

DEAR SHAREHOLDERS



Bernardo Gómez
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Co-Chief Executive Officers

Last year was marked by several milestones, which we are confident will allow us to deliver sustainable top-line growth and free-cash-flow generation in the medium-term despite a challenging global macroeconomic environment in 2023.

At **Grupo Televisa**, we:

- Ended the year with a network of 18.7 million homes passed, after passing around 875 thousand new homes with fiber throughout the year; and delivered more than 1.2 million fixed revenue generating units (RGUs) net-adds in cable, or over 3x the RGU net-adds we had in 2021. We ended 2022 with 15.7 million fixed RGUs. Moreover, we expect that our wide geographic footprint and solid competitive position will allow us to keep delivering strong RGU net-adds in 2023.
- Redefined our sales commission model and rebalanced our channel mix at Sky, with the objective of materially improving sales quality going forward. This is intended to help us stabilize our subscriber base and overall revenue streams at Sky, while materially reducing opex and capex intensity. We expect Sky's free-cash-flow generation to improve significantly in 2023.
- Announced a plan to further simplify our equity story by spinning-off our other businesses, including the soccer team America, the Azteca Stadium, the gaming operations, and the publishing & distribution of magazines businesses, creating a new controlling entity that will be listed on the Mexican Stock Exchange.

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- Keep making progress on our corporate optimization process, including a headcount reduction of approximately 3% of our work force, which will help us maintain our solid profitability levels in 2023.
- Reduced our total leverage by around \$800 million dollars, allowing us to realize significant savings related to net interest expenses.

At **TelevisaUnivision**:

- On January 31st, we closed the merger of our former content assets with Univision solidifying one of the world's leading Spanish-language media and content company, a business without comparison in the global media landscape exclusively focused on the massive market opportunity that exists with the global Spanish speaking audience of almost 600 million people.
- In April 2022, TelevisaUnivision launched a completely redesigned and enhanced Advertising Video on Demand (AVOD) service, ViX, featuring one of the world's most extensive Spanish language video offerings, with over 100 channels, video on demand, and over 40,000 hours of content in its first year, including novelas, mega-hits, news content, soccer, and new and exclusive original programming. ViX AVOD has already been in the market for three quarters, and its metrics related to users and engagement have exceeded initial expectations. The Qatar World Cup was a major contributor to the success of ViX in Mexico and Spanish-speaking Latin America, as it was a key event to attract millions of monthly active users (MAUs) to the platform. During the World Cup, the service saw peak streaming activity with more than 5 million devices for a single game with zero technical issues, which is remarkable for a service as young as ViX. ViX is now the largest Spanish-language streaming app in the world with more than 25 million MAUs on its free tier alone.
- In July 2022, TelevisaUnivision launched a Subscription Video on Demand (SVOD) service, ViX+, in the US, Mexico, and most of Spanish-speaking Latin America, giving subscribers access to the broadest, most premium Spanish-language content ever offered on an SVOD service, featuring more than 10,000 hours of ad-free premium entertainment programming in its first year, and up to 7,000 hours of live sports. While ViX SVOD has only been in the market for less than two quarters, the opportunity that TelevisaUnivision has ahead is exciting.
- ViX was awarded Apple TV's app of the year in 2022 globally – the first Spanish-language app to receive this recognition – and Google Play's Best App of 2022 in Mexico.
- TelevisaUnivision's content factory continues to produce hits that resonate in both the US and Mexico; and is now powering its market-leading streaming platform as well as its linear networks. In the US, TelevisaUnivision's share of Spanish language prime-time audiences increased to 62.4% in 2022 from 62.2% in 2021 even though its closest competitor had the Spanish language World Cup exclusive rights, and that it programmed several franchise series during the fourth quarter of the year. Moreover, TelevisaUnivision's share of total prime-time audiences in the US regardless of language went up to 6.4% in 2022 from 6.1% in 2021. In Mexico, TelevisaUnivision's free-to-air audiences on prime-time beat its closest competitor by 105%. This allowed TelevisaUnivision to grow its share of audiences in Mexico by two percentage points.



In 2022, Grupo Televisa's consolidated revenue reached \$75.5 billion pesos, representing year-on-year growth of 2.2%

- In mid-2022, TelevisaUnivision closed another incredibly successful US upfront. Volume grew double digits to the highest levels the company has produced in seven years despite having tough comps from last year's upfront. For the second consecutive year, pricing held in line with the market, in the high single digit range. Importantly, TelevisaUnivision grew in both linear and streaming. Unlike other media companies, TelevisaUnivision was able to leverage growth in ratings and audience on linear. Demand for ViX came from existing linear advertisers, where the bundle rate approached an outstanding 70%, as well as from new, digital-first advertisers. Capturing digital budgets, where there is secular growth in ad dollars, is a huge opportunity for TelevisaUnivision. TelevisaUnivision's early success is also solid proof of the quality upgrade it has made with this new product and new brand. All in, advertising commitments in the US increased in the mid-teens, leading TelevisaUnivision to be optimistic about its advertising revenue growth prospects.
- Finally, TelevisaUnivision successfully concluded upfront negotiations with its customers in Mexico, with the plan growing by mid-single digits year-on-year making this upfront the largest in absolute terms in its history. This can be seen as a solid upfront outcome given the global economic slowdown, and tough comps from last year due to the World Cup. This upfront may help TelevisaUnivision to deliver advertising revenue growth in Mexico for a third consecutive year, evidencing the strength of its content and its advertising platform.

BUSINESS PERFORMANCE

In 2022, Grupo Televisa's consolidated revenue reached \$75.5 billion pesos, representing year-on-year growth of 2.2%; while proforma operating segment income reached \$28.0 billion pesos, equivalent to a year-on-year decline of 4.7% mainly driven by the amortization of costs and expenses of \$930 million pesos related to the transmission rights and production of the Qatar World Cup at Sky.

Revenue growth in Cable and our Other Businesses segment was partially offset by declining revenue at Sky. However, last year was transformational for Sky and we expect that in 2023, this business will experience a rebound, especially at the operating segment income and operating cash flow level. In addition, our expansion plan in Cable worked very well last year, allowing us to gain market share of RGUs, while keeping our ARPU relatively flat.

TelevisaUnivision's proforma results for 2022 were remarkable considering the launch of ViX & ViX+ which illustrates the power and uniqueness of our combined assets as well as the focus and discipline of its execution. The company's full year proforma revenue increased by 13% year-on-year to US\$4.7 billion dollars, marking the second consecutive year of double-digit revenue growth. Pro forma adjusted OIBDA of US\$1.7 billion dollars was US\$4 million dollars higher than last year, fully absorbing the peak year of streaming losses.

CABLE – ADDED OVER 1.3 MILLION RGUs

In 2022, we exceeded our original plan to pass 700 thousand homes with FTTH, finishing with 875 thousand homes passed. We closed the year with approximately 18.7 million homes passed with our network, of which approximately 63% are connected either with fiber-to-the-node or fiber-to-the-home. The investments that we have made over the last few years have been paying off and have allowed us to keep up with the increase in demand for high-speed broadband.

Our Cable business had a very good year in terms of RGU net additions. We reported 1.3 million RGU net additions of video, broadband, voice, and mobile subscribers, ending 2022 with 15.9 million total RGUs. This result was largely driven by the implementation of a bottom-up simplification of our product design systems. The new "building-block" modules allowed us to: 1) quickly create and modify new products, and 2) adjust prices at a more granular level. At the same time, this simplification provides more flexibility to our customers to pick their preferred combinations. We are going back to basics "with izzi it's easy to choose your package".



The year-long strategy to improve our quality of service, that included the digitalization of our customer experience, fiber training of our technicians, well-focused investments to improve our network, and strengthening of our best-in-class customer service call center, is starting to pay off. Our Net Promoter Score reached its highest level since 2018, and on broadband and pay-TV, the Net Satisfaction Score placed us at the top of our competitors for the first time. According to the IFT (Federal Telecommunications Institute), izzi continues to have the lowest complaints per 100 thousand customers in all services compared to our peers, and our average response time is the best by far and has remained so for the past 2.5 years.

In 2022, we delivered modest revenue growth of 0.8%, while operating segment income fell by 1.9%. Revenue and operating segment income in our MSO operations (87% of Cable revenue) increased by 2.5% and 2.6%, respectively, for a margin of 42.9%. Growth opportunities in our MSO operations look promising, driven by the ongoing expansion of our footprint and the solid RGU net-adds that we have been delivering. Revenue in our Enterprise operations (13% of Cable revenue) declined by 7.6% due to significant headwinds as last year we concluded a very important non-recurring project called “Red Jalisco”. Operating segment income in our Enterprise operations fell by 28.8%, while our profitability declined by 800 basis points given a temporary change in our business mix more leaned towards lower margin projects. As a reminder, “Red Jalisco” was a project developed for the Government of the State of Jalisco to build a fiber network owned by the State.

SKY – GOING THROUGH A TRANSFORMATION PROCESS

2022 was a transformational year for Sky in which we put special focus on improving our return over the investment. To achieve this, we replaced some pay-TV packages that were not performing well, such as “Sky Basico” with “Sky Silver HD”. We also redefined our sales commission model and rebalanced our channel mix, with the objective of materially improving sales quality going forward. By the end of the year, we launched a prepaid premium package called “Prepago Gold”, offering an expanded channel lineup that includes Sky’s exclusive sports content. This new package is expected to help us upsell to our high value prepaid customers.

Additionally, Sky signed a partnership with izzi; this contract will allow Sky to offer high-speed broadband services that are both, reliable and competitive to customers looking for an integrated offer. Sky also launched a new mobile service using AT&T’s network, targeting its customer base. Its value proposition is to bundle a very competitive mobile data package from a price standpoint, with an attractive upgrade in Sky’s video content.

Moreover, leveraging on Sky’s strong brand awareness, the company decided to expand the Sky brand to all its new products. This brand consolidation is aimed at creating into a stronger product portfolio, making Sky’s communications more effective and streamlined.

During the year, Sky had around 1.3 million RGU disconnections. This was mainly driven by the loss of approximately 1.2 million video subscribers, of which 402 thousand were related to the clean-up of our base. We closed the year with about 6.9 million RGUs, of which 9.3%, or 640 thousand, are broadband subscribers.

The above-mentioned factors led Sky’s revenue to fall by 7.7% year-on-year in 2022, while operating segment income declined by 24.6% for a margin of 31.5%. Sky’s operating segment income was impacted by the lower revenue and the amortization of some costs and expenses of \$930 million pesos related to the transmission rights of the Qatar World Cup.

TELEvisaUNIVISION – VIX IS NOW FULLY LAUNCHED

In 2022, TelevisaUnivision executed its strategy to optimize and modernize the traditional media business, while creating a market-leading streaming platform with superior economics in less than a full year of operations. This has allowed TelevisaUnivision to deliver another year of stellar performance.

TelevisaUnivision’s full year consolidated revenue increased by 13% to US\$4.7 billion dollars. Advertising revenue increased by 10% driven by strong upfronts in both the US and Mexico, where it produced the highest volume growth in recent history in both markets, as well as growth in scatter pricing and volume, and active clients. In the US, advertising revenue increased

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10%, reflecting growth in both linear and streaming, as well as record mid-term political revenue. In Mexico, advertising revenue increased by 9%, and benefited from World Cup advertising revenue which increased by 9% relative to the prior World Cup.

Subscription and licensing revenue increased by 20%, reflecting nearly US\$150 million dollars from sublicensing the World Cup rights in other Spanish speaking Latin American countries and the launch of ViX's subscription tier. In the US, growth of 22% was also driven by virtual MVPD revenue following carriage on YouTube TV that began in the third quarter of 2021. In Mexico, growth of 14% benefited from strong content licensing revenue and linear subscription price increases, while subscribers grew modestly.

Adjusted OIBDA grew \$4 million during the year to around US\$1.7 billion dollars, while cash flows provided by operating activities were US\$343 million dollars, despite absorbing significant investments in the company's new streaming service, ViX, including new original premium content, sports rights, marketing, and technology.

FOCUS ON ESG IS A PRIORITY

At Grupo Televisa, we understand our role in serving society. We believe that adopting sustainable business practices is critical to generate long-term value for our customers, employees, shareholders, and communities. ESG is a high priority and an important component of our business strategy. We are committed to developing and implementing initiatives to impact our environment and society positively.

We give continuity to our ESG strategy through the Sustainability Committee that monitors current initiatives to improve and encourage the development of new ones. Thus, our achievements in sustainability are the result of a continuous review process of our internal policies, procedures, and management systems to improve corporate and sustainability performance, which is measured through our key performance indicators (KPIs). In addition, we seek to create a consistent, transparent, and comparable ESG reporting system to keep our stakeholders informed.

During 2022, MSCI upgraded the Grupo Televisa rating from "BBB" to "A". According to MSCI, the Company has shown improvements in labor management and business ethics practices, supporting their rating upgrade. MSCI is a leading provider of critical decision support tools and services for the global investment community.

Also, for sixth consecutive year, Grupo Televisa has been selected as a member of the 2022 Dow Jones Sustainability MILA Pacific Alliance Index, which measures best-in-class companies among members of the S&P MILA Pacific Alliance Composite that fulfill certain sustainability criteria better than most of their peers within a given industry. In addition, Grupo Televisa was included in the 2022 Dow Jones Sustainability Emerging Markets Index. The Dow Jones Sustainability Indices are a family of best-in-class benchmarks for investors who recognize that sustainable business practices are critical to generating long-term shareholder value and wish to reflect their sustainability convictions in their investment portfolios.

Throughout 2022, Grupo Televisa's sustainability efforts continued to be recognized globally. For example, the Company was included in FTSE4Good Index Series: FTSE4Good Emerging Markets and FTSE4Good Emerging Latin America. Also, Grupo Televisa has been selected as a constituent of the ESG index, launched by S&P, Dow Jones, and the Mexican Stock Exchange. Additionally, the Company received the Distintivo Empresa Socialmente Responsable 2022 (2022 Socially Responsible Company recognition), granted by Centro Mexicano para la Filantropía (Mexican Center for Philanthropy). Finally, the Company was confirmed as a United Nations Global Compact signatory, the world's largest corporate sustainability initiative.

We understand our sustainability strategy as a commitment to enhancing the lives of the communities we serve, and we believe by doing so, we will also contribute to our growth and success.

EXECUTING ON OUR STRATEGY IS KEY IN 2023

In 2023, the world will continue to face some macroeconomic headwinds, including geopolitical uncertainties, inflation and tightened financial conditions. Still, we have been preparing and positioning to execute on our priorities and strategic initiatives under more challenging conditions.



In Cable, we will continue to expand our FTTH footprint to selective locations given our nationally recognized brand, exclusive content, and high-quality service with competitive offers. We expect this to help us to keep delivering sustainable RGU growth in the medium term.

At Sky, the transformation process launched last year is expected to stabilize our subscriber and revenue base, while making our opex and capex structures more efficient. Moreover, the absence of non-recurring costs and expenses related to transmission rights and production of the Qatar World Cup may allow us to boost operating segment income growth this year.

TelevisaUnivision is focused on continuing executing its strategy to create a business like no other, and its stellar performance with double-digit revenue growth for two consecutive years demonstrates the power of such newly formed company. TelevisaUnivision's content factory in Mexico continues to produce blockbuster content that resonates through its linear networks, both in the US and Mexico, and is now powering its market-leading streaming platform. ViX has been fully launched and is now the definitive leader in Spanish-language streaming in less than a full year of

operations. Growth and profitability in TelevisaUnivision's core business has been more than offsetting the investments it made in ViX.

We feel privileged to be leading Grupo Televisa through this digital transformation and simplification process. Most importantly, we are very thankful to all employees at our consolidated subsidiaries and unconsolidated affiliates for their unwavering dedication to continue providing the high-quality video, voice, and broadband services that our customers need and expect, and informing and entertaining our audiences.

We also have an incredibly strong and dedicated board of directors working for the benefit of Grupo Televisa and its stakeholders, and we are grateful for their many contributions and thoughtful advice during 2022.

To our shareholders, we want to extend our appreciation for your continued confidence in our vision and in our long-term prospects.

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Co-Chief Executive Officers