

Financial and Operative Report

Second Quarter, 2021

Publication date: July 26th, 2021

Global Portfolio:

18,611
sites in revenues

Opsimex
8,039 (43.2%)

Fibra
10,268 (55.2%)

Costa Rica
304 (1.6%)

Δ Portfolio:
2Q21 vs. 2Q20
4.16%

Tenancy Ratio

1.198

Co-locations

2,417
12 Clients

Telesites, S. A. B. de C. V. ("Telesites" or the "Company") reports its financial and operating results as of second quarter of 2021.

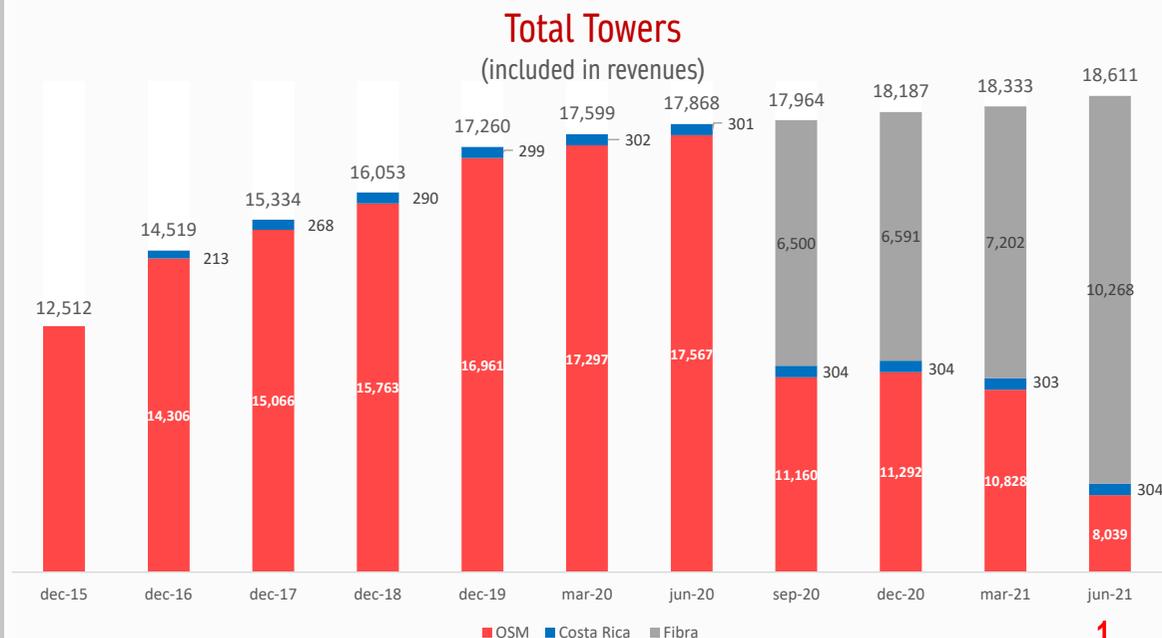
Period Highlights

- During June, FSITES's Technical Committee approved a Capital Reduction of 3,894.8 million pesos, paid on July 5th.
- Telesites will pay off the remaining short-term debt (2.6 bn pesos) by the end of July.
- During July, FSITES decreed the payment of a dividend amounting 142.6 million pesos.
- A total of 2,417 co-locations were signed with a total of 12 clients.

Results

As of the second quarter of 2021, Telesites reports a global portfolio of 18,611 sites included in revenues, meaning an increase of 278 sites vis a vis previous quarter. The site distribution structure included in the company's revenues is made up of 8,039 sites in Opsimex (43.2%), 10,268 sites in FSITES (55.2%), and 304 sites in Costa Rica (1.6%).

Observed increase for the last twelve months was of 743 sites, equivalent to 4.16% growth. Currently, 322 sites are on some stage into building process.



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Revenues 2Q21:

2,134.8

million pesos

Δ Revenues

2Q21 vs. 2Q20:

6.7%

EBITDA 2Q21

2,022.3

million pesos

EBITDA Margin
2Q21

94.7%

Δ EBITDA

2Q21 vs. 2Q20:

6.2%

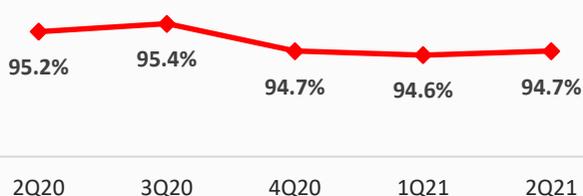
(MM\$MX)	2Q20	3Q20	4Q20	2020	1Q21	2Q21	2Q21 VS 2Q20
Revenues	2,001.0	2,036.7	2,041.8	8,069.6	2,111.3	2,134.8	6.7%
Land rent	607.7	617.1	618.5	2,466.7	616.9	620.0	2.0%
Site revenues	1,393.2	1,419.7	1,423.4	5,602.9	1,494.4	1,514.8	8.7%
Total Costs and Expenses	96.2	94.4	109.1	402.7	114.5	112.5	17.0%
Land rent	-	-	-	-	-	-	-
Administrative and operating expenses	96.2	94.4	109.1	402.7	114.5	112.5	17.0%
Administrative expenses	75.1	75.3	82.9	308.2	82.3	80.3	7.0%
Operating expenses	21.1	19.1	26.3	94.5	32.2	32.2	52.6%
EBITDA	1,904.8	1,942.3	1,932.7	7,666.9	1,996.7	2,022.3	6.2%

Accumulated revenues during the second quarter were 2,134.8 million pesos, of which 1,514.8 million pesos came from tower income (71.0%). Revenues were 6.7% higher compared the same quarter of the previous year.

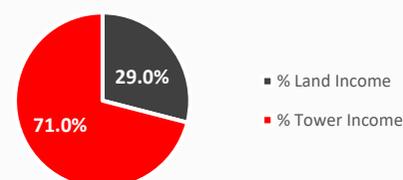
EBITDA for the period was 2,022.3 million pesos, resulting in a 94.7% margin, and a compared growth of 6.2% to the same quarter the previous year. Accumulated EBITDA for last twelve months was 7,894.0 million pesos,

Revenues reported by FSITES in 2Q21 were 1,031.2 million pesos, of which 749.1 million pesos came from Site Revenues (72.6%). The EBITDA corresponding to the second quarter of 2021 was 965.7 million pesos, resulting in a 93.6% margin.

EBITDA Margin (QoQ)



Revenues 2Q21



Quarterly Breakdown of Telesites's Tower Leases

		2Q21
Mexico	Sites included in revenues EOP	18,307
	Total quantity of rents included in revenues EOP	21,980
Costa Rica	Sites included in revenues EOP	304
	Total quantity of rents included in revenues EOP	316
Consolidated	Sites included in revenues EOP	18,611
	Rents included in revenues EOP: AMX	18,611
	Rents included in revenues EOP: AMX adds (equivalents)	1,343
	Rents included in revenues EOP: Others	2,342
	Total rents included in revenues EOP	22,296
	Tenancy ratio EOP	1.198

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Consolidated statements of Financial Position

(in thousands of mexican pesos)

	As of June 30th 2021		As of June 30th 2020		2Q21 vs. 2Q20
Assets					
Current Assets					
	829,414	0.8%	2,153,446	3.6%	(61.5)%
Cash and equivalents	16,513,199	8.9%	-	0.0%	N/A
Accounts Receivable	377,153	0.4%	185,495	0.31%	103.3 %
Recoverable taxes	2,095,217	2.1%	101,181	0.2%	1,970.8 %
Total current assets	19,814,983	19.9%	2,440,122	4.1%	712.0 %
Non-current assets					
Towers, construction and others	72,709,534	73.0%	59,493,304	99.8%	22.2 %
Property and equipment, net	99,436	0.1%	71,824	0.1%	38.4 %
Depreciation	(8,181,984)	(8.2)%	(12,321,146)	(20.7)%	(33.6)%
Rights of use	17,731,342	17.8%	12,479,689	20.9%	42.1 %
Rights of use depreciation	(2,702,436)	(2.7)%	(2,706,601)	(4.5)%	(0.2)%
Total non-current assets	79,655,893	79.9%	57,017,070	95.7%	39.7 %
Deferred tax assets	50,333	0.1%	50,752	0.1%	(0.8)%
Other assets	144,469	0.1%	99,275	0.2%	45.5 %
Total assets	99,665,677	100%	59,607,218	100%	67.2 %
Liabilities and equity					
Short term debt	2,599,531	2.6%	4,459,483	7.5%	(41.7)%
Accounts payable	399,004	0.4%	686,592	1.2%	(41.9)%
Taxes payable	229,062	0.2%	200,401	0.3%	14.3 %
Interests payable	517,981	0.5%	524,831	0.9%	(1.3)%
Total short term liabilities	3,745,578	3.8%	5,871,307	9.8%	(36.2)%
Long term debt	19,199,822	19.3%	18,768,801	31.5%	2.3 %
Leases liabilities	15,813,665	15.9%	10,519,783	17.6%	50.3 %
Deferred income taxes	16,114,089	16.2%	10,502,547	17.6%	53.4 %
Asset retirement obligation	1,037,274	1.0%	979,229	1.6%	5.9 %
Other liabilities	11,512	0.0%	9,996	0.0%	15.2 %
Total long term liabilities	52,176,361	52.4%	40,780,357	68.4%	27.9 %
Total liabilities	55,921,939	56.1%	46,651,664	78.3%	19.9 %
Equity					
Share capital	24,191	0.0%	35,000	0.1%	(30.9)%
Surplus	10,240,872	10.3%	23,792,513	39.9%	(57.0)%
Other components of equity	16,496,778	16.6 %	(11,068,588)	(18.6)%	(249.0)%
Conversion effect	(1,066)	(0.0)%	4,851	0.0 %	(122.0)%
Noncontrolling interest	16,851,294	14.4 %	0	0.0%	0.0%
Net income for the year	131,669	0.1 %	191,779	0.3 %	(31.3)%
Total Equity	43,743,738	43.9%	12,955,555	21.7%	237.6 %
Total liabilities and equity	99,665,677	100%	59,607,218	100%	67.2 %

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Consolidated statements of Comprehensive Income
(in thousands of mexican pesos)

	From April 1st to June 30th 2021	From April 1st to June 30th 2020	2Q21 vs. 2Q20
Revenues	2,134,839	2,000,955	6.7%
Land	619,997	607,715	2.0 %
Tower	1,514,842	1,393,239	8.7 %
Expenses	(1,311,142)	(1,140,035)	15.0 %
Administration and Operating Expenses	(112,491)	(96,172)	17.0 %
Depreciation and Amortization	(851,095)	(592,306)	43.7 %
Depreciation - IFRS 16	(347,557)	(451,558)	(23.0)%
Operating Result	823,697	860,919	(4.3)%
Financial Expenses	(471,596)	(308,472)	52.9 %
Other Income	217,926	28,777	657.3 %
Interests - IFRS 16	(443,684)	(276,950)	60.2 %
	(697,354)	(556,646)	25.3 %
Loss Before Income Taxes	126,343	304,274	(58.5)%
Current Income Taxes	(152,005)	(211,343)	(28.1)%
Deferred Taxes	157,974	115,495	36.8 %
	5,970	(95,848)	(106.2)%
Net Income	132,313	208,425	(36.5)%
EBITDA	2,022,349	1,904,783	6.2 %
Non-controlling interest	(50,881)	0	N/A
Majority Net Result	81,432	208,425	(60.9)%

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Telesites, S. A. B. de C. V.

Consolidated statements of Cash Flows

(in thousands of Mexican pesos)

	From January 1st to June 30th 2021	From January 1st to June 30th 2020	2Q21 vs. 2Q20
Operating activities			
Net income	240,123	191,779	25.2%
Taxes	33,596	179,392	(81.3)%
Interest gained and paid, net	1,348,904	1,346,234	0.2 %
Depreciation and Amortization	2,437,524	2,075,881	17.4%
Account receivables	(144,384)	(134,565)	7.3 %
Other accounts receivables	(251)	(149)	68.5 %
Account payable	(43,505)	328,684	(113.2)%
	(17,766)		N/A
Income taxes paid	2,691,250	(335,126)	(903.1)%
	6,545,491	3,652,130	79.2 %
Investment activities			
Property, equipment and site construction	(574,928)	(776,095)	(25.9)%
Intangible asset acquisitions	(1,172)	(2,560)	(54.2)%
Interest gain	379,763	44,133	760.5%
	(196,337)	(734,522)	(73.3)%
Financing activities			
	4,035,862		N/A
Loans	700,000		N/A
Loans paid	(1,100,000)		N/A
Interes paid	(698,502)	(769,404)	-9.2%
Leases liabilities payments	(1,294,747)	(1,228,709)	5.4%
	1,642,613	(1,998,113)	-182.2%
Net increase in cash and cash equivalents	7,991,767	919,495	769%
Cash at the beginning of the period	9,350,846	1,233,951	657.8%
Cash at the end of the period	17,342,613	2,153,446	705.3%

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