

# Investors' Presentation

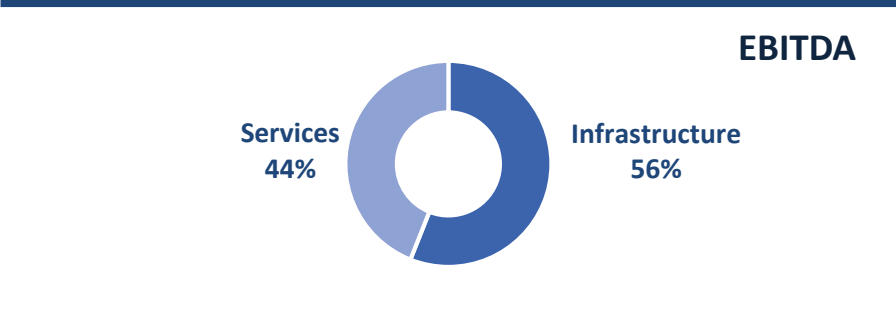
1Q21

axtel

- I. Axtel Overview
- II. Milestones & Strategy
- III. Financial Performance

# I. Axtel Overview

# B2B, infrastructure-based Company



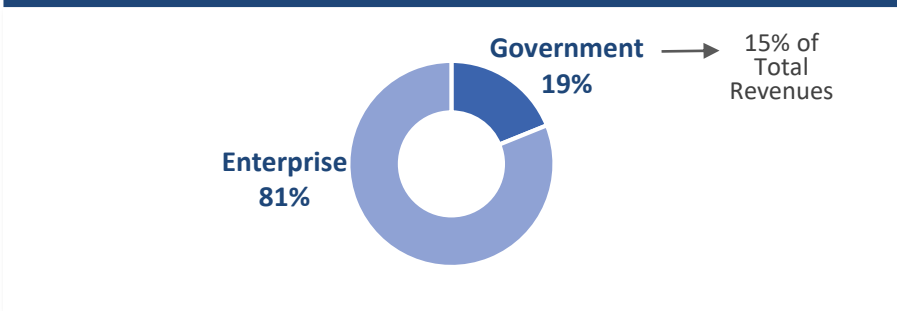
## LTM 1Q21 Revenues & EBITDA

US \$561 mm & US\$ 194 mm  
Ps. 12,085 mm & Ps. 4,179 mm



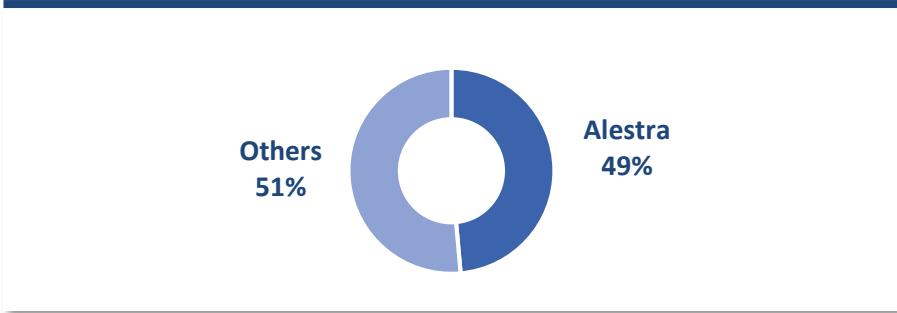
## Fiber Network

+44,300 km  
+23,000 km LD & 21,300 km Metro



## Services Unit (Alestra) – Revenue Breakdown

~81% Enterprise



## Infrastructure Unit – Revenue Breakdown

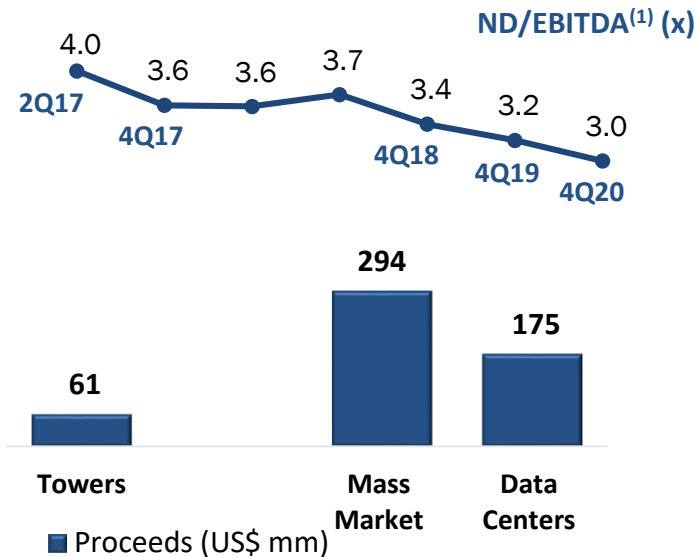
49% Service business unit (Alestra)

## II. Milestones & Strategy

# Milestones - Delivering Results & Aligning to Industry Trends

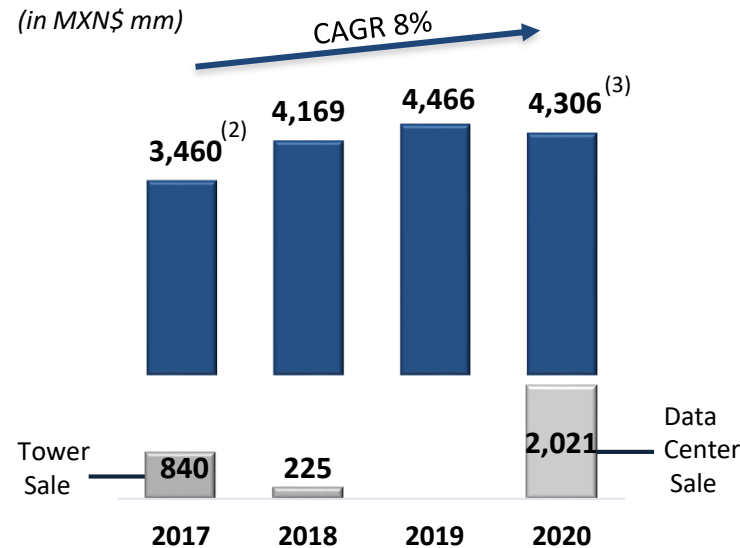
Combining positive performance, delivering on strategic projects and aligning with industry trends

## Non-essential Monetizations: Value Creation & Improved Capital Structure



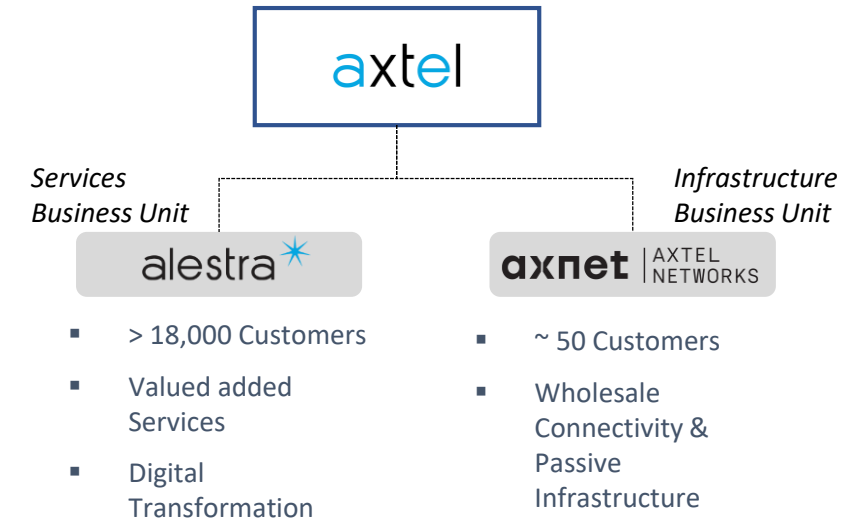
- Value maximization with average EV/EBITDA multiple of 12.0x
- Net leverage decreased from 4.0x in 2Q17 to 3.0x in 4Q20

## Positive Track-record



- EBITDA growth in line with business plan and market expectations
- Unmatched brand awareness & portfolio aligned to address fastest-growing segments

## Business Separation: Capture Opportunities and Maximize Value



- Differentiation
- Maximize value & growth potential of assets

(1) Without tower sale, merger-related expenses, data center sale benefit. | (2) Includes merger-related expenses of Ps.429 million. | (3) 2020 results without Data Centers business.

# Strategy Focused on Maximizing Value

## Maximize Value



### Separation in 2 business units:

- Differentiation
- Maximize value & growth potential



### Infrastructure Unit

Be the leading **neutral** fiber optic network operator in a high growth market



Long-term solid profitability vehicle



Main connectivity provider for mobile networks and data centers



Digitalization to improve efficiency

### Service Unit



Be the principal **digital transformation enabler** of enterprise and government segments



Organic and inorganic growth of cybersecurity and IT services



Accelerate market penetration on digital transformation services



Specialization and automation of strategic services' value chain

# III. Financial Performance

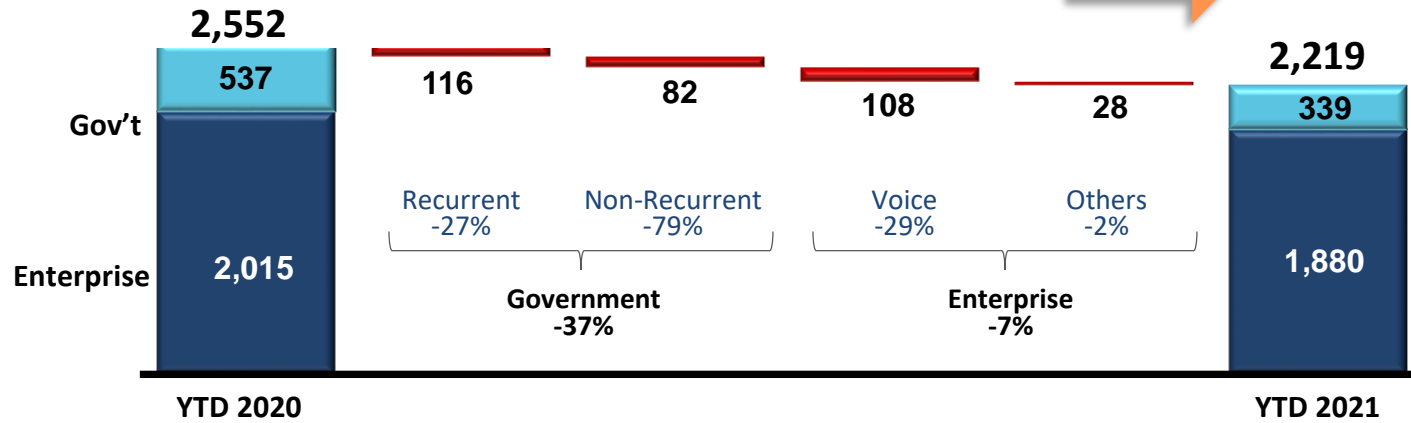


# Revenues & EBITDA by business unit *(as of 1Q21)*

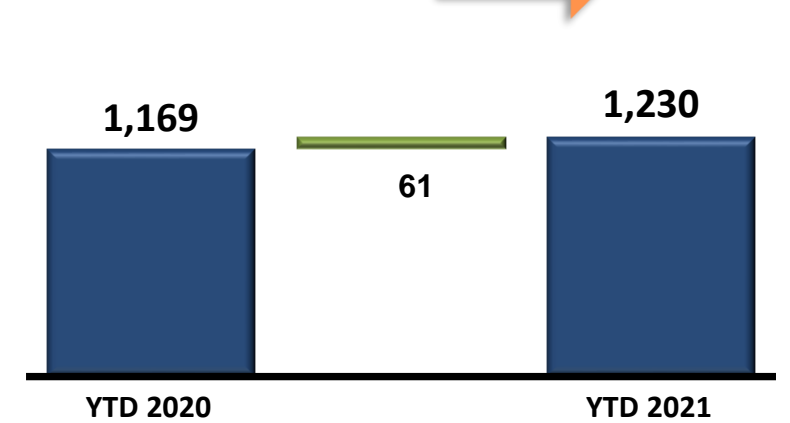
**Revenues** – total revenues decreased 9%

*(in MPs)*

## Services

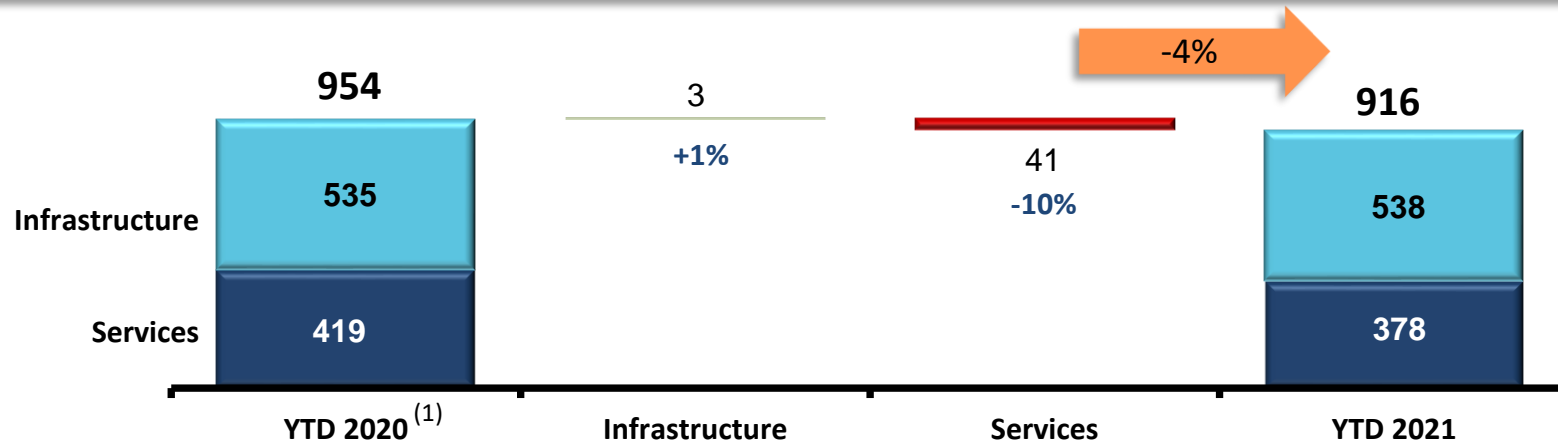


## Infrastructure



**EBITDA** – in line with FY guidance; expense optimization initiatives partially offset lower Services unit results

*(in MPs)*



(1) Excludes Ps. 2,021M from Data Center sale.

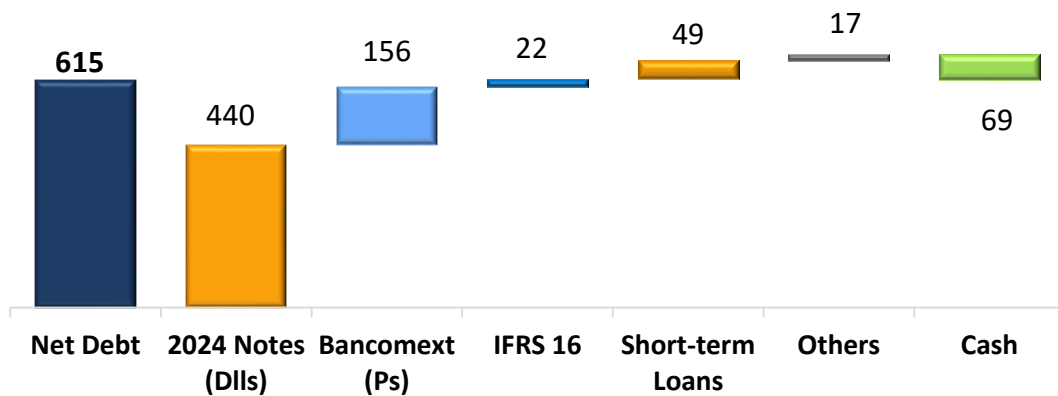
# Debt & Liquidity Profile *(as of 1Q21)*

## Liquidity

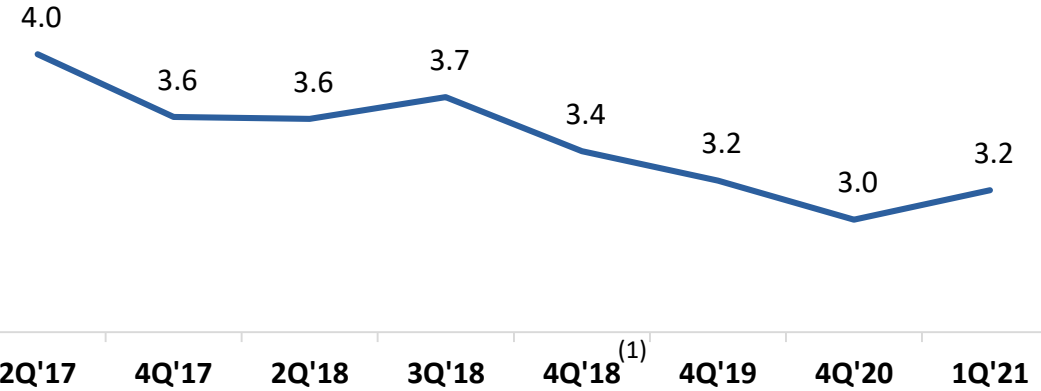
- Cash as of March 31, 2021: US \$69 M
- In March, Axtel redeemed US \$60 million of its 6.375% Senior Notes due 2024
  - Amount outstanding: US \$440 million
- Committed line facility: US \$49 M drawn

## Debt Composition

*(in US \$mm)*



## Leverage Evolution (Net Debt / EBITDA\*)



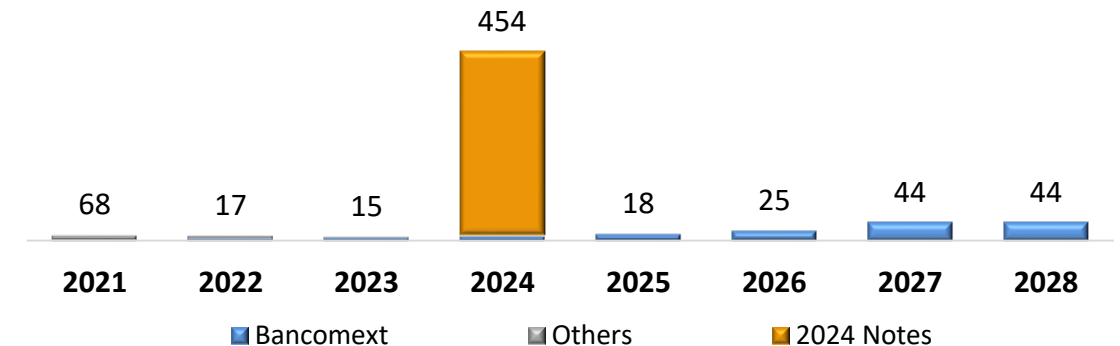
(1) With normalized cash balance.

\* Without tower sale, merger-related expenses, data center sale.

## Maturity Profile

*(in US \$mm)*

*Avg. life: 3.7 yrs*





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