

## Highlights

- ⊙ Revenues for 4Q21 totaled Ps. 6,473 million, a record high for a single quarter, registering a 12% increase over 4Q20. On a full-year basis, revenues increased 10% to Ps. 24,634 million, with an 11% growth in the mass segment in both periods.
- ⊙ Consolidated EBITDA for 4Q21 reached Ps. 3,087 million; growing 12% compared to 4Q20, with a margin of 47.7%; while in the full-year comparison, this metric increased 10%, to reach Ps. 12,116 million, with a margin of 49.2%.
- ⊙ Net Income for 4Q21 reached Ps. 1,118 million, a 22% increase compared to 4Q20, while for the full-year period it reached Ps. 4,288 million.
- ⊙ At the end of 4Q21, Unique Subscribers grew 6% compared to 4Q20 to reach close to 4.2 million, while RGUs reached more than 10.4 million, a 9% growth in the same period. Internet registered 324 thousand net adds, representing a 9% growth compared to 4Q20, while Telephony and Video registered 404 thousand and 127 thousand net adds, up 15% and 4%, respectively.
- ⊙ ARPU per Unique Subscriber reached Ps. 422.6, up 4% compared to 4Q20 and 3% compared to 3Q21. Similarly, ARPUs per service rose both on a year-over-year and sequential basis
- ⊙ The Corporate Segment recorded a 16% growth compared to 4Q20, with Ho1a and MetroCarrier posting increases of 25% and 20%, respectively. In the full-year comparison, the segment's growth was 8%.

Guadalajara, Jalisco, Mexico, February 3, 2022 - Megacable Holdings S.A.B. de C.V. ("Megacable" or "the Company") (BMV:MEGA.CPO) announced today its financial results for the fourth quarter of 2021 (4Q21) and full-year 2021. Figures were prepared in accordance with International Financial Reporting Standards (IFRS). All figures are expressed in thousands of Mexican pesos (Ps.), unless otherwise stated.

## Consolidated Financial and Operational Results

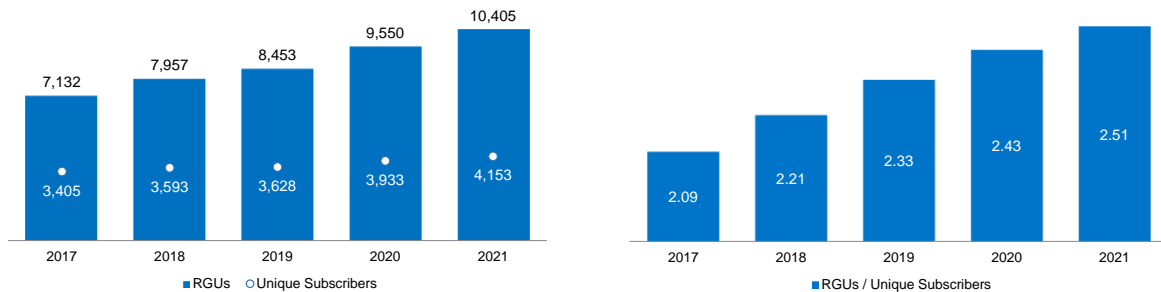
	4Q21	4Q20	% Var
Income	6,473,451	5,781,058	12.0%
Mass Segment Income	5,341,136	4,791,823	11.5%
EBITDA	3,087,174	2,760,197	11.8%
EBITDA Margin	47.7%	47.7%	
Net Profit	1,118,376	913,390	22.4%
Cash and short-term investments	3,703,435	4,259,590	(13.1%)
Net Debt	4,669,568	3,622,564	28.9%
CAPEX	3,164,227	3,713,641	(14.8%)
Mkt. Cap (Ps. Millions)	60,041	62,554	(4.0%)
<b>Subscribers</b>			
Unique	4,153,047	3,932,609	5.6%
Internet	3,833,893	3,510,324	9.2%
Video	3,539,822	3,412,627	3.7%
Telephony	3,031,119	2,626,798	15.4%
Mobile services	428,326	174,463	145.5%
Total RGUs	10,404,834	9,549,748	9.0%
<b>Other Data</b>			
Home Passed	9,568,600	8,955,457	6.8%
Network Kilometers	66,674	63,248	5.4%
Employees	23,980	22,798	5.2%

## General Remarks

During the quarter, the Company continued its growth trend in both the number of subscribers and ARPU for all its mass segment services, which drove double-digit revenue and EBITDA growth. In the same line within the Corporate segment, this growth trend was reflected in the highest revenue figure for a single quarter in the last two years.

## Unique Subscribers and Revenue Generating Units (RGUs)

At the end of the quarter, the Company recorded 4'153,047 unique subscribers, an increase of 5.6% compared to 4Q20, equivalent to 220 thousand net adds. On the other hand, RGUs surpassed 10.4 million, an increase of 9.0% compared to the same quarter of the previous year, due to the growth of subscribers in the three mass segment services. Revenue generating units per unique subscriber maintained its upward trend to reach 2.51.

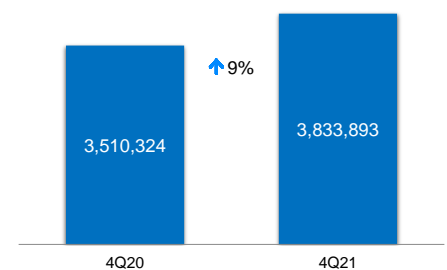


Note: Mobile Services subscribers are not included in total RGUs.

## Internet Subscribers

At the end of 4Q21, the Internet segment reached 3'833,893 subscribers, an increase of 9.2%, representing 324 thousand net adds compared to 4Q20. In this quarter, 81 thousand new subscribers were registered, an increase of 2.2% compared to 3Q21.

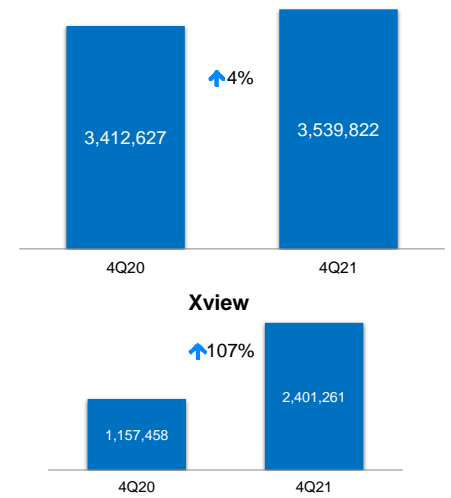
The Company continues to deliver higher bandwidths to its subscribers through a robust and state-of-the-art infrastructure, bolstered by the network evolution project. This service has maintained its essential role in modern society amid the current backdrop and has been increasing its penetration throughout the country.



## Video Subscribers

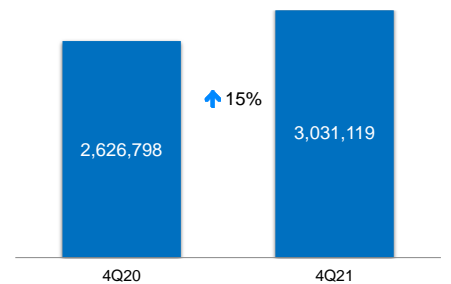
The Video segment continued its growth trend and at the end of 4Q21 reached 3,539,822 subscribers, an increase of 127 thousand net adds, an increase of 3.7% compared to 4Q20; 24 thousand new subscribers were added compared to 3Q21.

The Xview+ platform continues its upward trend and registered a 107.5% growth, which implies more than 1.2 million net adds compared to 4Q20, to reach 2.4 million set top boxes (STBs), while 137 thousand net adds were registered compared to last quarter. Digital subscribers accounted for 84% of the Company's subscriber base through 5 million STBs.



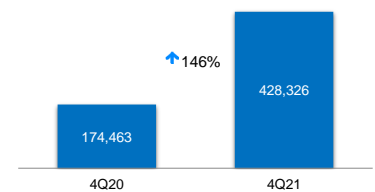
## Telephony Subscribers

The Telephony segment closed the quarter with 3'031,119 subscribers, registering 404 thousand net adds compared to 4Q20, an increase of 15.4%. During the quarter, 97 thousand new subscribers were registered, an increase of 3.3% compared to 3Q21. The growth of this service is mainly driven by the Company's bundling strategy.



## Mobile Services Subscribers

At the end of the quarter, the Company reached 428 thousand subscribers in the Mobile Services segment, representing 83 thousand net adds compared to 3Q21, mainly supported by a well-executed marketing campaign.



## Churn Rate

The churn rates for Video and Telephony services decreased slightly compared to 3Q21, while Internet remained unchanged; however, it remained below pre-pandemic levels, supporting the Company's subscriber growth.

	4Q21	3Q21	4Q20	4Q19
Internet	2.0%	2.0%	1.6%	2.3%
Video	2.2%	2.3%	1.7%	2.4%
Telephony	2.4%	2.5%	2.1%	3.1%

## Revenues

Total revenues for the fourth quarter reached Ps. 6,473 million, a record for the Company in a single quarter and recording a 12.0% increase compared to 4Q20. The mass segment grew 11.5%, driven by higher subscriber adds and revenues from add-on services. In the same comparison, revenues from the Business segment, including the Corporate Telecom and content production segments, grew 14.5%, the highest quarterly increase in the last two years.

	4Q21	4Q20	%Var	12M21	12M20	%Var
Internet	2,139,616	1,900,984	13%	8,225,288	7,205,950	14%
Video	2,451,178	2,332,501	5%	9,485,693	9,255,286	2%
Telephony	628,609	500,222	26%	2,349,568	1,845,857	27%
Mobile Service	106,417	41,469	157%	313,179	79,601	NA
Others	15,315	16,648	-8%	62,611	90,199	-31%
<b>Total Mass Market</b>	<b>5,341,136</b>	<b>4,791,823</b>	<b>11%</b>	<b>20,436,339</b>	<b>18,476,893</b>	<b>11%</b>
Corporate	1,132,316	989,235	14%	4,197,818	3,906,167	7%
<b>Total</b>	<b>6,473,451</b>	<b>5,781,058</b>	<b>12%</b>	<b>24,634,158</b>	<b>22,383,060</b>	<b>10%</b>

## ARPU

ARPU per unique subscriber stood at Ps. 422.6, a significant growth of 4% compared to the last quarter of 2020, while on a sequential basis it increased Ps. 11.1, achieving the highest growth since the end of 2019. This was driven by the increased focus on the sale of triple play packages, rates increases and the contribution of add-on services such as the Xview platforms. ARPU per service increased on a sequential and annual basis, reflecting a higher revenue contribution.

	4Q21	4Q20	% Var	3Q21	% Var
<b>ARPU (1) (Ps.)</b>					
Unique subscriber (2)	422.6	405.2	4%	411.5	3%
Internet	187.6	182.1	3%	185.7	1%
Video	231.7	229.0	1%	223.9	4%
Telephony	69.9	64.4	9%	68.4	2%
Mobile Service	89.4	90.3	-1%	83.0	8%

Note:

- (1) ARPU, or average revenue per unit for each segment, is the result of calculating total revenue for the corresponding segment during the period, divided by the average number of subscribers for the corresponding period.
- (2) Mobile Services revenue is not included in the ARPU per unique subscriber calculation.

## Corporate Telecom Segment Revenues

Corporate Telecom segment revenues increased 16.0% compared to the fourth quarter of 2020. This was driven by a 24.5% growth in Ho1a, which was supported by favorable dynamics in the government and corporate segments, while MetroCarrier grew 20.1%, fueled by a strong performance in the connectivity segment. In addition, MCM maintained its upward trend and recorded growth in both sequential and in relation to the 4Q20 comparisons. The participation of this segment in the Company's total revenues was 16.3%, compared to 15.7% in 4Q20.

	4Q21	4Q20	%Var	12M21	12M20	%Var
Metrocarrier	571,676	476,126	20%	2,104,156	1,878,445	12%
HO1A	202,723	162,821	25%	707,695	623,682	13%
MCM	277,852	268,547	3%	1,062,084	1,100,169	-3%
<b>Corporate Telecom</b>	<b>1,052,250</b>	<b>907,494</b>	<b>16%</b>	<b>3,873,936</b>	<b>3,602,296</b>	<b>8%</b>
PCTV	80,065	81,741	-2%	323,882	303,870	7%
<b>Total</b>	<b>1,132,316</b>	<b>989,235</b>	<b>14%</b>	<b>4,197,818</b>	<b>3,906,167</b>	<b>7%</b>

## Cost & Expenses

During the quarter, cost of services increased 12.0% compared to the fourth quarter of 2020, mainly due to the larger operation in Ho1a (corporate segment) and growth in the mobile services business (mass segment). On the other hand, operating expenses increased 12.2%, mainly related to the mass segment, in line with the higher revenues.

## EBITDA

Consolidated EBITDA for 4Q21 reached Ps. 3,087 million, 11.8% higher than the same period of the previous year, with a consolidated margin of 47.7%. Likewise, adjusted EBITDA recorded a significant increase of 12.4% over 4Q20 to reach Ps. 2,949 million, with a margin of 49.9%. For the full-year, Consolidated EBITDA growth was 9.9%, with a margin of 49.2%, while EBITDA from cable operations increased 10.6% to reach a margin of 50.9%.

	4Q21	4Q20	%Var	12M21	12M20	%Var
<b>CONSOLIDATED</b>						
Consolidated operating profit	1,676,707	1,541,075	9%	6,818,088	6,339,591	8%
Plus consolidated depreciation and amortization	1,410,467	1,219,122	16%	5,298,360	4,689,619	13%
<b>Consolidated EBITDA (1)</b>	<b>3,087,174</b>	<b>2,760,197</b>	<b>12%</b>	<b>12,116,448</b>	<b>11,029,209</b>	<b>10%</b>
<b>Consolidated EBITDA Margin</b>	<b>47.7%</b>	<b>47.7%</b>		<b>49.2%</b>	<b>49.3%</b>	
<b>CABLE OPERATIONS</b>						
MCM, Ho1a and PCTV EBITDA	137,946	135,355	2%	644,360	659,514	-2%
Cable Adjusted EBITDA (2)	2,949,228	2,624,842	12%	11,472,088	10,369,695	11%
<b>EBITDA Margin of Cable</b>	<b>49.9%</b>	<b>49.8%</b>		<b>50.9%</b>	<b>50.9%</b>	

Notes:

(1) Consolidated EBITDA is calculated by adding to the net income/loss the following: depreciation and amortization, net comprehensive financing result, non-recurring expenses (income), total income tax, employee profit sharing, interests in affiliated and associated companies, and non-controlling interest.

(2) Adjusted EBITDA for the Cable operations is calculated by subtracting MCM, PCTV and Ho1a EBITDA from Consolidated EBITDA.

## Net Comprehensive Financing Result

During the quarter, the Company recorded a net financing expense of Ps. 86.0 million, mainly comprised of Ps. 94.9 million in net interest expense, while the foreign exchange gain of the quarter was Ps. 8.9 million.

	4Q21	4Q20
Net Exchange (Profit) Loss	(8,865)	135,852
Interest Income	43,604	43,926
Interest Expense	138,499	184,887
<b>Net Comprehensive Financial Result</b>	<b>(86,030)</b>	<b>(276,813)</b>



## Net Income

Net Income for the quarter closed at Ps. 1,118 million, an increase of 22.4% compared to 4Q20. This is mainly due to the increase in EBITDA for the period and a favorable comparison of the Comprehensive Financing Result versus previous periods, generated by a lower interest expense and the foreign exchange gain recorded during the period, notwithstanding a higher tax rate.

## Net Debt

Megacable ended the quarter with Net Debt of Ps. 4,670 million, which represents a higher leverage level, both on a year-over-year and sequential basis. This was due to additional debt contracted during the period and a lower cash level compared to 4Q20.

	4Q21	4Q20	3Q21
<b>Short Term Debt</b>	<b>4,560,470</b>	<b>1,291,689</b>	<b>3,286,188</b>
One year maturity of long-term bank loans	4,448,789	1,166,854	3,164,535
Short-term leases	111,681	124,836	121,652
<b>Long-Term Debt</b>	<b>3,812,533</b>	<b>6,590,464</b>	<b>3,740,015</b>
Bank Loans	3,458,069	6,358,954	3,455,442
Long-term leases	354,464	231,510	284,573
<b>Total Debt</b>	<b>8,373,002</b>	<b>7,882,153</b>	<b>7,026,203</b>
Cash and Short-Term Investments	3,703,435	4,259,590	2,743,248
<b>Net Debt</b>	<b>4,669,568</b>	<b>3,622,564</b>	<b>4,282,955</b>

## CAPEX

Megacable invested Ps. 3,164 million during 4Q21, bringing the full-year figure to Ps. 9,466 million, equivalent to 38.4% of the Company's total revenues for 2021, in line with the expansion projects of the Company. The network evolution project continues to be executed and contributes significantly to CAPEX in the quarter. This strategy, together with the project to enter new markets, are a fundamental part of the development and growth of the Company.

## Stock Information

Ticker MEGACPO	CPOs	"A" Series
Total Shares (thousands)	853,789	1,721,356
Shares in treasury (thousands)	3,202	6,403
2 "A" Series Shares =		1 CPO
Mkt. Cap (In Ps. millions)		\$ 60,041
Closing price (Ps) *		\$ 69.76
Free float		51%
As of December 31, 2021		

\* Source: Infosel

## 4Q21 Earnings Conference Call

Megacable will hold its 4Q21 Earnings Conference Call on Friday, February 4, 2022 at 10:00 am (Mexico City Time) / 11:00 am (New York Time).

To access the call, please dial:

From within the U.S. 1-877-451-6152

From outside the U.S. 1-201-389-0879

Webcast: [https://viaid.webcasts.com/starthere.jsp?ei=1525518&tp\\_key=0ae4cb92ac](https://viaid.webcasts.com/starthere.jsp?ei=1525518&tp_key=0ae4cb92ac)

## Investor Relations:

Alan Esaú Gallegos López

IR Manager

Phone: + (5233) 3750 0042 ext. 61091

[investor.relations@megacable.com.mx](mailto:investor.relations@megacable.com.mx)

## Disclaimer

This press release contains forward-looking statements regarding the Company's results and future prospects, which are subject to risk and uncertainty. Therefore, these results and statements may differ due to various factors. Moreover, figures in this report may vary due to rounding.

For more information, please visit: <https://inversionistas.megacable.com.mx/en/index.php>

**Megacable Holdings, S.A.B. de C.V.**

Statement of Financial Position

As of December 31, 2021 and 2020

	2021	2020
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and short-term investments	3,703,435	4,259,590
Accounts receivable from customers and advances to suppliers, net	3,277,165	3,593,665
Recoverable taxes	1,261,198	779,937
Inventories	430,986	435,539
<b>Total Current Assets</b>	<b>8,672,784</b>	<b>9,068,731</b>
<b>NON-CURRENT ASSETS</b>		
Property, systems and equipment, net	39,071,884	33,809,486
Goodwill, net	4,378,397	4,378,397
Intangible assets by right-of-use assets	255,469	322,782
Other assets	911,580	1,199,137
Affiliated and associated companies	916,876	978,473
<b>Total Assets</b>	<b>54,206,991</b>	<b>49,757,007</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
One year maturity of long-term liabilities	4,448,789	1,166,854
Suppliers	5,160,741	3,240,960
Short-term affiliated and associated companies	135,316	100,149
Accounts payable and accrued expenses payable	1,844,309	1,768,360
Short-term leases payable	111,681	124,836
<b>Total Current Liabilities</b>	<b>11,700,836</b>	<b>6,401,158</b>
<b>LONG TERM LIABILITIES</b>		
Bank loans	3,458,069	6,358,954
Labor obligations	211,430	203,285
Deferred taxes	2,026,074	1,955,997
Affiliated and associated companies	612,514	729,085
Long-term leases payable	354,464	231,510
<b>Total Long-Term Liabilities</b>	<b>6,662,551</b>	<b>9,478,831</b>
<b>Total Liabilities</b>	<b>18,363,387</b>	<b>15,879,989</b>
<b>STOCKHOLDERS' EQUITY</b>		
Capital Stock	910,244	910,244
Net Premium on the placement of shares	2,117,560	2,117,560
Retained Earnings	29,572,941	28,962,481
Minority Interest	1,460,570	1,392,924
Legal Reserve	1,782,288	493,808
<b>Total Stockholders' Equity</b>	<b>35,843,604</b>	<b>33,877,017</b>
<b>Total Liabilities &amp; Stockholders' Equity</b>	<b>54,206,991</b>	<b>49,757,007</b>



**Megacable Holdings, S.A.B. de C.V.**

Income Statement

Fourth Quarter 2021 and 2020

	4Q21	4Q20	% Var
<b>Income</b>	\$ 6,473,451	\$ 5,781,058	12%
Cost of Services	1,750,033	1,561,993	12%
<b>Gross Profit</b>	\$ 4,723,419	\$ 4,219,066	12%
Operating and General Expenses	1,636,244	1,458,869	12%
<b>EBITDA</b>	\$ 3,087,174	\$ 2,760,197	12%
Depreciation and amortization	1,410,467	1,219,122	16%
<b>Operating Profit</b>	\$ 1,676,707	\$ 1,541,075	9%
Other income (expenses), net	- 480	-\$ 70,803	99%
Comprehensive Financing Income, Net	86,030	276,813	(69%)
<b>Income Before Income Tax and Minority Interest</b>	\$ 1,590,197	\$ 1,193,460	33%
Income Tax	432,545	215,586	101%
<b>Net Profit</b>	\$ 1,157,652	\$ 977,874	18%
<b>Net income attribute to:</b>			
Non-Controlling interest	39,276	64,484	(39%)
Controlling interest	1,118,376	913,390	22%
	\$ 1,157,652	\$ 977,874	18%

	12M21	12M20	% Var
<b>Income</b>	\$ 24,634,158	\$ 22,383,060	10%
Cost of Services	6,455,359	5,845,253	10%
<b>Gross Profit</b>	\$ 18,178,799	\$ 16,537,807	10%
Operating and General Expenses	6,062,351	5,508,598	10%
<b>EBITDA</b>	\$ 12,116,448	\$ 11,029,209	10%
Depreciation and amortization	5,298,360	4,689,619	13%
<b>Operating Profit</b>	\$ 6,818,088	\$ 6,339,591	8%
Other income (expenses), net	- 27,118	-\$ 10,719	NA
Comprehensive Financing Income, Net	697,196	469,121	49%
<b>Income Before Income Tax and Minority Interest</b>	\$ 6,093,774	\$ 5,859,751	4%
Income Tax	1,645,319	1,335,496	23%
<b>Net Profit</b>	\$ 4,448,455	\$ 4,524,255	(2%)
<b>Net income attribute to:</b>			
Non-Controlling interest	160,757	170,890	(6%)
Controlling interest	4,287,698	4,353,366	(2%)
	\$ 4,448,455	\$ 4,524,255	(2%)

**Megacable Holdings, S.A.B. de C.V.**

Income Statement by Segment

Fourth Quarter 2021 and 2020

	4Q21	4Q20	% Var
<b>CABLE OPERATIONS</b>			
<b>Income</b>	\$ 5,912,812	\$ 5,267,949	12%
Cost of Services	1,524,477	1,381,514	10%
<b>Gross Profit</b>	<b>4,388,335</b>	<b>3,886,435</b>	<b>13%</b>
Operating and General Expenses	1,439,107	1,261,593	14%
<b>EBITDA</b>	<b>\$ 2,949,228</b>	<b>\$ 2,624,842</b>	<b>12%</b>
	49.9%	49.8%	
<b>OTHER</b>			
<b>Income</b>	<b>560,639</b>	<b>513,109</b>	<b>9%</b>
MCM	277,852	268,547	3%
HO1A	202,723	162,821	25%
PCTV	80,065	81,741	(2%)
<b>Cost of Services</b>	<b>225,556</b>	<b>180,479</b>	<b>25%</b>
MCM	30,363	24,612	23%
HO1A	161,355	112,933	43%
PCTV	33,839	42,934	(21%)
<b>Gross Profit</b>	<b>335,084</b>	<b>332,631</b>	<b>1%</b>
<b>Operating and General Expenses</b>	<b>197,137</b>	<b>197,276</b>	<b>(0%)</b>
MCM	120,787	122,705	(2%)
HO1A	30,871	41,005	(25%)
PCTV	45,479	33,566	35%
<b>EBITDA</b>			
MCM	126,701	121,230	5%
HO1A	10,497	8,883	18%
PCTV	747	5,242	(86%)
<b>EBITDA</b>	<b>\$ 137,946</b>	<b>\$ 135,355</b>	<b>2%</b>
	24.6%	26.4%	
<b>TOTAL OPERATION</b>			
<b>Income</b>	<b>6,473,451</b>	<b>5,781,058</b>	<b>12%</b>
Cost of Services	1,750,033	1,561,993	12%
<b>Gross Profit</b>	<b>4,723,419</b>	<b>4,219,066</b>	<b>12%</b>
Operating and General Expenses	1,636,244	1,458,869	12%
<b>EBITDA</b>	<b>\$ 3,087,174</b>	<b>\$ 2,760,197</b>	<b>12%</b>
	47.7%	47.7%	

**Megacable Holdings, S.A.B. de C.V.**

Income Statement by Segment

Accrued as of Fourth Quarter 2021 and 2020

	12M21	12M20	% Var
<b>CABLE OPERATIONS</b>			
<b>Income</b>	\$ 22,540,496	\$ 20,355,338	11%
Cost of Services	5,692,108	5,178,253	10%
<b>Gross Profit</b>	<b>16,848,388</b>	<b>15,177,085</b>	<b>11%</b>
Operating and General Expenses	5,376,300	4,807,389	12%
<b>EBITDA</b>	<b>\$ 11,472,088</b>	<b>\$ 10,369,695</b>	<b>11%</b>
	50.9%	50.9%	
<b>OTHER</b>			
<b>Income</b>	<b>2,093,662</b>	<b>2,027,722</b>	<b>3%</b>
MCM	1,062,084	1,100,169	(3%)
HO1A	707,695	623,682	13%
PCTV	323,882	303,870	7%
<b>Cost of Services</b>	<b>763,251</b>	<b>666,999</b>	<b>14%</b>
MCM	104,678	111,376	(6%)
HO1A	507,614	378,234	34%
PCTV	150,958	177,390	(15%)
<b>Gross Profit</b>	<b>1,330,411</b>	<b>1,360,722</b>	<b>(2%)</b>
<b>Operating and General Expenses</b>	<b>686,051</b>	<b>701,208</b>	<b>(2%)</b>
MCM	428,757	425,813	1%
HO1A	112,015	141,224	(21%)
PCTV	145,279	134,172	8%
<b>EBITDA</b>			
MCM	528,649	562,981	(6%)
HO1A	88,066	104,224	(16%)
PCTV	27,645	7,691	NA
<b>EBITDA</b>	<b>\$ 644,360</b>	<b>\$ 659,514</b>	<b>(2%)</b>
	30.8%	32.5%	
<b>TOTAL OPERATION</b>			
<b>Income</b>	<b>24,634,158</b>	<b>22,383,060</b>	<b>10%</b>
Cost of Services	6,455,359	5,845,253	10%
<b>Gross Profit</b>	<b>18,178,799</b>	<b>16,537,807</b>	<b>10%</b>
Operating and General Expenses	6,062,351	5,508,598	10%
<b>EBITDA</b>	<b>\$ 12,116,448</b>	<b>\$ 11,029,209</b>	<b>10%</b>
	49.2%	49.3%	