



FIRST TOWERS AND FIBER

INVESTOR PRESENTATION
Q2 2024

INVESTMENT HIGHLIGHTS

First Towers and Fiber is focused on tower development and operating its 700+km fiber network in the attractive wireless market of Mexico.

First Fiber will also begin to expand to other Latin America countries



20 YEAR LOCKED IN LEASE

20-year master lease agreements in place for both tower development and fiber network



PREFERRED PARTNER

Through our positive relationship, we are the preferred partner in providing coverage to the rural regions of Mexico.



ACCOMPLISHED TEAM

Veteran Tower Development Team with a strong competitive advantage and 20+ years of experience in telecommunications infrastructure development



SUBSTANTIAL SCALABILITY

The Company has 24 towers deployed to date and the opportunity to develop 1000+ in key Mexican markets.

COMPANY OVERVIEW

First Towers & Fiber Corp. (FT&F) is a company based in Canada that develops, constructs and owns wireless towers.



LARGEST 5G NETWORK

FT&F owns the largest 5G dark fiber optic network in Central Mexico



PREFERRED TOWER CONTRACTOR

Regional tower development expertise in Mexico's largest telecommunications infrastructure project



FIRST TO MARKET

FT&F is the first company to have dark fiber and a 20 year fiber contract

MEXICO OPPORTUNITY

The Telecommunication industry in Latin America is worth **USD \$81 billion**, with Mexico being the second largest market

Mexico has **93 mobile cellular subscriptions per 100 habitants** compared to just 18 fixed phone subscriptions per 100 habitants

Mexico is an *OECD nation* with an investment-grade sovereign credit rating, controlled public debt, stable inflation and currency offering an attractive market for investment

Mexico ranks **15th globally in nominal GDP terms**. On a GDP per capita basis, Mexico ranks 90th globally and 11th across the LatAm region.

<https://www.statista.com/topics/7290/telecommunications-in-latin-america/#topicOverview>

OPPORTUNITY

An estimated **244 million people** in Latin America, which is close to one third of the population, do not have access to the internet.

15M

According to the OECD study, countries in Latin America could generate **15 million jobs** and boost their GDP by **7.7 percent** if they promote digital connectivity

\$21B

Deployment of 5G networks represents a significant opportunity as it is projected that the digitalization of industries could develop into a market of more than USD **\$21 billion annually**

\$28.4B

The 5G market in Latin America is projected to generate over USD **\$28.4 billion** annually by 2030.

Source: <https://www.ericsson.com/en/reports-and-papers/mobility-report/closer-look/latin-america-2021>

OPPORTUNITY

Through our extensive relationships in Latin America, First Towers and Fiber will look to expand into other Latin American countries.

Coverage in the Latin American region is also still limited to certain neighborhoods of major cities

70%

4G penetration is still below 70 percent in Latin America

43%

By 2026, 5G is expected to represent less than 43 percent of mobile subscriptions in Latin America and the average traffic per smartphone is forecast to be approximately 35GB per month

Source: <https://www.ericsson.com/en/reports-and-papers/mobility-report/closer-look/latin-america>

TOWERMARKET

50,000 new wireless towers need to be built in Mexico to give at least 4G LTE coverage to 92% of Mexico's population



Altan Redes, the first public-private partnership initiative that seeks to **expand mobile communications coverage** in remote areas of Mexico, has been granted an extension of its coverage target timescale.

Deploying and operating a **new wireless tower network** across Mexico.

Targeting 4G LTE coverage for **92% of Mexico's population by 2024.**

Attractive risk profile & yield given low construction costs and attractive tenants



TOWERECONOMICS

Attractive risk profile and yield on invested capital given low construction costs and attractive anchor tenant rent relative to US market (single-tenant TCF yield of ~10%)

Altán Redes Economics ⁽¹⁾	Anchor Tenant (month – USD\$)	Anchor Tenant (annual – USD\$)	Two Tenants (annual – USD\$)	Three Tenants (annual – USD\$)
Cost to Built Tower		\$90,000	\$90,000	\$90,000
Anchor Tenant (month – USD\$)	\$650	\$7,800	\$16,200	\$24,600
Anchor Tenant (annual – USD\$)	\$350	\$4,200	\$4,200	\$4,200
Two Tenants (annual – USD\$)	(\$350)	(\$4,200)	(\$4,200)	(\$4,200)
Three Tenants (annual – USD\$)	(\$10)	(\$120)	(\$120)	(\$120)
Tower Cash Flow (TCF)	\$640	\$7,680	\$16,080	\$24,480
TCF Margin %		98.5%	99.3%	99.5%
TCF Yield		8.5%	17.9%	27.2%

Indicative US Economics	Anchor Tenant (month)	Anchor Tenant (annual)	Two Tenants (annual)	Three Tenants (annual)
Cost to Built Tower		\$300,000	\$300,000	\$300,000
Total Tower Rent	\$1,700	\$20,000	\$45,000	\$70,000
Ground Lease	(\$1,000)	(\$12,000)	(\$12,000)	(\$12,000)
Direct Tower Costs	(\$220)	(\$2,640)	(\$2,640)	(\$2,640)
Tower Cash Flow (TCF)	\$480	\$5,360	\$30,360	\$55,360
TCF Margin ⁽²⁾ %		67.0%	92.0%	95.4%
TCF Yield		1.8%	10.1%	18.5%

(1) \$1 USD = \$20 MXN

(2) Calculated based on Total Tower Rent less Ground Lease

Altán Redes Tower Opportunity Features

// **Low development and construction costs**

Typically 75% lower than US market

// **Superior single-tenant TCF yield**

Altán Redes anchor lease affords attractive immediate TCF yield (8.5%)

// **Strong downside protection**

Attractive TCF yield on invested capital is not reliant on co-location lease up

// **Attractive cash-on-cash yield**

7.8% fully-deployed single-tenant cash-on-cash yield

TOWER OPPORTUNITY



20 year master
distribution
agreement

24 towers
built to
date

STRONG CELL TOWER CUSTOMER ANCHOR

Agreement signed in 2018, allowing FT&F to build and own the towers while Altan Redes will be a tenant.

Tower assets provide secure, escalating revenues from **long-term leases** with a quality anchor tenant and **growth through new tenant co-location.**

Attractive risk profile and yield on invested capital given low construction costs and attractive tenants relative to the US market. Single tenant tower **cash flow yield of an average of 10%.**

TOWER TENANT DETAILS

Altan Redes a private consortium and wholesale wireless operator responsible for the *design, deployment and operation* of the Red Compartida (Shared Network) network

Selected Altan Redes MVNO clients

Backed by lead investors **Morgan Stanley Infrastructure Partners**, Canadian pension plan Caisse de depot et placement du Quebec (CDPQ), International Finance Corporation and the **Federal Government of Mexico**



Telecomm provides Altán Redes access to a **nationwide fiber network** owned by CFE, Mexico's electric utility company



Altán Redes has currently signed **83 MVNO's** clients that are using its network and will benefit from the continued growth expected in the MVNO market in Mexico



space
movil



MEGACABLE



TOWERDEVELOPMENT



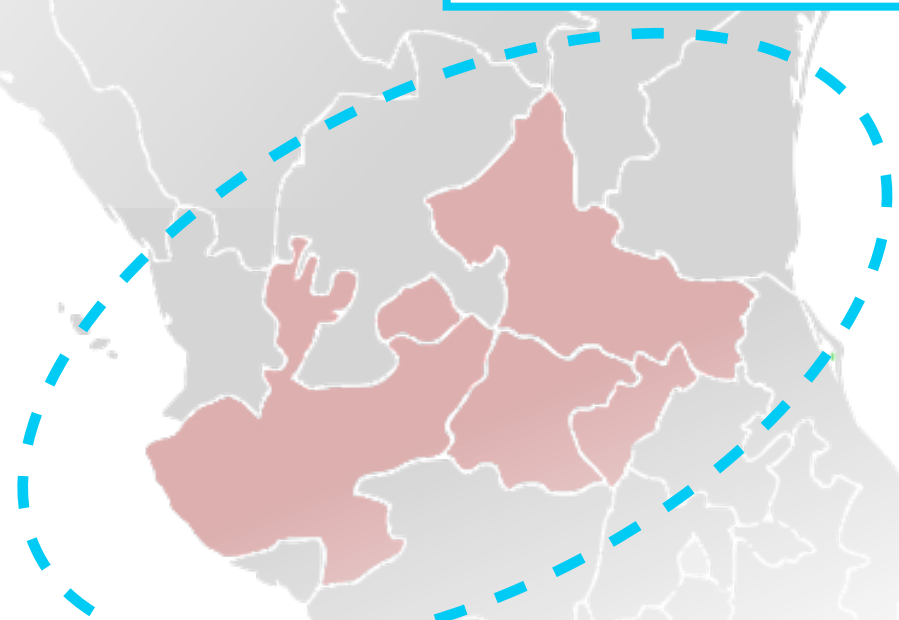
1100+
TOWERS

FT&F is looking to develop and own approximately **1,100 towers** under the agreement with Altan Redes and CFE.

This would be an average for **40-50 towers** completed a month.

Tower construction and development reaches all across Mexico.

Development strategy focuses on five states in Central Mexico that feature strong economic and demographic drivers. Proximity to owned 700+ km fiber network.



TOWER PIPELINE

- > Tower opportunities are diversified over five key Mexican states
- > The company is expected to build over 1000 towers over a three-year period
- > The company also has the ability to build additional sites for Altan Redes beyond the initial 1100

FT&F Tower Build Pipeline Q1 2022 - Q4 2024

In close proximity
to fiber network
revenue streams

Aguascalientes - 200 Towers

San Luis Potosi - 200 Towers

Jalisco - 200 Towers

Guanajuato - 200 Towers

Queretaro - 200 Towers



GLOBAL 5G FIBER MARKET

\$8.75B

The global fiber optics market size was valued at **USD \$8.75 billion** in 2022

6.9%

The market is expected to expand with a **CAGR of 6.9%** from 2023 to 2030

2yrs

Latin America's fiber optic network is **two years behind** compared to more developed countries

<https://www.grandviewresearch.com/industry-analysis/fiber-optics-market>

5G FIBER OPPORTUNITY

FT&F owns and operates 700+kms 5G dark fiber network in central Mexico with multinational telecommunications giant Telefonica as anchor under 20 year leasing contract

Telefonica



HIGHLY SCALABLE

5G fiber network is **very scalable** with 24 pairs of fiber available for lease



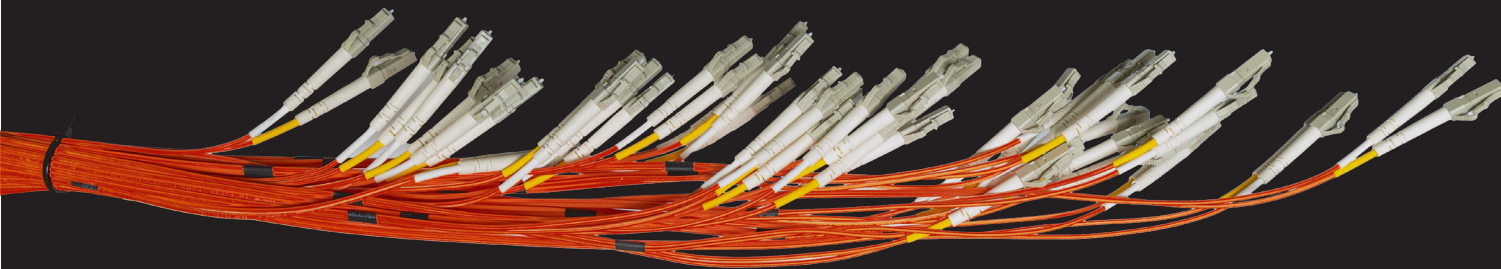
REVENUE ESCALATORS

Fiber network lease agreements provide 20-year lease with **revenue escalators** linked to inflation



AWARDING 5G FREQUENCIES

Mexican telecom regulator IFT has committed to **awarding** 5G frequencies



5G FIBER OPPORTUNITY

FT&F's 5G fiber network is located in central Mexico where some of the strongest industrial and fastest growing state economies in Mexico are located

Mexico's Bajío region boasts a strong and thriving economy and is the pre-eminent manufacturing region in LatAm

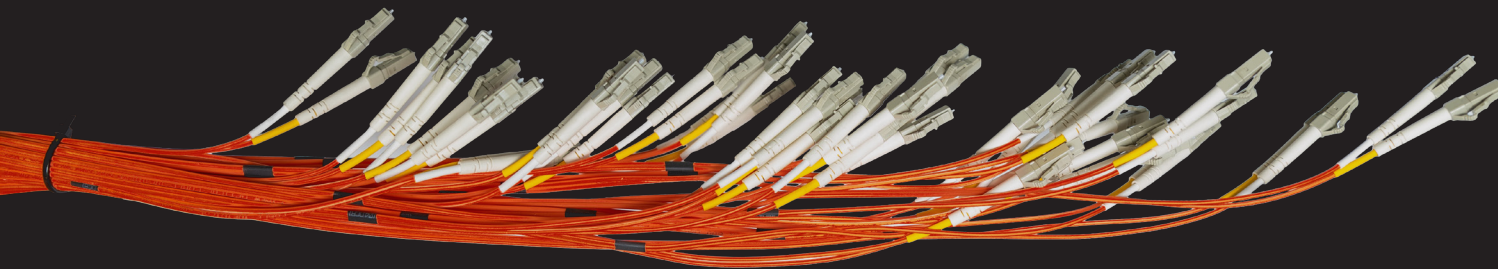
Bajío Area - Central Mexico

CONTRIBUTES
10%+ TO MEXICO'S
TOTAL GDP, AND
SUBSTANTIAL
PERCENTAGE OF
MANUFACTURING
GDP (30%)

ECONOMIC
GROWTH OVER
2X THE NATIONAL
AVERAGE FOR
THE PAST 20
YEARS

HOME TO
MULTIPLE
WORLD-CLASS
AUTOMOTIVE AND
AERONAUTICAL
COMPANIES
AND NUMEROUS
SUPPLIERS

FAST-GROWING
HUB FOR
INFORMATION
TECHNOLOGY,
BIOTECH AND
SERVICE SECTORS



5G FIBER OPPORTUNITY

FT&F's development strategy is focused across five states in Central Mexico which feature strong economic and demographic drivers, and where the Company has regional expertise and relationships, and an established 5G fiber network that can be leveraged for backhaul



Jalisco

One of the most economically and culturally important states in Mexico



Guanajuato

Robust economy given central location, transit and proximity to major cities and ports



Aguascalientes

One of the fastest growing states in Mexico over the last decade



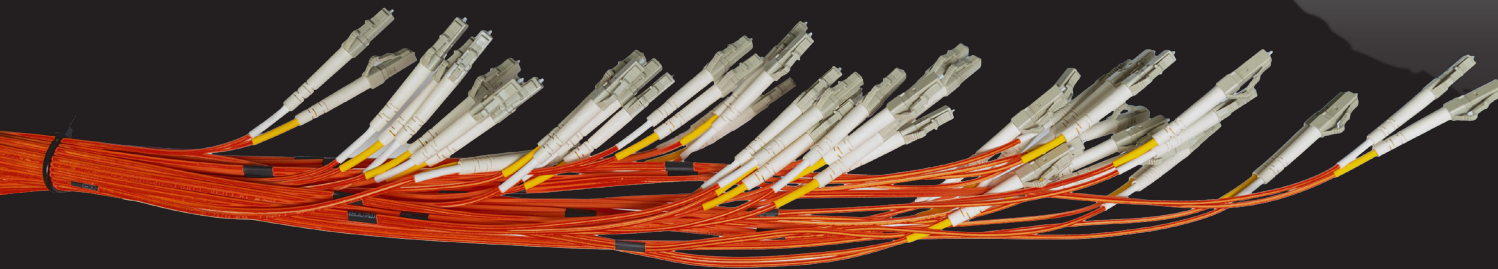
San Luis Potosi

Strong and diverse economy and the hub of Mexico's auto sector



Queretaro

One of Mexico's fastest growing economies and populations. Aeronautics industry hub



HISTORY AND MILESTONES

CURRENT

- > FT&F has completed 28 towers for Altán Redes, and has an opportunity to build 1,000+ new towers
- > AT&T new client to 5G fiber network

Q1 2017

- > First Towers & Fiber founded

Q1/Q2 2017

- > Altán Redes signs PPP with Mexican Government for deployment and operation of wholesale wireless network. Installation begins.
- > \$2.3B initial capital committed to Altán Redes, including \$800mm equity from lead investors Morgan Stanley, CDPQ and IFC

2017

Q3 2018

- > FT&F completed 700km+ fiber network and signs agreement to lease fiber to leading communications provider Telefonica
- > FT&F signs Master Agreement with Altán Redes to construct and own towers

2018

Q3 2018

- > Altán Redes begins service operations after surpassing initial coverage commitments of 30% of population

Q1 2019

- > FT&F completes development of its 700km+ fiber network in Central Mexico

2019

Q2 2019

- > FT&F completes first 6 towers for Altán Redes

2020

Q3 2020

- > FT&F completes construction of 2 new towers

Q4 2020

- > FT&F completes construction of 4 new towers

2021

Q1/Q2 2021

- > FT&F completes construction of 9 new towers

Q2 2021

- > Altán Redes investors increase capital commitment for ongoing network deployment
- > Coverage of 63% of population (70mm people) achieved

MANAGEMENT TEAM

Christopher Cooper

CEO and Co-Founder

- 25+ years of experience in strategic and financial executive management having held CEO/CFO and Board positions with several companies across several industries
- Experienced company builder having founded and grown numerous businesses in North America - expertise in nurturing the growth of new ventures and business start-ups
- MBA (Dowling College, NY); BBA (Hofstra University, NY)

Francisco Juarez

COO and Co-Founder

- 17+ years experience in telecom infrastructure development in LatAm with Telmex, Telefonica, Nokia, Siemens and Huawei, and former founder/CEO of Canadian communications development and service business
- Extensive experience building towers for Mexican tower owner Telesites and deploying fiber for Alestra, Telmex, and CCTV systems, and has completed significant IT projects across North America and LatAm
- Close relationship with Canadian Federal Government via LatAm Embassies, Consulates and Govt offices
- Bachelors degree in International Relations and Diploma in International business (UDLA- Puebla and University of Wisconsin). Has completed studies across the US, Canada, and Mexico

Edgar Contreras

National Manager

- 20 years experience in telecommunications executing BTS programs with tower companies across Mexico (experience in construction and management of 4,500 sites)
- Former Site Acquisition Manager with Nextel and Nokia Siemens, and former Operational Director for AP Wireless in LatAm - experienced in site acquisition, zoning and permitting, and construction procurement
- Corporate attorney experienced in communications leasing, construction and regulatory frameworks in Mexico
- Bachelors degree in Law (Universidad del Valle de México - UVM - Mexico City)

Juan Escobedo

CFO

- 25+ years experience in accounting, auditing, financial reporting, and corporate governance
- Founder and Managing Partner of Intelli Accounting
- BA, CA (University of British Columbia Faculty of Management, Tecnologico de Estudios Superiores de Monterrey)

CAPITALIZATION

CT&FO's senior management are founding shareholders and have supported the growth of the Company to date along with investment from external investors

	Shares	Capital Invested	Average cost
Previously Issued	13,400,000	\$670,000.00	\$0.05
Previously Issued	20,131,746	\$1,805,919.97	\$0.09
Previously Issued	450,000	\$90,000.00	\$0.20
Total	33,981,746	\$2,565,919.97	
Stock Options	3,700,000		\$0.10
Fully Diluted	37,681,746		





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