



Maxcom Telecomunicaciones, S.A.B de C.V.

Third Quarter Results 2021

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Recent Developments

Recently, the International Monetary Fund, through its Global Economic Outlook report, warned that the world economy was entering a phase of inflationary risk. Therefore, he alerted central banks to be vigilant and tighten monetary policy to continue the pressure on prices, although it is expected to decrease in most countries in 2022. The inflation increase registered in the USA, Germany and many Emerging and developing countries has taken place due to the shortage of components such as semiconductors, a situation that is hitting the production chains in sectors such as the automotive industry, along with the rebound in raw materials prices.

The global growth forecast has been adjusted to the minimum for 2021, going from the 6% forecast last July to 5.9% and for 2022 it remains unchanged in 4.9%. With regards to Mexico, there is an estimate of 6.2% and 4% for 2021 and 2022, respectively. Anticipating the end of the year, it will be necessary to be aware of the main macroeconomic variables that step by step will make the end of this year and the beginning of the next, extremely challenging, such is the case of inflation which in its annual measurement is above 5.8% in the first half of September, affecting the loss of purchasing power of Mexican families. Likewise, one of those variables that affects inflation is the interest rate, which reflecting what the neighboring country -USA- is doing, has led us to a rise, since in the discourse of that country there are hints hints of a withdrawal of the economic stimuli (tapering) towards the end of the year, as well as the possible gradual increase in interest rates towards the middle or end of 2022. However, raising the rate in Mexico is not so simple when we are in a time when the recovery of the country's economy has proved being complex and prolonged. Adding to this we have a significant closure of companies, as a result of the pandemic, of just over a million of them, which also translates into lower production of goods and services, unemployment and insecurity. Finally, different decisions taken by the government that represents us today have generated distrust in investors, an immediate example is in the fall to 33 out of 40 in the Renewable Energy Country Attractiveness Index (RECAI), which is prepared by the firm Ernst & Young, from the 7th place Mexico occupied during previous Peña Nieto's six-year term.

Below, we share some of the most important events that have happened over this reporting quarter and prior to the publication date of this quarterly report:

Public Offer for the Acquisition of Shares of the Capital Stock and 8% Senior Secured Notes due in 2024

On September 23, 2021, Transtelco Holding, Inc. ("Transtelco") launched a cash tender offer (the "Offer for the Bonds") to purchase the principal amount outstanding of the 8% Senior Secured Notes (the "Bonds") maturing in 2024 issued by Maxcom, as well as a request for consents (the "Consent Solicitation") to modify the issuance document that governs the Bonds, the foregoing in accordance with the terms and subject to the conditions established in the Offer for the Bonds and the Declaration of Consent Request made by Transtelco on the aforementioned date.

The "Offer for the Bonds" and the Consent Solicitation had an original term of validity until October 21, 2021, which was extended by Transtelco on October 22 to make certain modifications to the contract that governs the Bonds (the "contract"). In this sense, the "Offer for the Bonds" and Consent Solicitation will remain in force until November 5, 2021, unless extended again at the request of Transtelco.

As of the date of the extension, a total of US \$53,948,583.00 million of the principal amount in circulation of the Bonds



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had been presented and voted, which represents approximately 94.88% of the total amount in circulation. This amount exceeds the minimum of 90% of the principal outstanding value of the Bonds in circulation imposed by Transtelco as a condition for executing the acquisition of the Bonds, and therefore, if all the requirements for the successful conclusion of the "Offer for the Bonds" are met, the consents necessary to adopt the modifications to the issuance certificate that governs the Bonds would be achieved.

As previously announced by Transtelco, the "Offer for the Bonds" and the "Consent Solicitation" were made in connection with, and are expressly conditioned upon the closing of the acquisition by Transtelco Acquisitions III, S. de RL de CV, of shares representing not less than 85% of the capital stock of Maxcom pursuant to a public mandatory tender offer (the "Offer for the Shares") made in accordance with the applicable provisions of the Mexican Stock Exchange Act (the "LMV") and the General Provisions Applicable to Issuers and Other Securities Market Participants (the "Provisions").

In relation to the above, on September 24, 2021 Transtelco Acquisition III, S. de R.L. de C.V. (the "Offeror"), announced the initiation of a mandatory tender offer (the "Equity Tender Offer") to acquire through the Bolsa Mexicana de Valores, S.A.B. de CV, up to all of the shares representing the Company's capital stock, representing 276'471,081 ordinary, registered shares, without par value expression, subscribed and fully paid in series "A", at a price of purchase of \$2.20 per share.

The original Equity Tender Offer period, in accordance with the LMV, the Provisions and, in terms of the corresponding Informative Prospectus, was 20 business days, therefore it ended at the same time as the "Offer for the Bonds". However, on October 21, 2021, the Company; through a relevant event, announced in accordance with the LMV the extension by the Offeror of the term and expiration date of the Equity Tender Offer.

Derived from these modifications, the Equity Tender Offer period will now be 30 (thirty) business days from September 24, 2021 to November 5, 2021; with the understanding that the period of the Equity Tender Offer may be extended by the Offeror at its own discretion, complying with legal requirements. Derived from the foregoing, the expiration date of the Equity Tender Offer was modified, which will now be on November 5, 2021, as long as there are no additional extensions.

Reciprocally, the successful conclusion of the Equity Tender Offer is conditional on the successful conclusion of the "Offer for the Bonds" and the Consent Solicitation to modify the issuance document that governs the Bonds.

In the event of the successful closing of the tender offers, which would result in a change of control of the Company, the mandatory redemption of the Junior Payment in Kind Notes ("Junior PIK Notes") issued by Maxcom as part of the 2019 financial restructuring would be triggered. We estimate that the amount to be paid to the holders of the Junior PIK Notes would be approximately US \$ 7.6 million, assuming the implicit equity value derived from the acquisition of the Company.



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Follow-up to Tax Matters

Given the clear existence and materiality of the international long distance services received by its providers, Maxcom continues to provide all the necessary evidence for obtaining a favorable resolution to the appeal for revocation filed in 2020 to distort the observations regarding the 2015 fiscal audit. It is important to remember that the tax credit determined by the authority in February 2020, for a total of Ps.631 million pesos plus updates and surcharges, it is not firm nor definitive, thus Maxcom has not recognized a provision in the Financial Statements in this regard.

On September 8, 2021, the Tax Administration Service (SAT) received a note of observations regarding the 2016 review, in line with the arguments of the 2015 review, the authority estimates that Maxcom does not provided sufficient elements to demonstrate the materiality and indispensableness of certain international long distance traffic operations carried out with a concessionaire company and two telecommunications services marketing companies, all authorized by the competent authority, which provide the Company with call termination services abroad.

Additionally, the authority integrates Maxcom's observations, a supplier that the same SAT misrepresented as a Company that Invoices Simulated Operations when verifying the materiality of the services it provides.

This determination puts at risk the deductibility of the expenses incurred, as well as the accreditation of the Value Added Tax (VAT) paid to said suppliers. Maxcom has provided all the elements to disprove these observations. In October 2021, Maxcom requested the intervention of the Procuraduría de la Defensa del Contribuyente (PRODECON) to seek to reach a conclusive administrative agreement that ratifies the Company's position.

CFE Lease Agreement - Fiber OPGW Maxcom

Maxcom prepares the arguments that will be enforced in the final hearing within the Ordinary Civil Lawsuit. The Judge appointed the date for such hearing on December 2021. Our legal advisors consider that there is a possibility that is above 50% for obtaining a favorable resolution for the Company, given that the main obligation, as the nature of the contract lease is duly complied with. Currently, we continue to operate our route on a regular basis thanks to the support that we have obtained from CFE and because of this Maxcom maintains its infrastructure in optimal conditions to meet the service levels of our clients.

In the event of having a negative result in the Ordinary Civil Trial and therefore the impossibility of renewing the lease, Maxcom reiterates that it could face negative commercial consequences, such as the possible infrastructure loss on the Gulf Route and the inability to comply with several agreements for infrastructure exchange and IRUs, which could subject the Company to economic sanctions and, ultimately, prevent the provision of services in that area having an adverse effect on its financial conditions and results of operations.

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Earnings Results Summary

Maxcom's 3Q21 Performance

**TOTAL
REVENUE**
Ps.171 million

**NETWORK
OPERATION
COST**
Ps.83 million
-18% vs 3Q20

**GROSS PROFIT
MARGIN**
51%
vs 53% 3Q20

EBITDA
Ps.32 million
-47% vs 3Q20

**OPERATING
INCOME (LOSS)**
Ps.-47 million
vs Ps.-29 million
3Q20

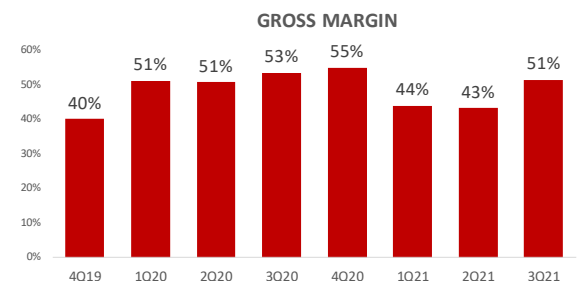
**NET INCOME
(LOSS)**
Ps.-116 million

EBITDA recorded at the end of the quarter was Ps.32 million, which represents a decrease of Ps.28 million or 47% compared to 3Q20. The main factors that explain the variation are:

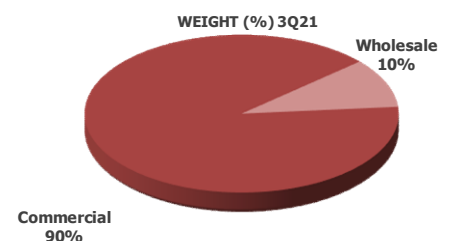
- The Residential business unit "shut down" according to the execution of our "Wind Down" plan. The deviation in revenues compared to 3Q20 was Ps.17 million.
- A decrease in the Commercial segment of Ps.15 million due to a lower record of variable revenue and a decrease in the base of recurring fixed revenue, mainly in the Call Center, Enterprise and Government segments.
- Lower revenues in the Wholesale business unit from Ps.33 million during 3Q20 to Ps.17 million in 3Q21.
- Excluding Wholesale costs, there was a significant decrease in network costs and bad debt reserves for Ps. 6 million..

The Company presents a decrease in network costs of Ps.19 million or 18% compared to the same period 2020. This net effect is mainly due to a decrease in traffic volume from Wholesale business unit. Excluding the Wholesale cost, the Company presented a saving of Ps.5 million or 6% compared to 3Q20 generated by lower costs in SMS, costs of value added services and lower costs associated with non-recurrent revenue.

In order to mitigate the pandemic negative financial effects, as well as to offset the decrease in margins generated by the closure of the Residential business unit, Maxcom continues with the position of reducing its costs and expenses by generating new strategies that allow it to provide continuity to its operations efficiently. The Company recorded a 2% decrease in general expenses compared to 3Q20.



Regarding the revenue mix, the Commercial and Wholesale business units showed an increase in their participation as a consequence of the disconnection of the Residential segment, remaining at 90% and 10%, respectively.



MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES

FINANCIAL AND OPERATING HIGHLIGHTS

Figures in millions of pesos, except operating data

Item	3Q21	2Q21	% var
Total Revenues	171	216	(21%)
EBITDA	32	39	(18%)
EBITDA margin (%)	19%	18%	
Net income (loss)	(116)	(37)	214%
Net margin (%)	(68%)	(17%)	
Cash and financial instruments	49	51	(5%)
CAPEX	22	20	9%
Debt ¹	1,712	1,660	3%
Net debt / LTM EBITDA (X)	10.6	8.7	22%
Customers	1,116	1,112	0%
Commercial	1,116	1,112	0%
Residential	-	-	-

¹ Debt is considered at face value and includes interest payable as of the end of the period

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Commercial Business Unit

- Commercial revenue reported during the quarter was Ps.154 million, which represented a decrease of 9% or Ps.15 million compared to the Ps.169 million registered during 3Q20. This as a consequence of the decrease in the variable revenue base in the Enterprise segment and in the fixed revenue base in the Enterprise, Government, Frequencies and Call Centers segments, caused to a large extent by the negative effects of the Covid-19 pandemic second wave that has generated partial or total cancellations and the deferement of new projects, among other effects.
- Sequentially, revenue had a decrease of Ps.4 million or 2%. This variation is mainly explained by a decrease in the variable revenue of the Enterprise segment and the recognition of a non-recurrent revenue in the Carriers segment in 2Q21 that could not be replicated in this quarter.
- On a cumulative basis, Commercial revenue had a 13% decrease, from Ps.537 million in 2020 to Ps.466 million for the 9 months reported. This, as a consequence of the aforementioned effects mainly in the Enterprise and Call Center segments.
- The participation in the revenue mix of this business unit closed the quarter at 90%, 13 p.p. above that reported in the previous quarter due to the decrease in the participation of the Wholesale segment and 13 p.p. more when compared to the same quarter of 2020.

Residential Business Unit

- On December 31, 2020, the Residential segment closed its operations permanently, therefore, since the first quarter of this year, the Company has not reported more revenue from this business unit.
- From the first quarter, the execution of the customer disconnection plan, the closure of service centers and the dismantling of both sites and the copper network began. The dismantling process is expected to be completed in November. Once concluded, a formal notice will be given to the IFT to formally conclude the withdrawal process before the competent authority.
- The deviation in revenue compared to 3Q20 is Ps.17 million and Ps.56 million on a cumulative basis for the 9 months ended September.

Wholesale Business Unit

- During the quarter, revenue in this business unit was Ps.17 million, a decrease of 47% or Ps.15 million compared to the same period in 2020 and of Ps.41 million or 70% sequentially.
- On a cumulative basis, the revenue of this business unit reached Ps.115 million, which compares favorably with the Ps.100 million registered in the accumulated 9 months of 2020.
- As a consequence of the disconnection of the Residential business unit and the decrease in the revenue of this business unit registered in this quarter, the participation in the mix of total revenue at the end of the quarter was 10%, a figure that compares unfavorably with 15% reported in 3Q20.

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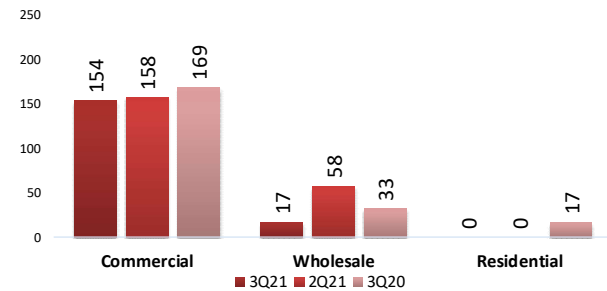
Consolidated Revenue

- On a consolidated basis, total revenues reported as of 3Q21 amounted to Ps.171 million, a decrease of 22% or Ps.48 million when compared to 3Q20, mainly explained by the decrease in wholesale revenue, the negative effects generated due to the pandemic in the Commercial business unit and the disconnection of the Residential business unit.



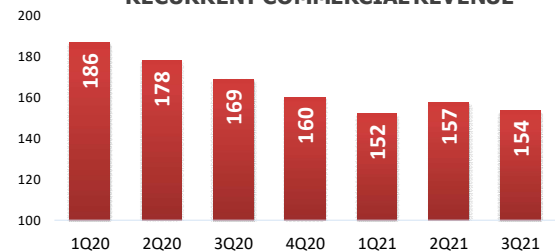
- Sequentially, revenue registered a decrease of 21% or Ps.45 million, explained by the decrease in the Wholesale traffic, the decrease in the recurrent revenue base in the Enterprise segment and the non-recurrent revenue registered the previous quarter in the Carriers segment.

		3Q21		2Q21	QoQ Δ%	3Q20	YoY Δ%
Commercial	Ps.	154	Ps.	158	(2%)	169	(9%)
Wholesale		17		58	(70%)	33	(47%)
Residential		-		-	-	17	(100%)
Others		-		(0)	(100%)	0	(100%)
Total	Ps.	171	Ps.	216	(21%)	219	(22%)



- On a cumulative basis, revenues had a considerable decrease of Ps.114 million or 16% compared to the 9 months ended in September 2020.
- Recurrent commercial revenue had a sequential decrease of Ps.4 million, largely due to the decrease in Enterprise and Call Center revenues. The share of this type of revenue was 90% within the Company's total income.

RECURRENT COMMERCIAL REVENUE



Network Operating Cost

- Network operating costs in 3Q21 decreased by 18% to reach Ps.83 million compared to the Ps.102 million reported in 3Q20. The variation is explained by the following net effects:
 - Decrease in the traffic cost for the Wholesale business. The recorded cost was Ps.16 million, 47% lower than the Ps.31 million registered in the same period of 2020.
 - Efficiencies in link rents, SMS cost and costs associated with non-recurrent revenue from the previous quarter, which represented approximately Ps.5 million.
 - Reduction in maintenance and site leases costs of around Ps.2 million.
- Net savings without considering the Wholesale cost represents a decrease of Ps.4 million or 6%, as a result of the decrease in revenues and efficiencies that the Company continues generating.
- On a cumulative basis, savings for the nine months ended September is Ps.20 million or 6% compared to the same period 2020.
- Gross profit had a decrease of 25% or Ps.29 million compared to 3Q20. On a sequential basis, gross profit had a decrease of 6% or Ps.5 million. On an cumulative basis, the gross profit presented a decrease of Ps.93 million or 26%, mainly due to the Residential business unit disconnection and the decrease in Commercial revenues.

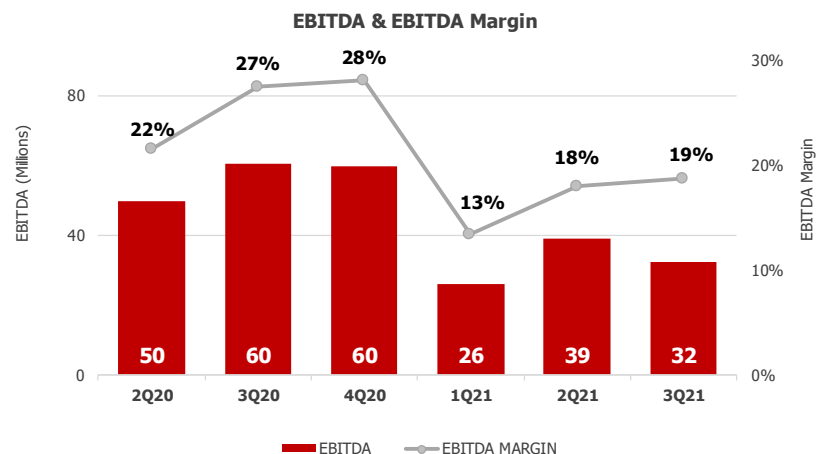
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SG&A Expenses

- During 3Q21, the Company reported a total of Selling and Administrative Expenses of Ps.56 million, 2% or Ps.1 million less than the Ps.57 million reported in 3Q20.
- The decrease in expenses is due to the net effect of the efficiency execution effort made during the quarter and some increases in:
 - Payroll, with an increase of 11% or Ps.4 million compared to 3Q20, as a consequence of the internalization of external personnel due to the entry into force of the new Outsourcing/Insourcing Law. On a sequential basis, the Company had an increase of 4% or Ps.1 million.
 - Lower expenses for Consultants and Fees and Electric Power for Ps.3 million.
 - Considerable reduction in expenses for Office Lease and Maintenance for approximately Ps.8 million.
 - Decrease in expense for bad debt accounts of Ps. 1 million derived from releases made during the quarter.
- On a sequential basis, total expenses increased 3% or Ps.2 million. This deviation is mainly due to a release of bad debt reserves reported during 2Q20.
- The staff at the end of the quarter was 224 employees, a decrease of 15% or 38 people compared to the same period in 2020 and a sequential increase of 5% or 11 people, as a result of the aforementioned internalization of resources.
- On a cumulative basis, the Company's general expenses presented a saving of Ps.22 million or 11% when compared to the 9 months ended in September 2020.

EBITDA

- During 3Q21 EBITDA was Ps.32 million, which compares unfavorably with the Ps.60 million registered during 3Q20. The Company continues to present negative deviations derived mainly from the negative effects of the pandemic on Commercial revenues, as well as the decrease in revenue from the Residential and Wholesale business units.
- Sequentially, EBITDA presented a decrease of 18% or Ps.7 million, mainly explained by the net effect of the decrease in Commercial and Wholesale revenues, efficiencies in costs, general expenses and release of reserves from bad debt accounts. .
- On a cumulative basis, the Company recorded EBITDA of Ps.97 million, which compares unfavorably with the Ps.169 million reported in the same period of 2020.



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Operating Income (Loss)

- The Company registered an operating loss of Ps.47 million at the end of 3Q21, which compares unfavorably in Ps.18 million or 60% with the loss of Ps.29 million registered in the same period of 2020. This is mainly due to the net effect of a lower depreciation and amortization record and the decrease in EBITDA compared to 3Q20.
- On a sequential basis, operating loss increased by Ps.5 million or 12% derived from the decrease in EBITDA.
- The accumulated operating loss at the end of September was Ps.154 million, an increase of Ps.14 million or 10% when compared to the Ps.140 million reported in 2020.

Comprehensive Financing Result

- During 3Q21, the Company recorded a comprehensive financing loss of Ps.69 million, which compares unfavorably against the loss of Ps.16 million reported in the same period of 2020. This is mainly due to a higher foreign exchange loss generated by a appreciation of the dollar against the peso at the end of the quarter with an exchange rate of Ps.20,3060 per dollar vs Ps.19,8027 at the end of 2Q21. On a sequential basis, the comprehensive financing loss also compares unfavorably at Ps.74 million as a consequence of the exchange loss of Ps.29 million in the quarter reported against the foreign exchange gain of Ps.45 million reported during 2Q21.

	3Q21	3Q20	ΔPs.	Δ%
Interest Expense	36	43	(6)	(15%)
Interest (Income)	(0)	(1)	1	(86%)
Valuation Effects – Net	4	4	(0)	(0%)
Exchange Rate (Gain) Loss – Net	29	(30)	59	(197%)
Total	69	16	53	321%

Taxes

- During 3Q21, taxes of Ps.0.2 million were recorded for ISR and deferred taxes. Compared to 3Q20, it represents an improvement of Ps.1.4 million or 86%. On a sequential basis, the Company remained at the same levels.

Net Income (Loss)

- During 3Q21, the Company recorded a net loss of Ps.116 million, which compares unfavorably with the net loss of Ps.48 million registered in the same period of 2020. The variation is mainly explained by the net effect of a lower loss exchange rate recorded during the same quarter of the previous year and a higher operating loss in this reported quarter.
- On a sequential basis, the net loss compares unfavorably from Ps.37 million to Ps.116 million in this reported quarter, an increase of Ps.79 million or 214%. This is mainly explained by the exchange loss and the decrease in EBITDA.
- On a cumulative basis, the Company presented a loss of Ps.294 million for the 9 months ended September. This figure compares favorably with the loss of Ps.489 million registered in the same period of 2020. This is mainly explained by a greater exchange loss during the same period of 2020 as a consequence of the strong increase in the exchange rate during the first months of the pandemic.

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Capital Expenditure & Cash Flow

Million Pesos	Third Quarter of 2021	Third Quarter of 2020
Operating Activities	42	23
CAPEX	(22)	(22)
Financing Activities	(22)	(24)
Increase (Decrease) in Cash and Financial Instruments	(2)	(22)
Cash and Financial Instruments at Beginning of Period	51	101
Cash and Financial Instruments at End of Period	49	78

Indebtedness

- As of September 30, 2021, the Company reported a financial debt of Ps.1,253 million at the end of the period (debt valued at nominal value and includes interest payable at the end of the period). The ratio of Financial Debt * to EBITDA in the period was 8 times while the Net Debt ratio EBITDA was 7.7 times.
- Considering the effects of adopting the "IFRS 16" accounting standard, the total debt amounted to Ps.1,712 million. The Company's leverage rate measured through the Debt to EBITDA ratio including operating leases was 10.9 times, while the Net Debt to EBITDA indicator was 10.6 times. The increase in debt due to the application of said standard amounts to Ps.459 million, corresponding to the recognition of the present value of the total operating leases and long-term agreements.

Maxcom Financial Liabilities at September 30, 2021

Figures in Millions	Face Value			Due date	Rate
	Pesos	Dollars	Total Pesos ¹		
Senior Notes 2024	-	56.9	1,154.6	October, 2024	8% ²
Bancomext	10.5	-	10.5	October, 2022	15.95% ³
Total financial debt	10.5	56.9	1,165.1		

¹ Considers the exchange rate to settle obligations at September 30, 2021 Ps\$20.3060 per dollar

² The Step-Up Senior Notes bear interest (i) from the date of issuance (October 2019) until the maturity date, at the annual fixed rate of 8%

³ This loan was signed on October 2015 at 9.86% fixed interest rate and restructured on February 2021 at 15.95%

	3Q21	2Q21	1Q21	4Q20
Net Debt/LTM EBITDA	10.60	8.70	8.36	7.08

Stockholders' Equity

- At the end of 3Q21, the Company reported a stockholders' equity of Ps.516 million, which represents a decrease of 36% or Ps.293 million compared to that reported at the end of 2020. The foregoing is a direct consequence of the accumulated losses of the 9 months completed in September.

Capital Structure

	3Q21	3Q20
Subscribed and paid shares	276,471,081	276,471,081

* Debt valued at face value plus accrued interest for the period without considering the amount of operating leases.



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About MAXCOM

MAXCOM began its commercial operations in May 1999, has corporate offices in Mexico City and is an integrated telecommunications service provider that uses a “smart construction” strategy to provide last-mile connection services, metropolitan transportation services, and long distance, co-locations and other value-added services, both to the business market and to the national and international carrier market. Maxcom provides its services through a fiber optic network of more than 8,500 kilometers, which allows it to have points of presence in the main Mexico cities. The information contained in this press release is the exclusive responsibility of Maxcom Telecomunicaciones, S.A.B. de C.V. and has not been reviewed by the Mexican National Banking and Securities Commission (CNBV) or any other authority. The registration of the securities described in this press release before the National Registry of Securities (Registro Nacional de Valores) held by the CNBV, shall it be the case, does not imply any certification as to the investment quality of the securities or of Maxcom’s solvency. The trading of these securities by an investor will be made under such investor’s own responsibility.

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This document may include forward-looking statements that are subject to risks, uncertainties and other factors which could cause real results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Words such as “estimate,” “project,” “plan,” “believe,” “expect,” “anticipate,” “intend,” and similar expressions may identify such forward-looking statements. Maxcom cautions readers that any forward-looking statement in this press release or made by the Company’s management involves risks and uncertainties that may change based on various important factors not under Maxcom’s control. These forward-looking statements represent Maxcom’s judgment as of the date of this press release. Maxcom disclaims any intent or obligation to update these forward-looking statements.

Unless otherwise specified, all references to “USD\$” are to United States dollars and references to “Ps.” are to Mexican pesos. Amounts presented in this quarterly report may not add up or may be slightly inconsistent due to rounding.



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MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS) Thousands of Mexican Pesos ("Ps.")

	As of September 30, 2021	As of December 31, 2020	Var \$	Var %
ASSETS:				
CURRENT ASSETS:				
Cash and financial instruments	Ps. 47,397	Ps. 62,100	Ps. (14,703)	(24%)
Short-term restricted cash	1,409	338	1,071	317%
	48,806	62,438	(13,632)	(22%)
Accounts receivable:				
Customers, net of allowance	Ps. 49,997	Ps. 47,592	Ps. 2,405	5%
Recoverable value added tax	44,305	38,871	5,434	14%
Other sundry debtors	2,895	6,778	(3,883)	(57%)
Accounts receivable from related parties	2,986	2,678	308	12%
	100,183	95,919	4,264	4%
Inventory	Ps. 42	Ps. 455	Ps. (413)	(91%)
Prepaid expenses	34,251	32,321	1,930	6%
Total current assets	183,282	191,133	(7,851)	(4%)
Telephone network systems and equipment, net	Ps. 1,907,701	Ps. 1,990,715	Ps. (83,014)	(4%)
Intangible assets, net	277,859	301,927	(24,068)	(8%)
Rights of use of leased assets, net	385,606	447,877	(62,271)	(14%)
Deposits in guarantee	5,695	5,862	(167)	(3%)
	2,576,861	2,746,381	(169,520)	(6%)
Total assets	Ps. 2,760,143	Ps. 2,937,514	Ps. (177,371)	(6%)
LIABILITIES				
CURRENT LIABILITIES:				
Step-up senior notes	Ps. 1,096,006	-	1,096,006	-
Bank loans	Ps. 9,500	3,500	6,000	171%
Interest payable	87,743	17,493	70,250	402%
Accounts payable and accrued expenses	245,824	191,676	54,148	28%
Leases	77,082	93,997	(16,915)	(18%)
Deferred income	39,074	35,355	3,719	11%
Customer deposits	2,861	1,020	1,841	180%
Other taxes payable	29,322	31,476	(2,154)	(7%)
Accounts payable to related parties	27,737	20,234	7,503	37%
Total current liabilities	1,615,149	394,751	1,220,398	309%
LONG-TERM LIABILITIES:				
Step-up senior notes	Ps. -	Ps. 1,065,154	Ps. (1,065,154)	(100%)
Leases	381,965	422,400	(40,435)	(10%)
Bank loans	1,000	9,000	(8,000)	(89%)
Deferred income	82,282	93,612	(11,330)	(12%)
Labor obligations	3,908	3,434	474	14%
Other long-term liabilities	12,234	15,127	(2,893)	(19%)
Accounts payable to related parties	147,813	125,299	22,514	18%
Long-term liabilities	629,202	1,734,026	(1,104,824)	(64%)
Total liabilities	Ps. 2,244,351	Ps. 2,128,777	Ps. 115,574	5%
SHAREHOLDERS' EQUITY				
Capital stock	Ps. 1,874,155	Ps. 1,874,155	Ps. -	-
Capital stock not exhibited	Ps. (23,201)	Ps. (23,201)	Ps. -	-
Stock issue premium	37,378	35,862	1,516	4%
Junior PIK Notes	354,087	354,087	-	-
Deficit	(1,432,166)	(910,641)	(521,525)	57%
Net profit (loss) for the period	(294,461)	(521,525)	227,064	(44%)
Total shareholders' equity	Ps. 515,792	Ps. 808,737	Ps. (292,945)	(36%)
Total liabilities and shareholders' equity	Ps. 2,760,143	Ps. 2,937,514	Ps. (177,371)	(6%)



Third Quarter 2021 Results

MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)
Thousands of Mexican Pesos ("Ps.")

	3 months ended September 30				vs 3M 2020		9 months ended September 30				vs 9M 2020	
	2021	%	2020	%	\$ var	% var	2021	%	2020	%	\$ var	% var
TOTAL REVENUES	Ps. 171,439	100%	Ps. 219,381	100%	Ps. (47,942)	(22%)	Ps. 580,968	100%	Ps. 694,635	100%	Ps. (113,667)	(16%)
Network operating services	54,934	32%	74,314	34%	(19,380)	(26%)	223,613	38%	237,204	34%	(13,591)	(6%)
Technical expenses	28,350	17%	27,638	13%	712	3%	90,639	16%	97,338	14%	(6,699)	(7%)
Installation expenses	79	0%	183	0%	(104)	(57%)	528	0%	592	0%	(64)	(11%)
Network operation cost	83,363	49%	102,135	47%	(18,772)	(18%)	314,780	54%	335,134	48%	(20,354)	(6%)
GROSS PROFIT	88,076	51%	117,246	53%	(29,170)	(25%)	266,188	46%	359,501	52%	(93,313)	(26%)
Selling, general and administrative expenses	55,908	33%	56,925	26%	(1,017)	(2%)	169,111	29%	190,748	27%	(21,637)	(11%)
EBITDA	32,168	19%	60,321	27%	(28,153)	(47%)	97,077	17%	168,753	24%	(71,676)	(42%)
Depreciation and amortization	80,255		91,487		(11,232)	(12%)	248,531		290,602		(42,071)	(14%)
Other (income) expense	(997)		(1,699)		702	(41%)	2,623		17,882		(15,259)	(85%)
Operating income (loss)	(47,090)		(29,467)		(17,623)	60%	(154,077)		(139,731)		(14,346)	10%
Comprehensive (income) cost of financing:												
Interest expense	36,170		42,667		(6,497)	(15%)	105,491		121,199		(15,708)	(13%)
Interest (income) loss, net	(83)		(587)		504	(86%)	(255)		(3,591)		3,336	(93%)
Valuation effects, net	3,974		3,976		(2)	(0%)	11,712		11,567		145	1%
Exchange (income) loss, net	28,886		(29,686)		58,572	(197%)	22,852		205,645		(182,793)	(89%)
	68,947		16,370		52,577	321%	139,800		334,820		(195,020)	(58%)
Investment in associates	-		(161)		161	(100%)	-		(9,346)		9,346	(100%)
INCOME (LOSS) BEFORE TAXES	(116,037)		(45,998)		(70,039)	152%	(293,877)		(483,897)		190,020	(39%)
Taxes:												
Income taxes	316		651		(335)	(51%)	617		1,494		(877)	(59%)
Deferred taxes	(91)		957		(1,048)	(110%)	(33)		3,182		(3,215)	(101%)
Total taxes	225		1,608		(1,383)	(86%)	584		4,676		(4,092)	(88%)
NET INCOME (LOSS)	Ps. (116,262)		Ps. (47,606)		Ps. (68,656)	144%	Ps. (294,461)		Ps. (488,573)		Ps. 194,112	(40%)
Controlling interest	(116,262)		(47,606)		(68,656)	144%	(294,461)		(488,573)		194,112	(40%)
Non-controlling interest	-		-		-	-	-		-		-	-
NET INCOME (LOSS)	Ps. (116,262)		Ps. (47,606)		Ps. (68,656)	144%	Ps. (294,461)		Ps. (488,573)		Ps. 194,112	(40%)
Average basic shares	276,471		276,471				276,471		276,471			
Average diluted shares	285,752		285,752				285,752		285,752			
Earnings per basic share	(0.42)		(0.17)				(1.07)		(1.77)			
Earnings per diluted share	(0.41)		(0.17)				(1.03)		(1.71)			



Third Quarter 2021 Results

MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW (IFRS)
Thousands of Mexican Pesos ("Ps.")

	3 months ended September 30		vs 3M 2020		9 months ended September 30		vs 9M 2020	
	2021	2020	\$ var	% var	2021	2020	\$ var	% var
Operating Activities:								
Income (loss) before taxes	Ps. (116,037)	Ps. (45,998)	Ps. (70,039)	152%	Ps. (293,877)	Ps. (483,897)	Ps. 190,020	(39%)
Items not requiring the use of cash	137,856	103,279	34,577	33%	352,015	550,592	(198,577)	(36%)
Cash flow from income (loss) before taxes	21,819	57,281	(35,462)	(62%)	58,138	66,695	(8,557)	(13%)
Cash flow from:								
Accounts receivable	2,387	30,773	(28,386)	(92%)	(3,811)	111,041	(114,852)	(103%)
Inventory	322	273	49	18%	413	394	19	5%
Accounts payable	14,503	(68,769)	83,272	(121%)	54,181	(109,145)	163,326	(150%)
Other assets and liabilities	2,565	3,537	(972)	(27%)	15,435	40,606	(25,171)	(62%)
Cash flow from operating activities	19,777	(34,186)	53,963	(158%)	66,218	42,896	23,322	54%
Net cash flow from operating activities	41,596	23,095	18,501	80%	124,356	109,591	14,765	13%
Investing Activities:								
Telephone network systems and equipment, net	(22,263)	(21,634)	(629)	3%	(66,220)	(256,599)	190,379	(74%)
Subsidiary Disincorporation	-	-	-	-	-	-	-	-
Net cash flow used in investing activities	(22,263)	(21,634)	(629)	3%	(66,220)	(256,599)	190,379	(74%)
Financing Activities:								
Bank loans	(1,000)	-	(1,000)	-	(2,000)	(10,000)	8,000	(80%)
Senior notes	-	-	-	-	-	-	-	-
Debt Restructuring Expenses	-	-	-	-	-	-	-	-
Leases	(20,792)	(23,891)	3,099	(13%)	(69,768)	(77,113)	7,345	(10%)
Increase of non-controlling interest	-	-	-	-	-	-	-	-
Capital stock	-	-	-	-	-	-	-	-
Other financing activities	-	-	-	-	-	-	-	-
Net cash flow from financing activities	(21,792)	(23,891)	2,099	(9%)	(71,768)	(87,113)	15,345	(18%)
Increase (decrease) in cash and financial instruments	(2,459)	(22,430)	19,971	(89%)	(13,632)	(234,121)	220,489	(94%)
Cash and financial instruments at beginning of period	51,265	100,837	(49,572)	(49%)	62,438	312,528	(250,090)	(80%)
Cash and financial instruments at end of period	Ps. 48,806	Ps. 78,407	Ps. (29,601)	(38%)	Ps. 48,806	Ps. 78,407	Ps. (29,601)	(38%)



Third Quarter 2021 Results

MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)
Thousands of Mexican Pesos ("Ps.")

	Capital stock	Capital stock not exhibited	Additional paid-in capital	Junior PIK Notes	Accumulated losses	Total shareholders equity
Balances as of December 31, 2019	Ps. 1,874,155	Ps. (23,201)	Ps. 64,080	Ps. 354,087	Ps. (910,641)	Ps. 1,358,480
Stock option plan	-	-	(20,382)	-	-	(20,382)
Comprehensive net loss	-	-	-	-	(488,573)	(488,573)
	0	0	0	0	0	0
Balances as of September 30, 2020	Ps. 1,874,155	Ps. (23,201)	Ps. 43,698	Ps. 354,087	Ps. (1,399,214)	Ps. 849,525
	Capital stock	Capital stock not exhibited	Additional paid-in capital	Junior PIK Notes	Accumulated losses	Total shareholders equity
Balances as of December 31, 2020	Ps. 1,874,155	Ps. (23,201)	Ps. 35,862	Ps. 354,087	Ps. (1,432,166)	Ps. 808,737
Increase in capital stock	-	-	-	-	-	-
Stock option plan	-	-	1,516	-	-	1,516
Comprehensive net loss	-	-	-	-	(294,461)	(294,461)
Balances as of September 30, 2021	Ps. 1,874,155	Ps. (23,201)	Ps. 37,378	Ps. 354,087	Ps. (1,726,627)	Ps. 515,792

- Important notice:** In compliance with provision 4.033.01 and other applicable provisions of the internal regulations of the Mexican Stock Exchange ("MSE"), regarding the "Independent Analyst", Maxcom Telecomunicaciones S.A.B. de C.V. attests that its share, which is listed on the MSE (Maxcom A) and on the OTCB (MXMTY) thus the Company will not request nor has requested registration to the program "Independent Analyst", likewise Maxcom complies with all applicable regulations of the MSE and the National Banking and Securities Commission.