TELEVISAUNIVISION Q2 2025 EARNINGS CALL TRANSCRIPT

PAUL CALOCINO, HEAD OF FP&A, TREASURY & INVESTOR RELATIONS:
Thank you and welcome everyone to TelevisaUnivision's second quarter 2025 earnings call. I'm joined today by Daniel Alegre, CEO, and Juan Pablo Newman, CFO.

Some of the information discussed today will contain forward-looking statements. These statements involve risks and uncertainties, including those highlighted in our press release, and may cause actual results to differ materially from these statements. We are not obligated to update forward-looking information discussed on this call, except as may be required by law.

Definitions and reconciliations of our non-GAAP measures to the most directly comparable GAAP measures can be found in our earnings press release and reporting package, which can be found at investors.televisaunivision.com. I will now turn the call over to Daniel.

DANIEL ALEGRE, CEO:
Thank you all for joining this morning. Our second-quarter results underscore the disciplined execution of our strategic priorities and the ongoing benefits from the reorganization that we executed at the end of 2024. We delivered strong OIBDA year over year growth of 10% while stabilizing total revenue year-over-year excluding FX. Our streamlined cost structure continues to drive operational efficiency, enabling us to reinvest in strategic areas that support sustainable, long-term value creation. And we continue to deliver on innovative new content across our various platforms that are resonating very well with our audience around the world.

Our strong second-quarter performance was powered by our programming slate with sports as a standout driver—boosting viewership and attracting strong advertiser demand. We also saw continued momentum in streaming as ViX continues to expand its reach across both free and premium tiers. Additionally, we advanced strategic partnerships that broadened our footprint and further reinforce the value of our portfolio as unmatched in its relevance among Hispanic audiences globally.

Turning to our operational performance. Our role as the voice of Hispanics was validated by the strong performance of our content this quarter, reflecting the deep connection that we've built with our powerful and growing audience. In the U.S., it's clear that we are the undisputed leader in Spanish-language television, a lead that we have had for 33 consecutive second quarters. Our refined programming windowing strategy is delivering tangible results and driving a meaningful lift in portfolio ratings that are outperforming our operating plan benchmarks. This quarter, our U.S. Networks delivered the most engaged

audience in media. We are the only major broadcast network to grow year-over-year in total day non-sports viewing, and once again we led Spanish-language primetime with a commanding advantage among young, diverse viewers. In Mexico, our portfolio of networks gained market share and outperformed both our nearest competitor and the prior year, strengthening our leadership across all day parts, including total weeks, weekdays and weekends.

A cornerstone of this momentum is our slate of Dramas, which fuels our leadership in primetime. *Las Hijas de la Señora García* was the number 1 drama on all of U.S. television—regardless of language, outperforming the Spanish-language competition across key demos and becoming ViX's most successful U.S. drama to date.

A.MAR and *Karsu* held the top two drama spots on all of television among U.S. Hispanics since their premieres, helping Univision outperform all English-language broadcast and cable networks in their respective time slots. And in Mexico, we maintained our leadership in primetime driven by our flagship broadcast network, *Las Estrellas*, as *A.MAR* and *Juegos de Amor y Poder* secured the top two drama positions in the country, outpacing our main competitor during the same time period. We're further building on our momentum with the late-June premiere of Season 2 of our ViX original, *Con Esa Misma Mirada*, following the breakout success of its first season.

Our sports portfolio delivered another strong quarter, reinforcing our position as the definitive home of soccer in the U.S. We aired high-stakes matchups—including the UEFA Champions League, Liga MX Clausura, and CONCACAF Champions Cup Finals.

And this summer, our *Verano Futbolero*, or summer of soccer, is delivering over 340 hours of premium programming, headlined by two marquee events: the CONCACAF Gold Cup and the FIFA Club World Cup—both drawing significant viewership and very strong advertiser demand.

The Gold Cup was the most-watched soccer tournament among U.S. Hispanics. We kicked off our coverage with a strong matchup between Mexico and the Dominican Republic, delivering 1.6 million Total Viewers – up 60% versus the 2023 Gold Cup opener. The Mexico National team, which remains the most-watched international soccer team in the U.S., claimed victory over the U.S. in the final to win the Copa de Oro. The match ranks as the most-watched soccer game of the year on Univision, delivering 3.8 million Total Viewers. In Mexico, our Gold Cup coverage on Canal 5 reached 27 million viewers, and the final drew an audience of 5.1 million viewers.

The FIFA Club World Cup was the top-rated daytime event of the summer, and our coverage ranked as the most watched of the tournament, regardless of language. In partnership with DAZN, we featured top talent to deliver comprehensive coverage of 18 matches across our networks. The final between Chelsea and PSG averaged 1.4 million Total Viewers, making Univision's broadcast of the title match the most watched among U.S. Hispanics across all of television. In Mexico, our coverage of the Club World Cup reached 16.1 million viewers across our network with viewership peaking at 3 million during the River Plate versus Monterrey match.

We're also building on this momentum by doubling down on our commitment to women's sports. This quarter, we expanded our partnership with CONCACAF to include the full calendar of premier women's soccer competitions through 2030—a major step forward in our efforts to elevate the women's game. This builds on the growing success of Liga MX Femenil, and our current coverage of UEFA Women's Euro 2025 and CONMEBOL's Copa América Femenina, which showcase the rising demand for women's soccer across our platforms.

Year to date, we aired 14 of the top 20 soccer matches, and our platforms delivered the most-watched programming, drawing millions of viewers and cementing our position as a leading destination for world-class soccer heading into 2026.

On the news front, this quarter reinforced our role as a trusted source that our audience turns to in the moments that matter most. Following the death of Pope Francis, *Noticias Univision* was the undisputed leader among U.S. Hispanics with coverage that outperformed both English- and Spanish-language competitors across every major timeslot and demo.

Our special primetime report, *Francisco, El Papa Latino*, reached over 2 million viewers—more than doubling the audience of our nearest Spanish-language competitor—and we maintained that leadership with extensive coverage of the Vatican conclave and the historic selection of the first American-born pope. In Mexico, our comprehensive coverage of the Papal transition reached 37 million viewers across our platforms, reinforcing our unmatched scale.

That trust in our journalism extends to our day-to-day news coverage as well. *Noticiero Univision*, anchored by Ilia Calderón, delivered double-digit year-over-year audience growth in Q2 across key adult demos—consistently building its audience month after

month. It remains the number 1 evening news program on broadcast television among U.S. Hispanics, consistently attracting more viewers than the combined U.S. Hispanic audiences of the evening newscasts of ABC, NBC, and CBS.

At the local level, the critical role our stations play was clear this quarter, as audiences turned to us for reliable, timely information—particularly around immigration, where our coverage continues to meet a vital need in the communities that we serve.

In Mexico, our weekday primetime newscast on *Las Estrellas* delivered over double the audience of our closest competitors, while *ForoTV* strengthened its position as the leading free to air news channel with a ~20% audience increase versus prior year.

Moving onto Streaming. Engagement and growth for ViX remain strong, with momentum accelerating across both our free and premium tiers. Subscribers have now surpassed 10 million, and this is double-digit growth versus a year ago.

Just last month, a report from Ampere Analysis named ViX as the fastest-growing major streamer in 2025—a testament to the strength of our content and platform strategy.

Our reimagined windowing model, built to maximize engagement and cross-platform monetization and leveraging the strength of our multi-platform portfolio, ensures that every major title spans at least two platforms. As we expand new formats designed for today's viewing behaviors, innovation will come to drive how we engage our audience and grow our streaming business.

A key part of that innovation is our expansion into microdramas—short-form, mobile-first scripted series designed to meet younger, mobile-native viewers where they are and which serve as entry points into our broader content ecosystem. Just this month, we are beginning to roll out six new series, with a new microdrama premiering every week through the end of the year. We're on track to deliver 40 original titles by December 31st, with each series comprised of one- to two-minute episodes. The format offers a high, mobile-first engagement environment that's uniquely ripe for advertisers looking to reach young Hispanic audiences in fresh, culturally resonant ways.

At the same time, we're doubling down on our music firepower with digital-first initiatives that tap into the global energy of Latin music. This includes the launch of *ViX Música*—a new streaming destination built around our music IP, offering exclusive performances, original content, and immersive experiences in a scalable, digital-first environment.

We've developed a cohesive, end-to-end music strategy that expands our radio presence from local and national and introduces new live events that will resonate deeply with our audience. And we launched a new content incubation studio in Mexico, designed to give emerging influencers, young writers, and producers the space to develop fresh, culturally relevant stories.

Now turning to advertising. U.S. ad sales experienced modest softness in Q2, resulting in a low single-digit revenue decline, however, we saw a significant sequential improvement from the first quarter as we saw growth in ViX and linear ratings stabilized at the same time which is very reassuring. In Mexico, advertising revenue remained steady year-over-year in local currency as results reflect growth in ViX and higher private sector growth offsetting public sector dynamics.

Gold Cup was a huge bright spot this quarter, with revenue up more than 50% compared to the 2023 tournament, driven by record sellouts and premium pricing that also helped to offset the record Copa América performance from the prior year.

We also saw tremendous advertiser demand around the FIFA Club World Cup where we achieved a full sellout and secured premium pricing across that inventory.

We delivered a record second quarter for new advertiser activations, driven in large part by these two high-profile soccer tournaments that attracted numerous new advertisers making significant investments.

Our U.S. Upfront negotiations are progressing well, reflecting strong advertiser confidence in our audience, platforms, and content slate.

This quarter, we also welcomed a new Head of U.S. Advertising Sales, Tim Natividad, to lead the next phase of cross-platform growth for our advertising partners. Tim brings deep expertise in platform strategy, data-driven marketing, and emerging media from his work at some of the world's leading technology companies—experience that will accelerate innovation, sharpen our commercial edge, and further solidify our position as the partner of choice for brands.

On the distribution front, our subscription and licensing revenue remained relatively stable year-over-year as growth from ViX's premium tier offset subscription headwinds in Mexico.

We announced a multi-region partnership with Disney Entertainment that reflects our strategy to meet audiences wherever they are—across both traditional and digital platforms.

In June, our U.S. networks launched on Hulu+ Live TV's core channel lineup, and in Mexico, we introduced a bundled ViX and Disney+ offering—giving ViX users access to even more premium content.

This deal reinforced two strategic truths: our portfolio is foundational to any complete pay-TV offering, and ViX continues to push the boundaries of direct-to-consumer innovation while deepening our connection to Hispanic audiences globally.

And on July 10th, we also launched ViX Premium with Ads on DIRECTV's Mi Español genre pack, as part of a broader multiyear agreement. This move strengthens our strategy to drive scale and monetization by making ViX more accessible through top-tier distributors.

Additionally, I'm pleased to share that we have appointed John Farrell as Head of Partnerships – a newly created role that brings together TelevisaUnivision's global content distribution, platform partnerships and international expansion efforts under one strategic leader. John brings an outstanding track record in deal-making and partnership development across Latin America and globally, and with his leadership we have the unique opportunity to accelerate our growth, drive more value with our partners worldwide and position TelevisaUnivision as the first-choice collaborator in the industry.

In summary, this quarter demonstrated strong progress across our core strategic priorities. As we look to the second half of the year, we remain focused on scaling what's working—delivering compelling content, deepening audience engagement, and unlocking greater value for partners across our ecosystem.

With that, I will now turn it over to Juan Pablo to discuss the financials.

JUAN PABLO NEWMAN, CFO:

Thanks Daniel. It's great to be here with you all to discuss our second quarter results. We delivered a strategically strong first half of 2025, and we are entering the second half of the year with solid momentum and a clear line of sight into our continued performance to achieving our operating plan goals.

During the second quarter, we generated total revenue of $1.2 billion and Adjusted OIBDA of $398 million, representing year-over-year growth of 10% or 14% excluding foreign exchange. This performance reflects the disciplined execution of our cost savings strategy and the continued profitability of DTC.

In the U.S., revenue of $816 million increased 2%. In Mexico, revenue of $394 million declined 4% in local currency.

Our consolidated advertising revenue was $742 million, declining 1% excluding the impact of foreign exchange.

In the U.S., advertising revenue declined 2% to $455 million, however, performance improved sequentially versus first quarter as we saw growth in ViX and linear ratings began to stabilize, supported by our strong sports programming slate. We saw increased advertiser demand for ViX and the FIFA Club World Cup, along with record sellouts and premium pricing for the Gold Cup.

In Mexico, advertising revenue of $287 million was stable in local currency. Results during the quarter were driven by growth in ViX and demand for our premium sports content including the Gold Cup, the FIFA Club World Cup and the Liga MX Clausura that were partially offset by declines in local Private Sector advertising.

As we enter the third quarter, we are encouraged by our positioning, supported by a strong recurring entertainment slate that includes *La Casa de los Famosos México*, *Quien es la Mascara*, and *Premios Juventud*, alongside a compelling sports lineup that features Liga MX, the UEFA Women's Euro and the Copa America Femenina.

In subscription and licensing, our consolidated revenue stabilized at $443 million, but grew 2% excluding foreign exchange, driven by ViX's premium tiers and higher content licensing revenue. In the U.S. subscription and licensing revenue grew 9% to $348 million driven by ViX and higher content licensing revenue. In Mexico, subscription and licensing revenue of $95 million grew 13% excluding foreign exchange and the impact of the renewal cycle in the country.

Total company operating expenses decreased 9% to $812 million, or 6% excluding foreign exchange, reflecting the impact of our cost reduction strategy.

Moving on to the balance sheet. We ended the quarter with cash of $585 million, a $240 million increase versus the prior quarter primarily driven by Mexico upfront collections which are generally concentrated in the first half of the year. Our capex was $23 million for the quarter and this was flat versus the prior year. We continue to anticipate full-year 2025 capex to be consistent with full-year 2024.

Looking at our leverage and debt profile, we ended the quarter at 5.5x leverage, an improvement from 5.8x in the prior quarter driven by OIBDA growth. With this in mind, we are actively engaged with our commercial bank lenders to refinance our term loan A facility and our revolving credit facility, both of which mature in 2027. In addition, last week we addressed our near-term debt maturity profile by refinancing $1.5 billion of bonds, effectively eliminating our 2027 bond maturities. Deleveraging remains a core strategic priority for the company, and we remain committed to further strengthening our capital structure during the second half of the year.

Our second quarter results reflect our commitment to disciplined expense management to support our sustainable long-term performance, and we will continue to navigate the current macroeconomic environment with a proactive and measured approach.

And with that, let's take your questions. Operator, please open the line.

AARON WATTS, DEUTSCHE BANK:

Thank you for the time today. I have a couple questions. Maybe I'll start with you saw sequential improvement on advertising here in the U.S. Can you speak to how 3Q is shaping up relative to 2Q particularly coming off the major soccer tournaments, and do you expect further core ad improvement? And perhaps you can talk about your expectations on how your upfront might play out, and the impact that could have on the year ahead as well.

DANIEL ALEGRE, CEO:

Great, thanks, Aaron for the question. Appreciate it. In terms of the third quarter, we're actually seeing that the performance is in line with our expectations. As Juan Pablo just mentioned, we have a number of great shows that are launching in this quarter, *Quien es la Mascara*, *La Casa de los Famosos México*, and *Premios Juventud* we also have lined up. And just this week, we also just launched our first micro novelas, our six new series that we launched. And as I mentioned in my opening remarks, we will have 40 original titles before the end of the year. We have a lot on our slate that we're actually launching, that we are very excited about. And as I said, third quarter is shaping up as we expected it to.

In terms of the upfront, we're still in negotiations, so we will hope to close it in the coming weeks. But the conversations that are going with agencies and with our advertiser clients are going well. They're excited about the slate of what we have coming up and also the new formats that we have, including the microdramas. Soccer and sports, obviously, is performing very well. As I also mentioned in our opening remarks, as are our ratings, the stability of our ratings, particularly in the United States, from very difficult quarters from a couple of years ago, is a testament of how our content strategy is working. And I'm very excited about that and it's being reflected in the conversations that we're having in the upfront. But, we'll have more to announce once we're able to finalize all the negotiations on the upfront.

AARON WATTS, DEUTSCHE BANK:
If I'm hearing you right, it sounds like you have a lot of momentum on the programming side. Is it fair to say no major shifts in kind of the overall advertising backdrop kind of behind that? Is that the right kind of way to frame it?

DANIEL ALEGRE, CEO:
I think that's right. To be completely frank, there was nervousness in the beginning of the year with everything that was going on in terms of the tariff issues that were rising as well as just general nervousness about the economy in the United States and we're seeing both in our Q2 numbers and again, it's very, very early in Q3, but things are meeting up with our expectations and there's strong advertiser demand for the content that we're bringing and, obviously, the audiences that we're building both on our linear business and on our digital business.

AARON WATTS, DEUTSCHE BANK:
On the subscription and licensing revenues here in the U.S., have you seen any stabilization of subscriber declines for the MVPDs on the heels of some of the new bundles and initiatives that you touched on in your prepared remarks? And how should we think about the lift from your recent Hulu deal and I guess the last part of that, any update on your conversations, if any, with Fubo?

DANIEL ALEGRE, CEO:
Sure. In terms of distribution, 2025 is a level set and a reset, particularly because of the changes that we've already talked about in Mexico. I think you are seeing a stabilization in terms of our overall distribution business. And what we're also now seeing, which I think is very healthy, is the distributors here in the United States in particular, are leaning into a Spanish bundle approach.

And they've seen that work very, very well with their overall business distribution strategy. And those Spanish bundles are high margin and highly retentive. Charter was at the forefront of that, and we're seeing others really lean into that. And I think that's actually going to be a very net positive for our business and just for the Hispanic market in general or meeting the demands of the Hispanic market in general.

The Hulu partnership launched in June—I guess a month ago now. And that's also doing very well. It's a testament of both the strength that we have in the United States as well as in Mexico because it is distribution through Hulu+ Live here in the United States, but also a partnership that we have where we're bringing Disney+ content in a bundle with ViX in Mexico. And that's also performing well for us. So, it's leveraging both what we have in the United States and in Mexico.

In terms of Fubo, we have ongoing conversations and negotiations with them and we have nothing to announce now, but it behooves both companies to hopefully come to an agreement and meet the demands of their Hispanic audience.

AARON WATTS, DEUTSCHE BANK:
That's really helpful. If I could squeeze one last quick one in, please. I think I'm going to point towards Juan Pablo for this one. You ended the second quarter with an elevated cash balance. Can you just speak to how that might trend the rest of the year? And as that ties into your net leverage calculations, you ended June with 5.5x leverage. How do you see that tracking to year end? And that's it for me. Thank you again for the time.

DANIEL ALEGRE, CEO:
Yes, thanks, Aaron. And Yes, Juan Pablo, please, if you don't mind answering Aaron's question.

JUAN PABLO NEWMAN, CFO:
Sure. Thank you, Aaron. Well, there were several factors that got us to this cash level. Our Mexico upfront collections are generally concentrated during the first half of the year, and so that's why we had this cash position. Also, we saw improved collections across both the U.S. and Mexico during the second quarter.

However, there are some timing of payments this quarter, primarily related to sports rights, that could impact or have a tiny decline on the third and fourth quarter. I think we're in line from what we expected. However, this level seems a bit high if we compare it with last year.

In terms of our leverage position, we ended the quarter at 5.5x leverage. This still is our top priority for us and hasn't changed to deleverage the company, whether organically or inorganically. We always see at the leverage position in a yearly basis, and we're still pushing to deleverage as quickly and as much as possible.

Organically, we have demonstrated a commitment to managing our expenses in a way to enable our OIBDA growth, evident by proactive optimization of our cost base heading into 2025. And inorganically, we continue to assess opportunities to improve our capital structure, reduce our leverage, and monitor our absolute debt burden. So, we're still very committed. I think we're on track for this year, and no surprises here. We're still very committed to deleveraging the company.

BRIAN PITZ, BMO CAPITAL MARKETS:
Thanks for the question. Another solid quarter for ViX with over 10 million subs and double-digit growth. You recently passed along a price increase for ViX that seems to have had very negligible impact on customer churn. Can you talk about any changes in behaviors that you saw during that price increase? And then maybe if you could help us understand how you're thinking about the growth opportunity for ViX from here. I know you've mentioned wider distribution, but how do you think the levers between price and subs and even ads growth looks over time for that platform?

DANIEL ALEGRE, CEO:
Thanks for the question, Brian. I appreciate it. Yeah, it was a very strong quarter for ViX. And the price increase really didn't have an impact in both acquisition or in churn. If anything, we've seen just an acceleration on our overall business.

If you look at our ad-supported premium tier, which we have in the United States available, we had a very healthy take rate of approximately 30%, which allowed us to move through the price increases. And they were well-received by the market, and they didn't really impact anything in terms of our overall consumer acceptance.

And then on the premium tier, we grew our subs double-digits during the quarter across all three regions and across all distribution partners as we capitalized on our expanded distribution network in the U.S. and Mexico going forward. We also have an opportunity to drive ARPU growth through higher premium price points as we really start maturing into our overall business. And we're also seeing just a very strong retention and material improvements in churn, even after those price increases.

Our content strategy that we have is working. It's working on linear. It's working on ViX. And as I mentioned in previous earnings calls, we've moved away from the long-form content, those long-form movies that didn't really hit our core of what people really came to ViX for, and they were also very expensive.

We ended up really doubling down on our dramas, obviously on our sports, on our sports offering that was a very, very strong retentive and acquisition target for our ViX business. And then as we've mentioned, developing more of our music offerings, as well as our comedies and our reality shows. That's the core. That's what's attracting users. And as consumers see the value of what we make available, they stay and they like it.

Now, the advertiser funnel that we have from the free tier of ViX that is bringing net new subscribers, they test it with the ad-supported model, and then they move up to the subscription model, is a time-tested approach, and it's working very well for us. And it's a testament to the numbers that you saw us announce on our ViX business in Q2.

BRIAN PITZ, BMO CAPITAL MARKETS:
Maybe just a quick follow-on regarding content production that you mentioned, obviously shifts more towards first-party production versus third-party that you relied on previously. Can you really help us understand how this change may impact the cost of content development?

I think you previously said you expect to be roughly unchanged in 2025 versus 2024. But when you look more broadly at the industry, you've seen a major ramp-up from many of the U.S.-based platforms, some approaching $20 billion in content spend, which have seen a great success with their owned IP. Can you just comment maybe on the cost implications for that?

DANIEL ALEGRE, CEO:
As you know, we did a very significant cost reduction at the end of last year to reset our overall cost base, and those cost actions were implemented across all aspects of our business, including in content.

As I mentioned just a few minutes ago, we stopped long-form content on ViX that was really not performing well. We canceled and impaired certain sports rights that were not performing well either, and then stopped producing other content that was specific to ViX and not applicable to the U.S. and the Mexican linear platforms.

Our new strategy with Jose Luis Fabila, our head of content, is that we will not greenlight any content unless we can actually show it on at least two platforms. That could be linear Mexico and linear U.S., it could be linear Mexico and ViX, or linear U.S. and ViX, but ideally, it plays across all three platforms like we did with the drama *Las Hijas de la Señora Garcia*.

As a result, we've established a new content base that we feel provides the flexibility to our content teams going forward, and we've doubled down on performing on really great quality content that works on not only both sides of the border of the U.S. and Mexico, but in the rest of Latin America and internationally as well.

BRIAN PITZ, BMO CAPITAL MARKETS:
Great. Thanks so much for the color.

DANIEL ALEGRE, CEO:
Thank you, Brian.

DANIEL ALEGRE, CEO:
Well, first of all, thank you everyone for joining. It was a very strong quarter for our business. We're excited about the path that we've embarked upon, Juan Pablo and I, as partners in this business, as CEO and CFO.

But it's all testament of the phenomenal work that the entire TelevisaUnivision team is doing. And we are committed to continuing being the voice of Hispanics in the U.S., Mexico, and everywhere around the world. Thank you for your interest, and I look forward to our next earnings call next quarter.