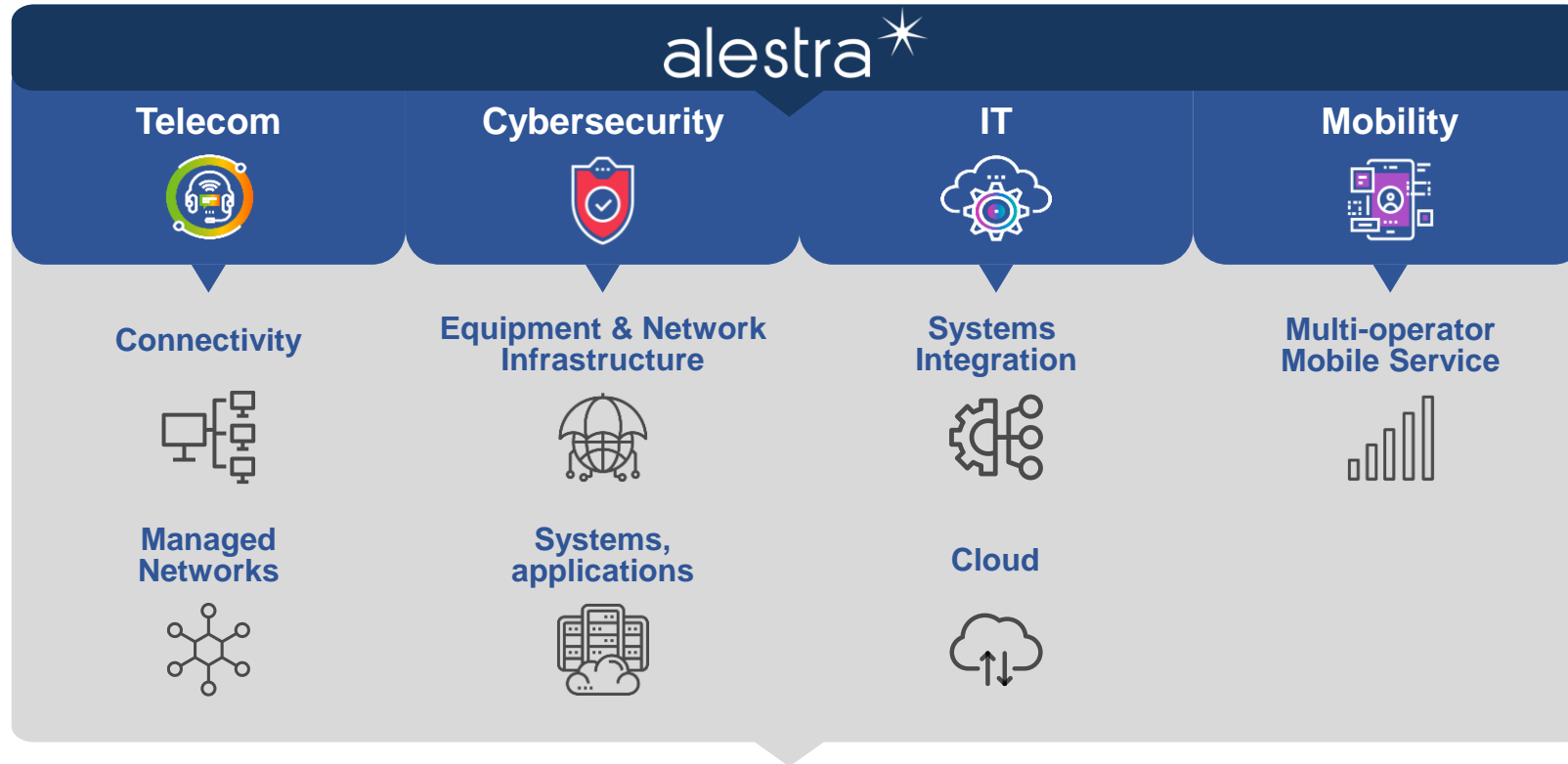
WHOLESALE

- 53,600 km fiber network
- 77 cities, industrial parks, data centers, metro rings
- ~60 customers; other operators and *hyperscalers*

+20 Technology Partners
6 operating centers | 3 experience centers



Wholesale, Enterprise & Government Segments



Enterprise Strategic Verticals

Financial



Retail



Transport & Logistics



Manufacturing



Government

Federal

State / local

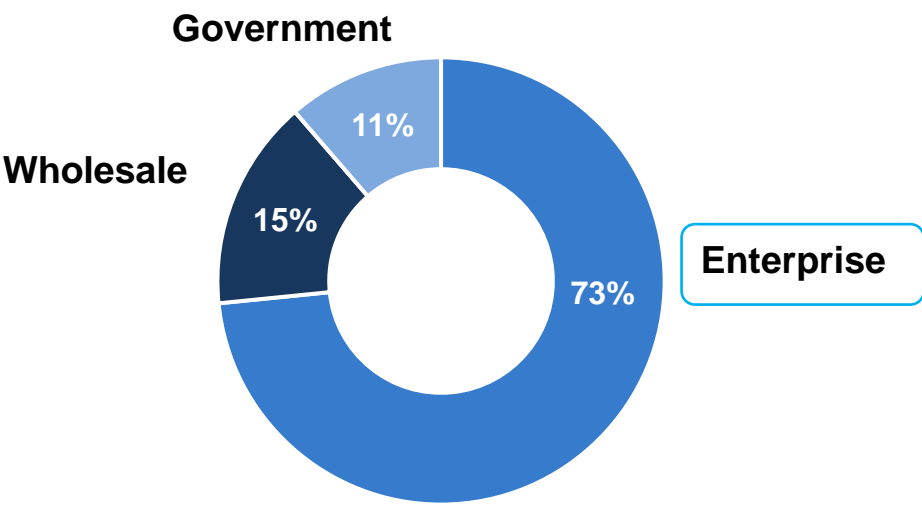
Wholesale

- *Mobile and fixed carriers*
- *Hyperscalers, data centers*
- *Tower operators*

Revenues – FY 2024

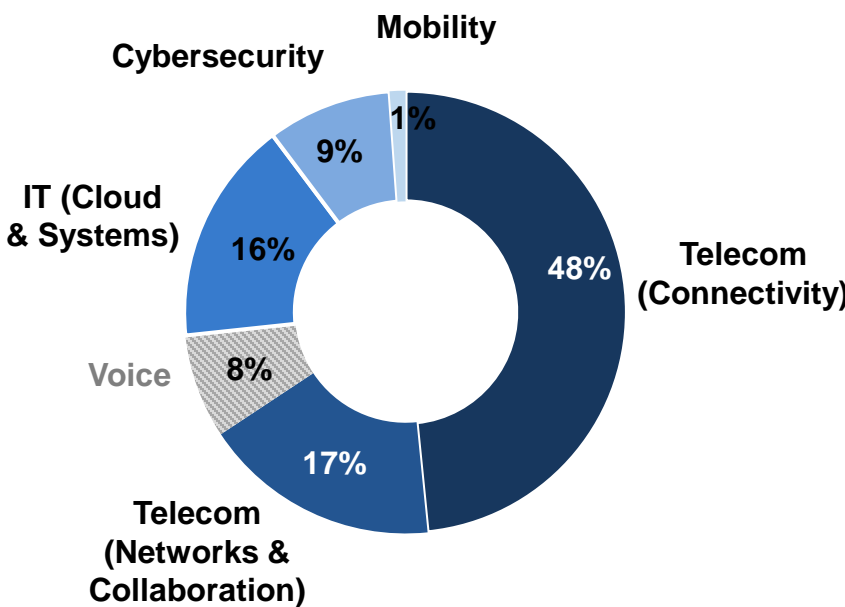
SEGMENTS

• Ps. \$11,556M (US \$631M)



ENTERPRISE – BUSINESS LINES

• Ps. \$ 8,483M (US \$465M)



Our Network

~53,600 km

Optical Fiber Network

28,900 km – 77 cities

Metropolitan Rings

24,700 km

Long Distance Network

~1,000

Network Points of Presence

5

International border crossings

Nearshoring:

+90% A+/A buildings

~900 Industrial parks



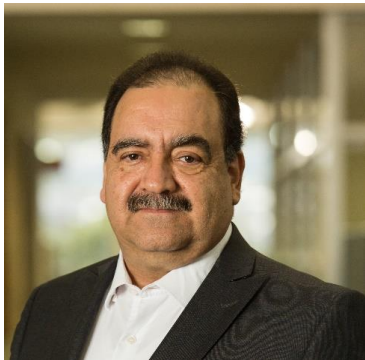
Management with 21+ years average experience in ICT Industry



Armando de la Peña
CEO
Axtel
22 years *



Sergio Antonio Bravo García
Executive Director
Government Segment
28 years



Carlos Buchanan
Executive Director
Human Capital
23 years



Andrés Cordovez
Executive Director
Infrastructure and Operations
26 years



Adrián De Los Santos
Executive Director
Finance & Planning
18 years



Bernardo García
Executive Director
Enterprise Segment
28 years



Wilson Rojas
Executive Director
Legal and Regulatory
28 years



Alicia Saucedo
Director
Business Development
25 years

* Include years at ALFA.

Sustainability Model

Sustainability Model Pillars



Environmental awareness



Employee well-being



Social outreach



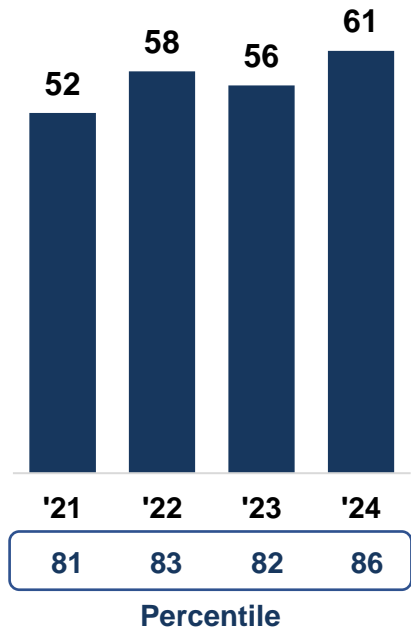
Operational efficiency



Innovation & work culture

ESG Commitment	<ul style="list-style-type: none"> +50% of debt ESG related <ul style="list-style-type: none"> – Syndicated Loan and IFC’s term loan
Energy & Emissions	<ul style="list-style-type: none"> In 2023, 54% of its energy consumption came from clean sources. (51% in 2022)
Diversity and Inclusion	<ul style="list-style-type: none"> In 2023 & 2024, women represented 26% of total employees.
Cybersecurity & Sustainability Awareness	<ul style="list-style-type: none"> Adhered to multiple best practices in international standards No data breaches in 2022 & 2023.

S&P Global - CSA



I. Axtel at a Glance

II. Financial Performance

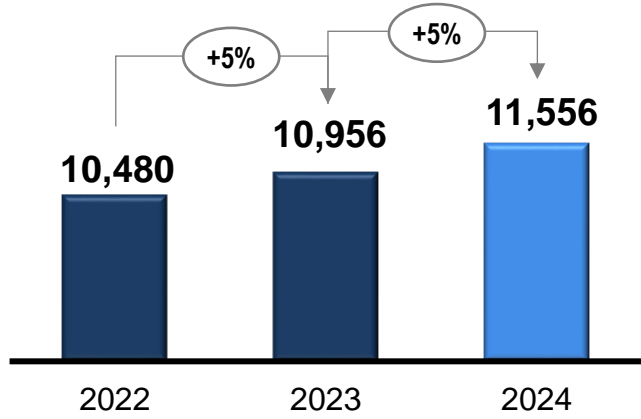
III. Growth Plan

IV. Shareholder Structure

Financials (2022-2024)

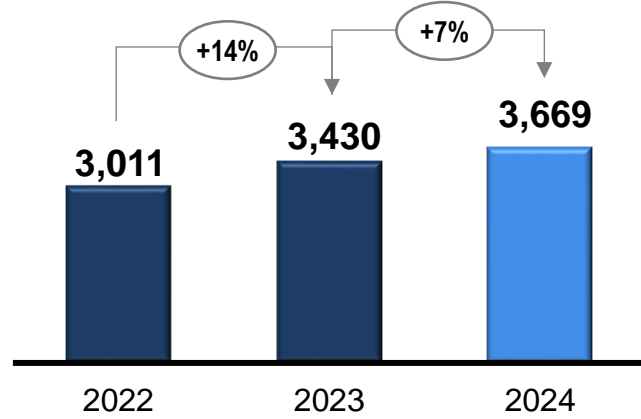
Revenues

(in MP\$.)



EBITDA*

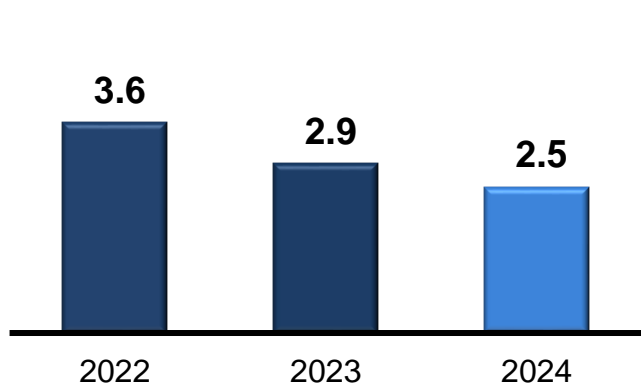
(in MP\$.)



* Excludes reorganization charge (Ps. \$388M in 2023; Ps. \$17M in 2024).

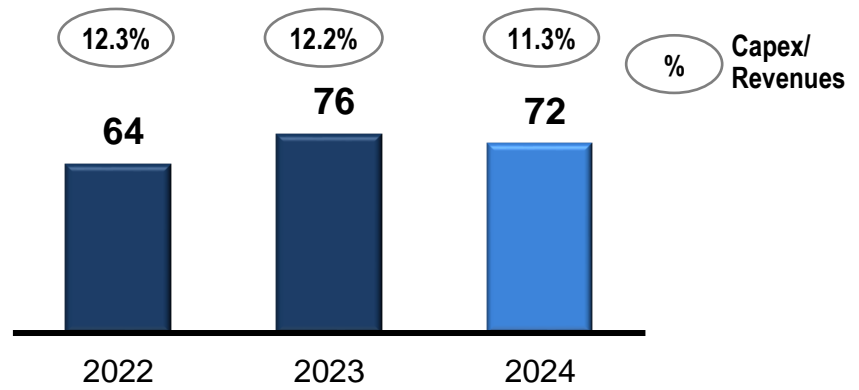
NET LEVERAGE

(times)



CAPEX

(in MDIls.\$)



Revenues & Comparable EBITDA (FY 2024)

ENTERPRISE:

- Revenues **+7% YoY** reflecting the solid execution of the commercial strategy focused on business lines and selected verticals.
- Digital transformation grew 17%, led by **cybersecurity** and **cloud**.

GOVERNMENT:

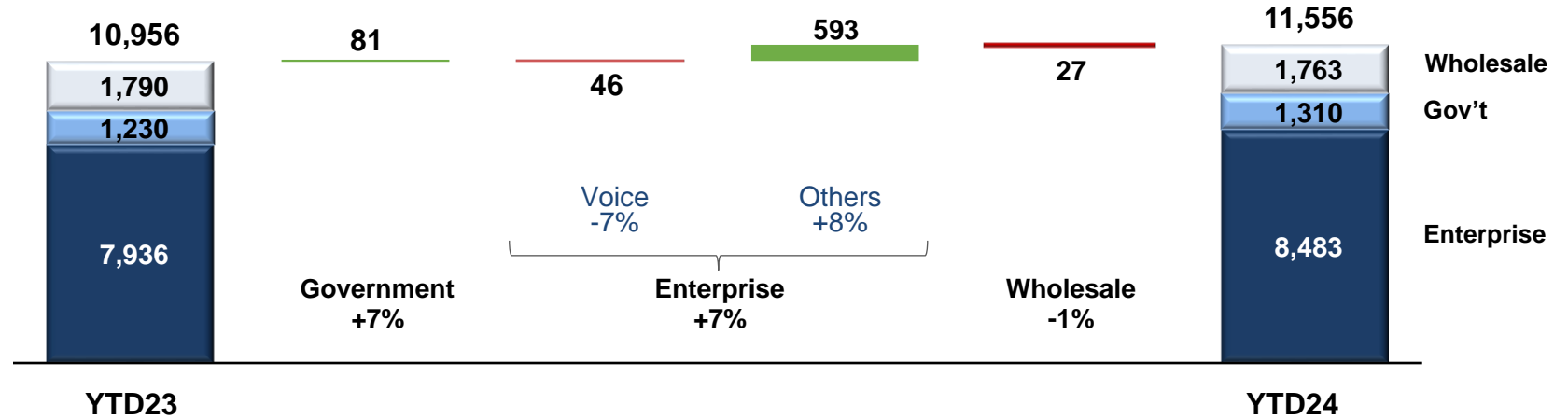
- Revenues **+7% YoY**, with 99% contracts renewal rate.
- Recurrent revenues grew 17%, supported by federal & local opportunities.

WHOLESALE:

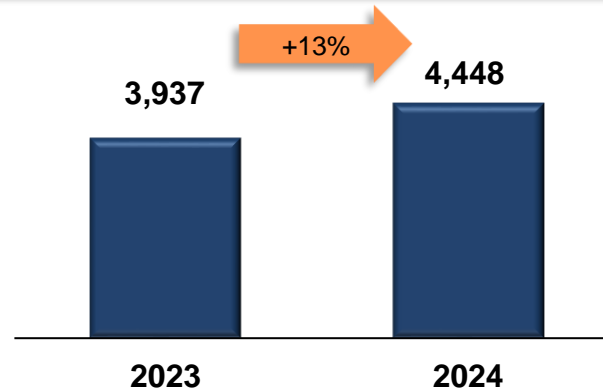
- Adjusted for the phase-out of continuity services related to the 2019 mass market divestment, revenues **+2% YoY**.
- Establishing a solid revenue base thanks to the demand for fiber optics from *hyperscalers* in data centers and high-capacity services.

(in MP\$.)\$

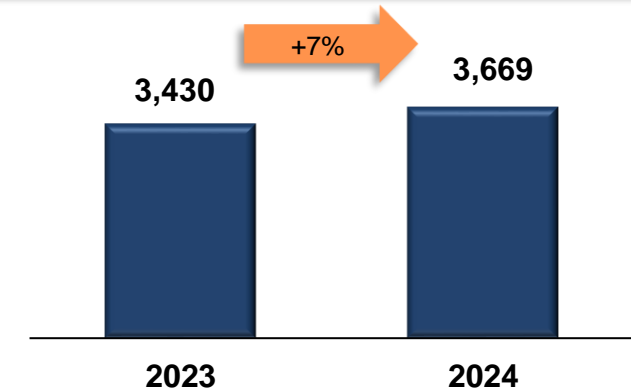
Revenues – total revenues increased 5%



Business Segments' Contribution to EBITDA



Comparable EBITDA*



* Note: Excludes reorganization charge (Ps. \$388M in 2023; Ps. \$17M in 2024).

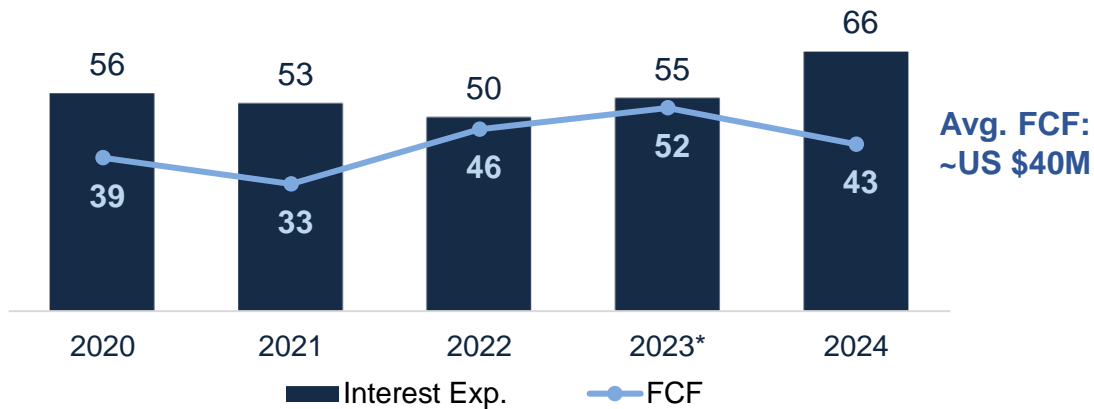
Debt Profile & FCF (FY 2024)

Capital Structure

- 2023 → refinancing of all debt – extending maturity profile:
 - Ps. 3,026M Bancomext Loan – 10-year term
 - 2024 Notes refinanced in July – Syndicated + bilateral loans
- Cash: US \$62M
- Available committed credit lines: US \$50M

FCF & Interest Expense

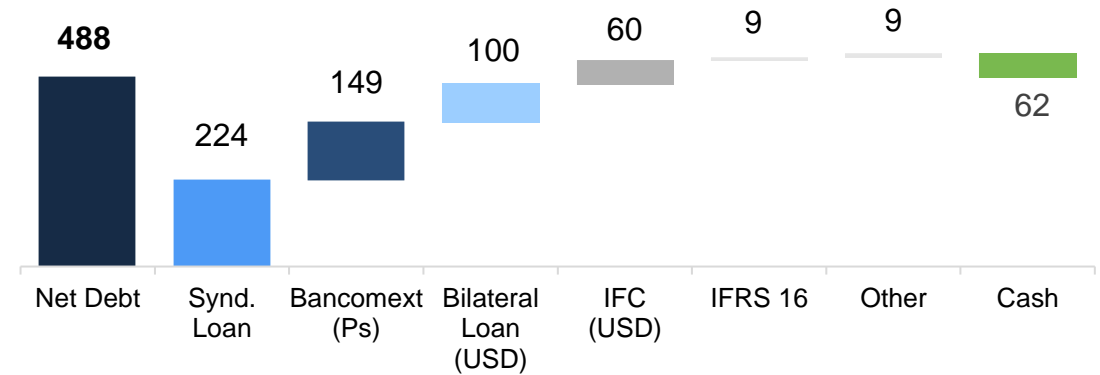
(in MDIls.\$)



* Normalized FCF – excluding reorganization expenses.

Debt Composition

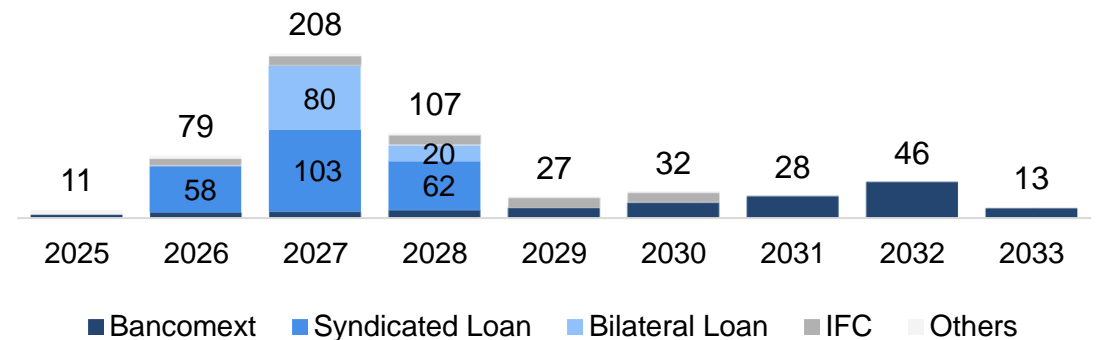
(in MDIls.\$)



Maturity Profile

(in MDIls.\$)

Avg. life: 3.5 yrs
63% in USD



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Growth Plan

Capture short & long-term opportunities

ENTERPRISE

- Double-digit growth in business lines with highest potential
- Focus on cross-sell / up-sell; in top accounts
- Capitalize on nearshoring opportunities

GOVERNMENT

- Major projects with key entities and growing recurring base

AXNET

- Strengthen connectivity to United States
- Grow the fiber business; hyperscalers, data centers and Artificial Intelligence

NEW SERVICES

- Boost Alestra Móvil & X-tremo

Key Takeaways

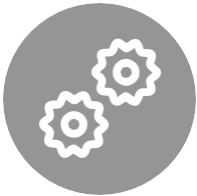
Focus on growth and financial improvement



Focus on fastest growing verticals and business lines



Financial strength – conservative growth and leverage



Agile processes



Constant cash flow generation



Profitability – expense control

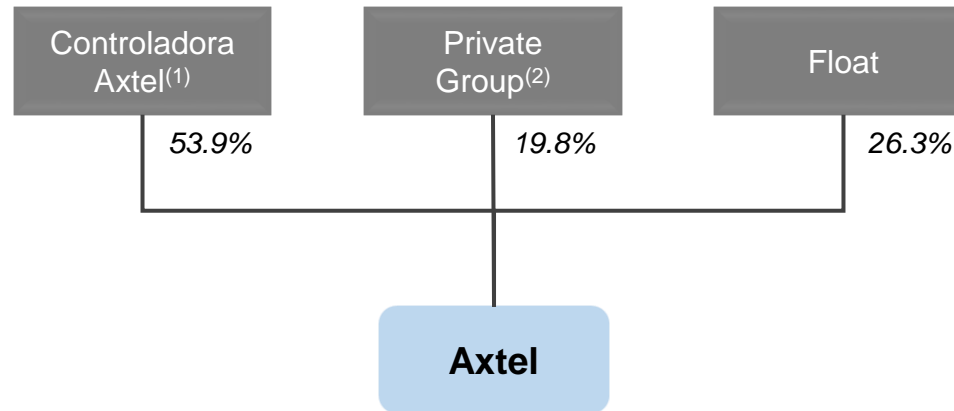


Culture: agility, empowerment and talent development

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Axtel's Shareholder Structure

- Ratio AXTELCPO to CTAXTEL = **0.317**
- Controladora Axtel is capable of merging with Axtel, subject to the approval of its shareholders
- Outstanding AxtelCPOs = 2,780.1 million (excludes 52.0 million AxtelCPOs in Axtel's treasury)



(1) Company resulting from Alfa, S.A.B. de C.V.'s (BMV: ALFAA, "ALFA") spin-off of its entire ownership stake in Axtel. Controladora Axtel began trading on the Mexican Stock Exchange ("BMV") on May 29, 2023.

(2) Group of Shareholders (Milmo, Santos, Garza Santos, Santos de Hoyos Families & Cemex S.A.B. de C.V.)

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