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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 1-12610

Grupo Televisa, S.A.B.

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

United Mexican States

(Jurisdiction of incorporation or organization)

Av. Vasco de Quiroga No. 2000
Colonia Santa Fe
01210 Mexico City
Mexico

(Address of principal executive offices)

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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Series "A" Shares, without par value ("Series "A" Shares")		New York Stock Exchange (for listing purposes only)
Series "B" Shares, without par value ("Series "B" Shares")		New York Stock Exchange (for listing purposes only)
Series "L" Shares, without par value ("Series "L" Shares")		New York Stock Exchange (for listing purposes only)
Dividend Preferred Shares, without par value ("Series "D" Shares")		New York Stock Exchange (for listing purposes only)
Global Depositary Shares ("GDSs"), each representing five Ordinary Participation Certificates (Certificados de Participación Ordinarios) ("CPOs")	TV	New York Stock Exchange
CPOs, each representing twenty-five Series "A" Shares, twenty-two Series "B" Shares, thirty-five Series "L" Shares and thirty-five Series "D" Shares		New York Stock Exchange (for listing purposes only)

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None.**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None.**

The number of outstanding shares of each of the issuer's classes of capital or common stock as of December 31, 2021 was:

114,085,084,347 Series "A" Shares
51,463,474,237 Series "B" Shares
81,873,650,791 Series "L" Shares
81,873,650,791 Series "D" Shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Emerging Growth Company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act.

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

☒ Yes ☐ No

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

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We publish our financial statements in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB, which differ in some significant respects from generally accepted accounting principles in the United States, or U.S. GAAP, and accounting procedures adopted in other countries.

Unless otherwise indicated, (i) information included in this annual report is as of December 31, 2021 and (ii) references to "Ps." or "Pesos" in this annual report are to Mexican Pesos and references to "Dollars," "U.S. Dollars," "U.S. dollars," "$" or "U.S.$" are to United States dollars.

In this annual report, "we," "us," "our," "Company," "Grupo Televisa" or "Televisa" refer to Grupo Televisa, S.A.B. and, where the context requires, its consolidated entities. "Group" refers to Grupo Televisa, S.A.B. and its consolidated entities.

Forward-Looking Statements and Risk Factors Summary

This annual report and the documents incorporated by reference into this annual report contain forward-looking statements. In addition, we may from time to time make forward-looking statements in reports to the SEC, on Form 6-K, in annual reports to stockholders, in prospectuses, press releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, representatives of the media and others. Words such as "believe", "anticipate", "plan", "expect", "intend", "seek", "potential", "target", "estimate", "project", "predict", "forecast", "guideline", "may", "should", "could", "will" and similar words and expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying these statements. Examples of these forward-looking statements include, but are not limited to:

- estimates and projections of financial results, cash flows, capital expenditures, dividends, capital structure, financial position or other financial items or ratios;
- statements of our plans, objectives or goals, including those relating to anticipated trends, competition, regulation and rates;
- statements concerning our current and future plans regarding our investment in *Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V.*, or GTAC;
- statements concerning our current and future plans regarding our gaming business;
- statements concerning our future plans, including capital expenditures, regarding the pay-TV, broadband and/or telephony services provided by our subsidiaries;
- statements concerning our transactions with TelevisaUnivision, Inc., or TelevisaUnivision, the parent company of Univision Holdings, Inc., our current and future plans regarding our investment in the common stock and preferred stock of TelevisaUnivision and the TelevisaUnivision Transaction (as defined below, and as described below under "Information on the Company—Business Overview—Univision—TelevisaUnivision Transaction") completed on January 31, 2022;
- statements concerning our current and future plans, including capital expenditures, regarding our investment in *Innova, S. de R.L. de C.V.*, or Innova, and our transactions and relationship with DIRECTV;
- statements concerning our transactions with NBC Universal's Telemundo Communications Group, or Telemundo;
- statements about our future economic performance or statements concerning general economic, political or social conditions in Mexico or other countries in which we operate or have investments;

- statements concerning the general uncertainty related to the COVID-19 pandemic and its possible adverse effects; and
- statements or assumptions underlying these statements.

We have based these forward-looking statements on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. We caution you that a number of important risks and uncertainties including those discussed under "— Risk Factors", could cause actual results to differ materially from those expressed in or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, the following risks, uncertainties and other factors:

- the impact of the COVID-19 pandemic;
- economic and political developments and conditions and government policies in Mexico or elsewhere;
- uncertainty in global financial markets;
- currency fluctuations or the depreciation of the Peso;
- changes in inflation rates;
- changes in interest rates;
- the impact of existing laws and regulations, changes thereto or the imposition of new laws and regulations affecting our businesses, activities and investments;
- the risk that our concessions may not be renewed;
- the risk of loss of transmission or loss of the use of satellite transponders;
- changes in customer demand;
- effects of competition;
- incidents affecting our network and information systems or other technologies;
- the results of operations of TelevisaUnivision; and
- the other risks and uncertainties discussed under "— Risk Factors" and elsewhere in this report.

We are not obliged to update these statements or publicly release the result of any revisions to them to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in these forward-looking statements.

We caution you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. You should evaluate any statements made by us in light of these important factors and you are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information, future developments or other factors.

Part I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

Selected Financial Data

The following tables present our selected consolidated financial information as of and for each of the periods indicated. This information is qualified in its entirety by reference to, and should be read together with, our audited consolidated year-end financial statements. The following data for each of the years ended December 31, 2021, 2020 and 2019 has been derived from our audited consolidated year-end financial statements, including the consolidated statements of financial position as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows for the years ended December 31, 2021, 2020 and 2019, and the accompanying notes appearing elsewhere in this annual report.

The selected consolidated financial information as of December 31, 2021, 2020 and 2019, and for the years ended December 31, 2021, 2020 and 2019, was prepared in accordance with IFRS, as issued by the IASB.

The exchange rate used in translating Pesos into U.S. Dollars for calculating the convenience translations included in the following tables, except capital expenditures, is determined by reference to the interbank free market exchange rate, or the Interbank Rate, as reported by *Banco Nacional de México, S.A.*, or CitiBanamex, as of December 31, 2021, which was Ps.20.5031 per U.S. Dollar. This annual report contains translations of certain Peso amounts into U.S. Dollars at specified rates solely for the convenience of the reader. The exchange rate translations contained in this annual report should not be construed as representations that the Peso amounts actually represent the U.S. Dollar amounts presented or that they could be converted into U.S. Dollars at the rate indicated. The interbank free market rate, or the Interbank Rate, as reported by Banco Nacional de Mexico, S.A., or CitiBanamex, as of March 31, 2022, was Ps.19.8670 per U.S. Dollar.

	Year Ended December 31			
	2021	2021	2020	2019
	(Millions of U.S. Dollars or millions of Pesos)[1]			
Income Statement Data:				
Net sales	U.S.$ 5,049	Ps. 103,522	Ps. 97,362	Ps. 101,757
Operating income	1,082	22,177	17,525	17,005
Finance expense, net[2]	(573)	(11,749)	(6,255)	(8,811)
Net income	359	7,355	303	6,107
Net income (loss) attributable to stockholders of the Company	295	6,056	(1,250)	4,626
Net income attributable to non-controlling interests	64	1,299	1,553	1,481
Basic earnings (loss) per CPO attributable to stockholders of the Company[3]	—	2.17	(0.44)	1.60

	Year Ended December 31			
	2021	2021	2020	2019
Diluted earnings (loss) per CPO attributable to stockholders of the Company[3]	—	2.01	(0.41)	1.53
Weighted-average number of shares outstanding (in millions)[3][4]	—	327,525	330,686	338,375
Cash dividend per CPO[3]	—	0.35	—	0.35
Comprehensive Income Data:				
Total comprehensive income (loss)	U.S.$ 453	Ps. 9,290	Ps. (16,559)	Ps. 3,816
Total comprehensive income (loss) attributable to stockholders of the Company	390	7,991	(18,127)	2,357
Total comprehensive income attributable to non-controlling interests	63	1,299	1,568	1,459

	Year Ended December 31			
	2021	2021	2020	2019
Financial Position Data:				
Cash and cash equivalents	U.S.$ 1,260	Ps. 25,828	Ps. 29,058	Ps. 27,452
Total assets	14,327	293,742	271,246	290,344
Short-term debt and current portion of long-term debt[5]	200	4,106	617	492
Interest payable[5]	99	2,035	1,935	1,944
Long-term debt, net of current portion[6]	5,935	121,686	121,936	120,445
Customer deposits and advances	439	8,999	5,936	5,780
Capital stock	236	4,837	4,908	4,908
Total equity (including non-controlling interests)	4,708	96,524	87,939	105,404
Shares outstanding (in millions)[4]	329,296	329,296	325,992	337,244

	2021	2021	2020	2019
Cash Flow Data:				
Net cash provided by operating activities	U.S.$ 1,430	Ps. 29,324	Ps. 33,161	Ps. 27,269
Net cash used in investing activities	(919)	(18,845)	(15,920)	(17,005)
Net cash used in financing activities	(670)	(13,732)	(16,195)	(14,302)
(Decrease) increase in cash and cash equivalents	(158)	(3,230)	1,034	(4,098)
Other Financial Information:				
Capital expenditures[7]	U.S.$ 1,135	Ps. 23,268	Ps. 20,132	Ps. 19,108
Other Data (unaudited):				
Magazine circulation (millions of copies)[8]	—	11	12	32
Number of employees (at year end)	—	46,700	43,200	42,900
Number of Sky Pay Television RGUs (in thousands at year end)[9]	—	7,408	7,478	7,431
Number of Sky Broadband Internet RGUs (in thousands at year end)[9]	—	727	666	386
Number of Sky Mobile RGUs (in thousands at year end)[9]	—	31	—	—
Number of Cable Pay Television RGUs (in thousands at year end)[10]	—	4,166	4,285	4,319
Number of Cable Broadband Internet RGUs (in thousands at year end)[10]	—	5,649	5,431	4,696
Number of Cable Digital Telephony RGUs (in thousands at year end)[10]	—	4,617	4,296	3,638
Number of Cable Mobile RGUs (in thousands at year end)[10]	—	156	76	—

Notes to Selected Consolidated Financial Information:

(1) Except per *Certificado de Participación Ordinario*, or CPO, magazine circulation, employees, Revenue Generating Units, or RGUs. An RGU is defined as individual service subscriber who is billable under each service (satellite pay television, broadband internet and voice).

(2) Includes interest expense, interest income, foreign exchange loss or gain, net, and other finance income or expense, net. See Note 23 to our consolidated year-end financial statements.

(3) For further analysis of net earnings per CPO (as well as corresponding amounts per Series "A" Share not traded as CPOs), see Note 25 to our consolidated year-end financial statements. In April 2022, 2021 and 2019 the Company's stockholders approved the payment of a dividend of Ps.0.35 per CPO, respectively. To further maximize liquidity and as a precautionary measure, the Company's Board of Directors did not propose the payment of a 2020 dividend for approval of the Company's general stockholders' meeting held on April 28, 2020.

(4) As of December 31, 2021, 2020, and 2019, we had four classes of common stock: Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares. Our shares are publicly traded in the United Mexican States, or Mexico, primarily in the form of CPOs, each CPO representing 117 shares comprised of 25 Series "A" Shares, 22 Series "B" Shares, 35 Series "D" Shares and 35 Series "L" Shares; and in the United States in the form of Global Depositary Shares, or GDSs, each GDS representing five CPOs. As of December 31, 2021, there were approximately 2,339.2 million CPOs issued and outstanding, each of which was represented by 25 Series "A" Shares, 22 Series "B" Shares, 35 Series "D" Shares and 35 Series "L" Shares, and an additional number of approximately 55,604.2 million Series "A" Shares, 0.2 million Series "B" Shares, 0.2 million Series "D" Shares and 0.2 million Series "L" Shares issued and outstanding (not in the form of CPO units). See Note 17 to our consolidated year-end financial statements.

(5) The figures set forth in this line item are presented at amortized cost (principal amount, net of finance costs). Interest payable is included in current portion of long-term debt in the consolidated statements of financial position as of December 31, 2021 and 2020. See Notes 2(o) and 14 to our consolidated year-end financial statements.

(6) The figures set forth in this line item are presented at amortized cost (principal amount, net of finance costs). See "Operating and Financial Review and Prospects—Results of Operations—Liquidity, Foreign Exchange and Capital Resources—Indebtedness" and Note 14 to our consolidated year-end financial statements.

(7) Capital expenditures are those investments made by us in property, plant and equipment. See "Information on the Company—Capital Expenditures".

(8) The figures set forth in this line item represent total circulation of magazines that we publish independently and through joint ventures and other arrangements and do not represent magazines distributed on behalf of third parties.

(9) Sky has operations in Mexico, the Dominican Republic and Central America. The figures set forth in this line item represent the total number of RGUs (pay television, or pay-TV, broadband internet, digital telephony and mobile services) for Innova at the end of each year presented. For a description of Innova's business and results of operations and financial condition, see "Information on the Company—Business Overview—Our Operations—Sky".

(10) An RGU provided by *Empresas Cablevisión, S.A.B. de C.V.*, or Cablevisión, *Cablemás, S.A. de C.V.*, or Cablemás, *Televisión Internacional, S.A. de C.V.*, or TVI, *Grupo Cable TV, S.A. de C.V.*, or Cablecom, *Cablevisión Red, S.A. de C.V.*, or Telecable and *FTTH de México, S.A. de C.V.*, or FTTH (pay-TV, broadband internet, digital telephony and mobile services). For example, a single subscriber paying for cable television, broadband internet, digital telephony and mobile services represents four RGUs. We believe it is appropriate to use the number of RGUs as a performance measure for Cablevisión, Cablemás, TVI, Cablecom, Telecable and FTTH given that these businesses provide other services in addition to pay-TV. See "Operating and Financial Review and Prospects—Results of Operations—Total Segment Results—Cable" and "Information on the Company—Business Overview—Our Operations—Cable".

Dividends

Decisions regarding the payment and amount of dividends are subject to approval by holders of a majority of the Series "A" Shares and Series "B" Shares voting together, generally, but not necessarily, on the recommendation of the board of directors or the Board of Directors, as well as a majority of the Series "A" Shares voting separately. Emilio Azcárraga Jean indirectly controls the voting of the majority of the Series "A" Shares and, as a result of such control, both the amount and the payment of dividends require his affirmative vote. See "Major Stockholders and Related Party Transactions—The Major Stockholders". On March 25, 2004, our Board of Directors approved a dividend policy under which we currently intend to pay an annual ordinary dividend of Ps.0.35 per CPO. On April 29, 2019, at our general stockholders' meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,068.9 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. To further maximize liquidity and as a precautionary measure, the Company's Board of Directors did not propose the payment of a 2020 dividend for approval of the Company's general stockholders' meeting held on April 28, 2020. On April 28, 2021, at our general stockholders' meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,053.4 million, which represents payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. On April 27, 2022, at our general stockholders' meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,053.4 million, which represents payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. All of the recommendations of the Board of Directors related to the payment and amount of dividends were voted on and approved at the applicable general stockholders' meetings.

Exchange Rate Information

Since 1991, Mexico has had a free market for foreign exchange and, since 1994, the Mexican government has allowed the Peso to float freely against the U.S. Dollar. There can be no assurance that the government will maintain its current policies with regard to the Peso or that the Peso will not depreciate or appreciate significantly in the future.

In the past, the Mexican economy has had balance of payment deficits and decreases in foreign exchange reserves. While the Mexican government does not currently restrict the ability of Mexican or foreign persons or entities to convert Pesos to U.S. Dollars, we cannot assure that the Mexican government will not institute restrictive exchange control policies in the future, as has occurred from time to time in the past. To the extent that the Mexican government institutes restrictive exchange control policies in the future, our ability to transfer or to convert Pesos into U.S. Dollars and other currencies for the purpose of making timely payments of interest and principal of indebtedness, as well as to obtain foreign programming and other goods, would be adversely affected. See "—Risk Factors—Risk Factors Related to Mexico —Currency Fluctuations or the Devaluation and Depreciation of the Peso Could Limit the Ability of Our Company and Others to Convert Pesos into U.S. Dollars or Other Currencies, Which Could Adversely Affect Our Business, Financial Condition or Results of Operations".

Risk Factors

The following is a discussion of risks associated with our company and an investment in our securities. Some of the risks of investing in our securities are general risks associated with doing business in Mexico. Other risks are specific to our business. The discussion below contains information, among other things, about the Mexican government and the Mexican economy obtained from official statements of the Mexican government as well as other public sources. We have not independently verified this information. Any of the following risks, if they actually occur, could materially and adversely affect our business, financial condition, results of operations or the price of our securities.

Risk Factors Related to the COVID-19 Pandemic

The COVID-19 Pandemic May Have a Material Adverse Effect on Our Business, Financial Position and Results of Operations

For the year ended December 31, 2021, the financial crisis caused by the COVID-19 pandemic still had a negative effect on our business, financial position and results of operations, and it is currently difficult to predict the degree of the impact in the future.

We cannot guarantee that conditions in the bank lending, capital and other financial markets will not continue to deteriorate as a result of the pandemic, or that our access to capital and other sources of funding will not become constrained, which could adversely affect the availability and terms of future borrowings, renewals or refinancings. In addition, the deterioration of global economic conditions as a result of the pandemic may ultimately reduce the demand for our products across our segments as our clients and customers reduce or defer their spending.

Most non-essential economic activities are open, with some limitations in place with respect to capacity and hours of operation. Notwithstanding the foregoing, during the year ended December 31, 2021, this has affected, and is still affecting the ability of our employees, suppliers and customers to conduct their functions and businesses in their typical manner.

Since the beginning of the pandemic, we have continued operating our content business, or the Content business (until its combination with Univision on January 31, 2022) and our telecommunications business uninterrupted to continue benefiting the country with connectivity, entertainment and information, and during the year ended December 31, 2021, the production of new content continued in accordance with the requirements and health guidelines imposed by the Mexican Government. Also, the Content business recovered during the year ended December 31, 2021 as a result of the easing in lockdown restrictions in most jurisdictions in which our customers were located.

In our other businesses segment, which we refer to as the Other Businesses segment, sporting and other entertainment events for which we have broadcast rights, or which we produce, organize, promote and/or are located in venues we own, are operating with some restrictions and taking corresponding sanitary measures, and our casinos are operating with reduced capacity and hours of operation, with some casinos closing and reopening in regions with a high number of COVID-19 cases, as mandated by the authorities. Local authorities may impose additional rules, including restrictions on capacity and operating hours, which may affect the results of our Other Businesses segment in the following months.

In addition, the authorities may impose restrictions on non-essential activities, including but not limited to temporary shutdowns or additional guidelines, which could be expensive or burdensome to implement, and which may affect our operations.

The magnitude of the impact on our business will depend on the duration and extent of the COVID-19 pandemic and the impact of federal, state, local and foreign governmental actions, including continued or future social distancing, and consumer behavior in response to the COVID-19 pandemic and such governmental actions. Due to the evolving and uncertain nature of this situation, we are not able to estimate the full extent of the impact of the COVID-19 pandemic, but it may continue affecting our business, financial position and results of operations over the near, medium or long-term.

We Cannot Predict What Effects the COVID-19 Relief Plan Announced by the Mexican Federal Government Will Have on Our Results of Operations and the Overall Economy

On March 30, 2020, the Mexican General Health Council declared a public health emergency, and on March 31, 2020, the Mexican Ministry of Health announced extraordinary actions to deal with the health emergency caused by the outbreak of the COVID-19 virus. The announcement by the Mexican Ministry of Health ordered the suspension of all non-essential economic activities from March 30, 2020 through April 30, 2020 and was extended several times since then. Media and telecommunications were not included in the suspension as they were considered essential economic activities. Such suspension has caused negative impacts on the Mexican economy that cannot currently be quantified, and as a result of such suspension, many of our customers' businesses have been materially and negatively affected and may continue to encounter significant difficulties in terms of maintaining profitability.

On April 6, 2020, Mexico's Federal Government unveiled a plan to provide relief from the COVID-19 crisis. This plan consists mainly of increases in public investment and social spending, providing loans to small businesses and individuals and adopting additional austerity measures. The abovementioned plan underwent a significant number of changes as the pandemic has progressed, with the most recent change announced in February 2022. The plan now incorporates proposals from the private initiative and support from development banks and other institutions; however, there remains substantial uncertainty as to the mechanics and processes necessary to implement some of the measures provided for in this plan. Furthermore, the plan has not included bailouts, tax cuts or increases in public debt. The success of these strategies is uncertain as well as the effect that the pandemic will have on our customers and on our business, financial position and results of operations over the near, medium or long-term.

Risk Factors Related to Mexico

Economic and Political Developments in Mexico May Adversely Affect Our Business, Financial Condition and Results of Operations

Most of our operations and assets are located in Mexico. As a result, our financial condition, results of operations and business may be affected by the general condition of the Mexican economy, the depreciation or appreciation of the Peso as compared to the U.S. Dollar and other currencies, Mexican inflation, interest rates, regulation, taxation, social instability and other political, social and economic developments in or affecting Mexico over which we have no control.

Mexico Has Experienced Adverse Economic Conditions, Which Could Have a Negative Impact on Our Results of Operations and Financial Condition

Mexico has historically experienced uneven periods of economic growth. Mexican gross domestic product, or GDP, decreased by 0.1% in 2019, decreased by 8.2% in 2020, and increased by 4.8% in 2021. Mexican GDP showed a larger contraction than the Mexican government forecast in 2021 and, according to analysts, Mexican GDP is expected to increase 1.8% in 2022. We cannot assure that these estimates and forecasts will prove to be accurate.

Any future economic downturn, including downturns in the United States, Europe, Asia or anywhere else in the world, could affect our financial condition and results of operations. For example, demand for publications, cable television, direct-to-home, or DTH, satellite services, pay-per-view programming, telecommunications services and other services and products we provide may decrease because consumers may find it difficult to pay for these services and products. Additionally, there can be no assurance that the recent Mexican sovereign debt rating downgrade will not adversely affect our business, financial condition, results of operations or the price of our securities. Finally, the economic recovery is uncertain due to the COVID-19 pandemic.

Developments and the Perception of Risk in other Countries, Especially in Europe, China, the United States and Emerging Market Countries, May Materially Adversely Affect the Mexican Economy, the Market Value of Our Securities and Our Results of Operations

The market value of securities of Mexican companies, the social, economic and political situation in Mexico and our financial condition and results of operations are, to varying degrees, affected by economic and market conditions in other countries, including the United States, China and other Latin American and emerging market countries. Therefore, investors' reactions to developments in any of these other countries may have an adverse effect on the market value or trading price of securities of Mexican issuers. Crises in the United States, Europe, China or emerging market countries may reduce investor interest in securities issued by Mexican companies, including those issued by us.

Turmoil in other large economies, such as those in Europe, China and the United States, could have the effect of a downturn in the global economy. Further, our operations, including the demand for our products or services, and the price of our securities, have also historically been adversely affected by increases in interest rates in the United States and elsewhere.

In response to the Russian invasion of Ukraine, many jurisdictions, including the United States, United Kingdom, and European Union, have imposed sanctions, export controls, import bans, and other trade restrictions on Russia. While Mexico has thus far refrained from imposing such trade restrictions against Russia, the conflict in Ukraine and related sanctions against Russia may affect international macroeconomic conditions.

Any of these factors, would negatively affect the market value of our securities and make it more difficult for us to access capital markets and finance our operations in the future, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and the market price of our securities.

Economic conditions in Mexico are significantly correlated with economic conditions in the United States as a result of the free trade agreements and increased economic activity between the two countries. Adverse economic conditions in the United States or other related events could have a significant adverse effect on the Mexican economy, which could adversely affect our business, financial condition and results of operations. As a result of talks to renegotiate the North American Free Trade Agreement, or NAFTA, on November 30, 2018 (and as amended on December 10, 2019), the United States, Canada, and Mexico signed the United States-Mexico-Canada Agreement (USMCA), which has been approved by the Mexican Senate, the U.S. Senate, and Canada, and became effective on July 1, 2020. In addition, increased or perceptions of increased economic protectionism in the United States and other countries could potentially lead to lower levels of trade and investment and economic growth, which could have a similarly negative impact on the Mexican economy. These economic and political consequences could adversely affect our business, financial condition and results of operations.

We cannot assure that events in other emerging market countries, in the United States or elsewhere will not materially adversely affect our business, financial condition, results of operations, cash flows, prospects and the market price of our shares. The United Kingdom left the European Union on January 31, 2020 ("Brexit"); the relationship between the UK and the EU is governed by the post-Brexit trade and cooperation agreement, which covers (inter alia) trade, travel and immigration. Post-Brexit, the United Kingdom and Mexico negotiated and signed a trade agreement, the UK-Mexico Trade Continuity Agreement, which came into force on June 1, 2021. While the short-term volatility risk of Brexit has largely subsided, the long-term effects on capital markets, foreign exchange markets and on the overall political and macroeconomic situation globally remain uncertain.

Our profitability is affected by numerous factors including reductions in demand for the services provided in our Cable and Sky divisions, as well as in the rest of our business. The demand for our products and services in Mexico, the U.S. and in the other countries in which we operate may be adversely affected by the tightening of credit markets and economic downturns. We depend on the demand from customers in Mexico, the U.S. and the other countries in which we operate, and reduced consumer spending that falls short of our projections could adversely impact our revenues and profitability.

Uncertainty in Global Financial Markets Could Adversely Affect Our Financing Costs and Exposure to Our Customers and Counterparties

The global financial markets continue to be uncertain and it is hard to predict for how long the effects of the global financial stress of recent years will persist and what impact it will have on the global economy in general, or the economies in which we operate, in particular, and whether slowing economic growth in any countries could result in decreased consumer spending affecting our products and services. If access to credit tightens further and borrowing costs rise, our borrowing costs could be adversely affected. Difficulties in financial markets may also adversely affect some of our customers. In addition, we enter into derivative transactions with large financial institutions, including contracts to hedge our exposure to interest rates and foreign exchange, and we could be affected by severe financial difficulties faced by our counterparties.

Currency Fluctuations or the Devaluation and Depreciation of the Peso Could Limit the Ability of Our Company and Others to Convert Pesos into U.S. Dollars or Other Currencies, Which Could Adversely Affect Our Business, Financial Condition or Results of Operations

The Peso has been subject to significant depreciation against the U.S. Dollar in the past and may be subject to significant fluctuations in the future. A significant portion of our indebtedness and a significant amount of our costs are U.S. Dollar-denominated, while our revenues are primarily Peso-denominated. As a result, decreases in the value of the Peso against the U.S. Dollar could cause us to incur foreign exchange losses, which could reduce our net income.

Severe devaluation or depreciation of the Peso may also result in governmental intervention, or disruption of international foreign exchange markets. This may limit our ability to transfer or convert Pesos into U.S. Dollars and other currencies for the purpose of making timely payments of interest and principal on our indebtedness and adversely affect our ability to obtain imported goods. The Mexican economy has suffered current account balance of payment deficits and shortages in foreign exchange reserves in the past. While the Mexican government does not currently restrict the right or ability of Mexican or foreign persons or entities to convert Pesos into U.S. Dollars or to transfer other currencies outside of Mexico, there can be no assurance that the Mexican government will not institute restrictive exchange control policies in the future. To the extent that the Mexican government institutes restrictive exchange control policies in the future, our ability to transfer or convert Pesos into U.S. Dollars or other currencies for the purpose of making timely payments of interest and principal on indebtedness, as well as to obtain imported goods would be adversely affected. Devaluation or depreciation of the Peso against the U.S. Dollar or other currencies may also adversely affect U.S. Dollar or other currency prices for our debt securities or the cost of imported goods.

The public decisions and announcements of the presidential administration in the United States have had, and may continue to have, an adverse effect on the value of the Peso against other currencies, particularly the U.S. Dollar. The decision by the U.S. Federal Reserve to increase applicable interest rates for bank reserves could also affect the exchange rate of the Peso relative to the U.S. Dollar. The economic instability caused by the COVID-19 pandemic has resulted in a high volatility of the foreign exchange rate. See "—Risk Factors Related to the COVID-19 Pandemic—The COVID-19 Pandemic May Have a Material Adverse Effect on Our Business, Financial Position and Results of Operations."

An Increase in Interest Rates in the United States Could Adversely Impact the Mexican Economy and May Have a Negative Effect on Our Financial Condition or Performance

A decision by the U.S. Federal Reserve to increase applicable interest rates for banks' reserves may lead to a general increase in interest rates in the United States. For instance, in March 2022, the U.S. Federal Reserve raised its benchmark federal funds rate by 0.25% to a range between 0.25% and 0.50%, the first increase since December 2018. It is anticipated that the U.S. Federal Reserve will continue to raise the federal funds rate in the coming months. This, in turn, may redirect the flow of capital from emerging markets into the United States because investors may be able to obtain greater risk-adjusted returns in larger or more developed economies than in Mexico. Thus, companies in emerging market economies such as Mexico could find it more difficult and expensive to borrow capital and refinance existing debt. This may negatively affect our potential for economic growth and our ability to refinance our existing debt and could materially adversely affect our business, financial condition, results of operations, cash flows, prospects and the market price of our shares.

Renegotiation of the Trade Agreements or Other Changes in Foreign Policy by the Presidential Administration in the United States Could Adversely Affect Imports and Exports Between Mexico and the United States and Other Economic and Geopolitical Effects may Adversely Affect Us

During the last few years there has been uncertainty regarding U.S. policies related to trade, tariffs, immigration and foreign affairs, including with respect to Mexico. The current U.S. administration could cause a number of changes in the relationship between Mexico and the United States.

Additionally, other government policies in the United States could also adversely affect economic conditions in Mexico. The current relationship between the Mexican and U.S. governments, as well as political and economic factors in each country, could lead to changes in international trade and investment policies, including new or higher taxes on products imported from Mexico to the United States. The events described above could affect our activities, financial situation, operating results, cash flows and/or prospects, as well as the market price of our shares. Other economic and geopolitical effects could adversely affect us.

Given that the Mexican economy is heavily influenced by the economy of the United States, the implementation of the USMCA and/or other government policies in the United States that the Federal administration may adopt could adversely affect economic conditions in Mexico. On September 30, 2018, Mexico, Canada and the United States reached an agreement on the terms and conditions of the USMCA, replacing NAFTA. On June 19, 2019, Mexico became the first country to ratify the USMCA, followed by the United States on January 16, 2020 and Canada on March 13, 2020. The USMCA entered into force on July 1, 2020. The USMCA includes a 16-year sunset clause, under which the terms of the agreement expire, or are suspended, after 16 years and is subject to review every six years, at which time the United States, Mexico and Canada may decide whether to extend the USMCA. The implementation of the new terms of the USMCA could have an adverse effect on the Mexican economy, including the level of imports and exports, which could in turn adversely affect our business, financial condition and results of operations. Other economic and geopolitical effects, including those related to United States policy on trade, tariffs and immigration, may also adversely affect us.

High Inflation Rates in Mexico May Decrease Demand for Our Services While Increasing Our Costs

In the past, Mexico has experienced high levels of inflation. The annual rate of inflation, as measured by changes in the Mexican National Consumer Price Index, or NCPI, was 2.8% in 2019, 3.2% in 2020, 7.4% in 2021 and is projected to be 5.8% in 2022. An adverse change in the Mexican economy may have a negative impact on price stability and result in higher inflation than its main trading partners, including the United States. High inflation rates can adversely affect our business, financial condition and results of operations.

High Interest Rates in Mexico Could Increase Our Financing Costs

During the past year, Mexican interest rates decreased in line with global market movements. The interest rates on 28-day Mexican government treasury securities averaged 7.9%, 5.3%, and 4.6% for 2019, 2020 and 2021, respectively. High interest rates in Mexico could increase our financing costs and thereby impair our financial condition, results of operations and cash flow.

Political Events in Mexico Could Affect Mexican Economic Policy and Our Business, Financial Condition and Results of Operations

The last Mexican presidential and congressional elections took place in July 2018. Andrés Manuel López Obrador, presidential candidate for the National Regeneration Movement Party (*Movimiento de Regeneración Nacional*) ("Morena"), was elected President of Mexico and took office on December 1, 2018. Additionally, Mexican congressional elections took place on June 6, 2021. In these elections, the coalition led by Morena, "Together we will make history" (*Juntos Hacemos Historia*), together with the Labor Party (*Partido del Trabajo*) and the PVEM (*Partido Verde Ecologísta de México*), maintained their current absolute majority (*mayoría absoluta*); however, they lost the qualified majority (*mayoría calificada*) that requires two thirds of the members of the Congress.

Our business, financial condition and results of operations may be adversely affected by changes in governmental policies or regulations involving or affecting our management, operations and tax regime. Tax policy in Mexico, in particular, is subject to continuous change.

We cannot predict the government's future policies, or whether the coalition which currently has control of an absolute majority of congress could maintain it and, if such coalition or any political force may implement substantial changes in law, policies and regulations in Mexico, which could have a significant effect on our business, activities, financial condition, operating results, cash flows and/or prospects. As happens with any new governmental policies and regulations, we cannot ascertain whether, and to what extent, such policies and regulations may affect our operations, financial condition, results of operations or the legal framework in which we operate.

Mexico has Experienced a Period of Increased Criminal Activity and Such Activities Could Adversely Affect Our Financing Costs and Exposure to Our Customers and Counterparties

During recent years, Mexico has experienced a period of increased criminal activity and violence, primarily due to organized crime. These activities, their escalation and the violence associated with them could have a negative impact on the business environment in which we operate, and therefore on our financial condition and results of operations.

Imposition of Fines by Regulators and Other Authorities Could Adversely Affect Our Business, Financial Condition and Results of Operations

A significant portion of our business, activities and investments occur in heavily regulated sectors. The Mexican regulators and other authorities, including tax authorities, have increased their supervision and the frequency and amounts of fines and assessments have increased significantly. Although we intend to defend our positions vigorously when procedures are brought or fines are imposed by authorities, there can be no assurance that we will be successful in such defense. Accordingly, we may in the future be required to pay fines and assessments that could be significant in amount, which could materially and adversely affect our business, financial condition and results of operations.

Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue

Our business, activities and investments are subject to various Mexican federal, state and local statutes, rules, regulations, policies and procedures, which are subject to change and are affected by the actions of various Mexican federal, state and local government authorities. Such changes could materially adversely affect our operations and our revenue.

Mexico's Federal Antitrust Law and the *Ley Federal de Telecomunicaciones y Radiodifusión*, or Telecommunications and Broadcasting Federal Law, or LFTR, including their regulations, may affect some of our activities, including our ability to introduce new products and services, enter into new or complementary businesses or joint ventures and complete acquisitions. In addition, the Federal Antitrust Law and its regulations, as well as the conditions and measures imposed by the *Instituto Federal de Telecomunicaciones*, or Federal Telecommunications Institute, or IFT, an institute with constitutional autonomy responsible for overseeing the broadcasting (radio and television) and telecommunications industries and their antitrust matters, or by the *Comisión Federal de Competencia Económica*, or Mexican Antitrust Commission, or COFECE, may adversely affect our ability to determine the rates we charge for our services and products or the manner in which we provide our products or services. Approval of IFT or the COFECE, as applicable, is required to acquire certain businesses or enter into certain joint ventures. There can be no assurance that in the future IFT or the COFECE, as the case may be, will authorize certain acquisitions or joint ventures related to our businesses, the denial of which may adversely affect our business strategy, financial condition and results of operations. IFT or COFECE, as applicable, may also impose conditions, obligations and fines that could adversely affect some of our activities, our business, financial condition and results of operations. See "— Imposition of Fines by Regulators and Other Authorities Could Adversely Affect Our Business, Financial Condition and Results of Operations".

As a result of the amendments to the Mexican Constitution and the LFTR relating to telecommunications, television, radio and antitrust, concessions for the use of spectrum are now only granted through public bid processes.

In March 2015, IFT issued a ruling announcing *Grupo Radio Centro, S.A.B. de C.V.*, or Grupo Radio Centro, and Cadena Tres I, S.A. de C.V., or Imagen Television as winning bidders for two free to air broadcasting licenses with separate national coverage. Imagen Television has completed the process, has received its license and began broadcasting on October 17, 2016. However, since Grupo Radio Centro failed to pay the amount they bid for their free to air broadcasting license, the IFT's ruling announcing them as a winning bidder was declared null and void and they did not receive the license. As a result, the auction of the portion of the spectrum that was going to be assigned to Grupo Radio Centro took place during 2017. The new bid was for 148 channels for Digital Terrestrial Television, including at least 123 channels that were not allocated in the IFT-1 bidding process for the two national digital broadcast television networks. At the end of the process, offers were received for 32 channels located in 29 different coverage areas located in 17 States and covering about 45 percent of the country's total population. The bidding process concluded in December 2017 with the issuance of the corresponding concession titles in favor of *Compañía Periodística Sudcaliforniana, S.A. de C.V., Comunicación 2000, S.A. de C.V., Francisco de Jesús Aguirre Gómez, Intermedia de Chihuahua, S.A. de C.V., José Guadalupe Manuel Trejo García, Multimedios Televisión, S.A. de C.V., Quiero Media, S.A. de C.V., Radio Comunicación Gamar, S.A. de C.V., Radio Operadora Pegasso, S.A. de C.V., Radio-Televisión de Nayarit, S.A. de C.V., Tele Saltillo, S.A. de C.V., Televisión Digital, S.A. de C.V. and Telsusa Televisión México, S.A. de C.V.*

Article 15-A of the *Ley del Seguro Social*, or the Social Security Law, could materially adversely affect our business, financial condition and results of operations. Article 15-A provides that a company that receives personnel services from a third party, is jointly bound to comply with the obligations related to social security that have to be fulfilled by such personnel services providers for the benefit of their respective employees. Article 15-A also requires the Company to send a list to the *Instituto Mexicano del Seguro Social*, or the Social Security Mexican Institute, of all agreements entered into with personnel services providers.

In addition to the foregoing, certain provisions of the *Ley Federal del Trabajo*, or the Federal Labor Law, could materially adversely affect our business, financial condition and results of operations. The Federal Labor Law, as amended in April 2021, provides, among other things, that subcontracting personnel is prohibited and only will be permitted if the personnel services provider performs specialized services or specialized work; however such specialized services or work shall not be contemplated in the company's corporate purpose or be related with the company's main activities. Companies that provide outsourcing services will be required to complete a registration before the Mexican Ministry of Labor (*Secretaría del Trabajo y Previsión Social*). If these requirements are not met, the company that receives the benefit of the outsourced services shall be jointly liable for all the obligations applicable to employers pursuant to the Federal Labor Law in respect of such personnel. Fines and penalties may be imposed on companies that do not comply with all applicable obligations, and the use of simulated schemes of rendering specialized services or execution of specialized work, as well as subcontracting personnel, will be treated as a criminal offense.

The amendment approved in April 2021 brings, as a consequence, changes to the social security, tax and labor laws. The objective of such amendment is to avoid subcontracting schemes.

This amendment also stated that the amount of profit sharing to be paid to employees will be capped to three months of salary or the average amount received by the employee in the last three years, whichever is more favorable to the employee. A tax implication of this amendment is that invoices issued for disallowed subcontracting of personnel will not have tax effects (i.e., non-deductible expense for income tax purposes and inability to claim a value added tax credit on such expense).

In December 2018, the Mexican Federal Congress approved the economic plan for 2019. The new plan did not include material changes in the tax legislation like tax amnesty or new taxes. The tax reforms revoked the ability to offset overpayments of different type of taxes and granted some incentives for certain taxpayers, as follows:

Limitation to use overpayments of VAT and income tax to offset other taxes: Prior to December 2018, taxpayers were able to offset overpayments of different type of taxes against each other and against taxes withheld. With the tax reform, this ability was eliminated and taxpayers are only allowed to offset tax overpayments that derive from the same type of tax. This limitation may affect some of our subsidiaries that recurrently have VAT or Income Tax overpayments but could offset those overpayments against each other (i.e. VAT against income tax). As of January 2019, taxpayers will only be able to (i) request a refund of the overpayment or (ii) offset tax overpayments against the same type of tax.

*Tax incentives for taxpayers operating in the Northern Border Region of Mexico***:** The objective of these incentives is to promote productivity and create new sources of employment in the Northern Border Region of Mexico. These tax incentives became effective on January 1, 2019 and were expected to remain in force until December 2020. Nevertheless, on December 30, 2020, the decree in which these incentives were granted was amended to extend its validity until December 2024.

Income tax reduction: Mexican individuals and entities, and residents abroad with permanent establishment in Mexico that receive income exclusively in the Northern Border Region of Mexico from their business activities will be able to apply a tax credit equal to one-third of the income tax corresponding to that income. In order to apply this tax incentive, a notice to the Registry of Beneficiaries must be submitted. Once the authorization is obtained, several rules shall be taken into consideration in order to retain the tax incentive.

VAT rate reduction: Mexican individuals and entities that sell goods, render independent services, or grant the temporary use of goods in establishments located within the Northern Border Region of Mexico, may apply a tax credit equivalent to 50% of the VAT ordinary rate (16% to be reduced to 8%). In order to be able to apply the tax credit, taxpayers must submit an application notice to the corresponding tax authority.

In December 2019, the Mexican Federal Congress approved some additional reforms to the economic plan for 2020. These 2020 tax reforms include amendments to the Income Tax Law, the Value Added Tax Law, the Special Tax on Production and Services Law and the Federal Tax Code, they became effective as of January 2020. Some of the most relevant changes to the Mexican tax legislation incorporated some of the Actions included in the Base Erosion and Profit Shifting Final Report (BEPS) published by the Organization for Economic Co-operation and Development (OECD) in February 2013, such as: (i) limitations to the deduction of interests as well as to some other deductions, (ii) update of the Controlled Foreign Corporation (CFC) Rules, (iii) new provisions to tax transparent entities, (iv) modification of the definition of permanent establishment, and (v) incorporation of new rules to tax digital economy. Some other relevant amendments to avoid tax evasion include (i) a new obligation of tax advisors and taxpayers to disclose reportable schemes and (ii) inclusion of general anti-avoidance rule. The following are some of such tax reforms, which some of them impact us:

Limitation of the deductibility of net interest expense. In accordance with the recommendations of Action 4 “Limiting Base Erosion Involving Interest Deductions and Other Financial Payments” of the BEPS Final Project and in addition to the existing thin capitalization rules, the interest deduction is limited to 30% of the adjusted tax profit. The limitation applies to the amount of interests that derive from debt exceeding Ps.20 million considering all interests of all companies that are members of the same corporate group. This limitation applies regardless of whether the debt or loan was acquired before January 2020. The amount of interest not deductible in a given year because of this limitation can be carried forward to the following 10 years, provided that certain requirements are met. There are some exceptions provided in this rule for debt financing public infrastructure work projects, real estate construction, and productive governmental enterprises.

Controlled foreign companies rules. The complete provisions of this regime were changed to apply some of the recommendations included in the Action 3 “Designing Effective Controlled Foreign Company Rules”. The changes include a new definition of effective control and the strengthening of the requirements needed for not considering income subject to a preferential tax regime. In addition, new provisions were added to set new rules for taxing income obtained through foreign transparent entities or figures, and therefore avoid differing the payment of tax derived from this type of vehicle.

New rules to tax digital economy. As part of the measures to increase the efficiency in the collection of VAT and according to the recommendations of Action 1 "Tax Changes Arising from Digitalization" of the BEPS Final Project, a new chapter was included in the Value Added Tax Law to include the VAT treatment applicable to certain digital services provided in Mexico from non-Mexican residents with no permanent establishment. Beginning June 2020, non-Mexican residents providing digital services in Mexico will have to collect the VAT derived from such services and will have several obligations, among others, registering in the Federal Taxpayers Registry, filling periodical VAT returns and issuing invoices.

Reportable schemes. Taxpayers and their tax advisors will be required to disclose to tax authorities certain reportable schemes that are listed in the Federal Tax Code. Tax advisors will be required to register and to disclose any reportable scheme in case they participate in its design, organization, implementation, or management. Taxpayers will be required to disclose a reportable scheme if the scheme is designed, organized, managed, or implemented by themselves and if the tax advisor does not report the scheme.

General anti-avoidance rule. A general anti-avoidance rule was enacted to identify transactions that lack a business reason and that generate a tax benefit, once it identifies the transactions, the authority could consider them as non-existent or characterize them as a different transaction for tax purposes only. A transaction is considered lacking a business reason when (i) the expected quantifiable economic benefit is lower than the tax benefit received and (ii) when the expected quantifiable economic benefit could have been obtained through fewer transactions and the tax effect may result in a higher tax burden. A tax benefit includes any reduction, deferral, or elimination of a contribution.

In December 2020, the Mexican Federal Congress approved amendments to the Income Tax Law, Value Added Tax and Federal Tax Code as part of the economic plan for 2021.

Regarding the Income Tax Law, several changes were made to the general regime applicable to tax-exempt organizations that aimed to control and restrict the application of such regime to ensure that only the companies that perform non-profit activities benefit from the dispositions of such regime. Another important amendment was the decrease of the rate of annual withholding tax applicable to the capital that produces interest paid by the financial system, which changed from 1.45% to 0.97%.

In terms of value added tax, derived from the entry into force of the tax digital economy dispositions, some more dispositions were included to specify the way to comply with those obligations, as well as penalties to ensure such compliance.

In December 2021, the Mexican Federal Congress approved minor amendments to the Income Tax Law, Value Added Tax Law, Special Tax on Production and Services Law, and Federal Tax Code as part of the Economic Plan for 2022. These amendments do not include the addition of new taxes or increases to the existing ones. As of the Income Tax Law, a new simplified regime applicable for individuals and for companies were added. In the Value Added Tax Law, a few modifications were included such as the concept of non-subject activities. The most relevant modifications to the Federal Tax Code are: (i) events where the Certificate of Digital Signature, which is used to issue invoices, can be canceled or restricted to the taxpayer were included; (ii) the definition of resident for tax purposes was modified; (iii) new information to be included in the invoices issued by the taxpayers and a restriction for canceling invoices only in certain period was included; (iv) new requirements must be met to perform a split or a merger of companies, taxpayers must have a business reason to perform the relevant split or a merger, including the obligation to identify and inform the relevant operations performed five years before and after the merger or the split, and the financial statements used to perform a split or a merger must be audited by a certified accountant; and (v) several regulations regarding the identification of the beneficial ownership on each entity, including companies, associations, trusts, funds or any other legal figure, were included in order to guarantee compliance with the minimum international standards of transparency, as well as the obligation to maintain as part of the accounting books, information such as name, address, and tax residence about all the natural persons who directly or indirectly own the benefits or control the entity, which shall remain updated.

On June 3, 2021, a decree issuing the Transparency, Prevention and Fight of Improper Practices in Mexico of Advertising Contracting Act (the "Agencies Law") was published in the Official Gazette of the Federation and became effective on September 1, 2021. The purpose of the Agencies Law is to promote transparency in the advertising industry, as well as to prevent and oppose commercial practices that result in an improper advantage in favor of certain persons to the detriment of advertisers and consumers. This law imposes various obligations and restrictions on media agencies, advertisers and all other forms of media, and modifies the ways in which such parties interact with regard to the sale, engagement and management of advertising. The Company has been analyzing the implications of the Agencies Law since its enactment. The Agencies Law has affected and may continue to affect the way the Company sells advertising in all of its businesses, as well as the way in which it engages the advertising of its products and services.

The Amendments to the Regulations of the General Health Law on Advertising Could Materially Affect Our Business, Results of Operations and Financial Condition

On February 14, 2014, the Mexican Ministry of Health published in the Official Gazette of the Federation an amendment to the Regulations of the General Health Law on Advertising, pursuant to which advertisers of certain high-caloric foods and non-alcoholic beverages are required to obtain prior permission from the health authorities in order to advertise their products on radio, broadcast television, pay-TV and in movie theaters (the "Health Law Amendment"). The Health Law Amendment became effective on April 16, 2014 and comprehensive guidelines entitled "Guidelines with nutritional and advertising criteria for advertisers of food and non-alcoholic beverages for obtaining permission for the advertising of their products with respect to the provisions of Articles 22 bis and 79 of the Regulations of the General Health Law on Advertising" (the "Health Law Guidelines") were published in the Official Gazette of the Federation on April 15, 2014 and became effective on July 7, 2014 for the advertisement of the following products: snacks, flavored drinks, candies, chocolates, or foods similar to chocolates and became effective for the remaining products on January 1, 2015.

The Health Law Guidelines restrict the hours that certain high-caloric foods and non-alcoholic drinks can be advertised. These restrictions do not apply when the advertisement is aired during certain programs such as sports, dramas, news programs, series officially rated as unsuitable for children, films with ratings of B, B15, C and D, and programs where the advertiser certifies through audience research that people between the ages of 4 and 12 represent no more than 35% of the audience and receives the prior consent from the Federal Commission for the Protection Against Health Risks.

On March 27, 2020, the Mexican Ministry of Economy published in the Official Gazette of the Federation an amendment to the Mexican Official Standard NOM-051-SCFI/SSA1-2010 (General labeling specifications for pre-packaged food and non-alcoholic beverages – commercial and health information) (the "NOM-051 Amendment"), which incorporates new prohibitions and guidelines in the front design of food and non-alcoholic beverage labels. The NOM-051 Amendment establishes a five-year transition period, coming into force in three phases. As of April 1, 2021, the use of characters, drawings, celebrities, athletes or pets in labels of pre-packaged food and non-alcoholic beverages to promote their consumption is prohibited, and the use of warning labels for pre-packaged products with saturated fats, high sugars or sweeteners that have one or more warning labels of saturated fats, high sugars or the legend of sweeteners is mandatory.

We cannot predict the impact or effect the NOM-051 Amendment and/or the Health Law Amendment might have or continue to have on our results of operations in the future.

The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments

Any regulations related to the LFTR that could be issued by the President of Mexico and IFT, as applicable, or amendments to the LFTR and certain actions recently taken by IFT, or to be taken by IFT from time to time, affect or could significantly and adversely affect the business, results of operations and financial condition of certain of our subsidiaries that hold concessions and/or provide services in the areas of broadcasting, cable and telecommunications.

The LFTR provides that measures taken or decisions issued by IFT are not subject to judicial stay. Therefore, subject to limited exceptions, until a decision, action or omission by IFT is declared void or unconstitutional by a competent court through a binding and final judgment, IFT's decision, action or omission will be valid and will have full legal effect.

As a result of the reforms to the Mexican Constitution and the must-offer and must-carry regulations issued by IFT, starting on September 10, 2013, our concessionaries of broadcast services have been required to permit pay-TV concessionaries to retransmit broadcast signals, free of charge and on a non-discriminatory basis, within the same geographic coverage area simultaneously and without modifications, including advertising, and with the same quality of the broadcast signal, except in certain specific cases provided in the transitory Articles of the June 2013 Telecom Reform (the "Telecom Reform"). Also, since September 10, 2013, our pay-TV concessionaires are required to retransmit broadcast signals of free television concessionaires, free of charge and on a non-discriminatory basis, subject to certain exceptions and additional requirements provided for in the Telecom Reform.

Certain pay-TV concessionaries benefit from the free use of broadcast for retransmission to their subscribers.

On February 27, 2014, the "General Guidelines Regarding the Provisions of Section 1 of the Eighth Article of the Transitory Decree Amending and Supplementing a Number of Provisions of Articles 6, 7, 27, 28, 73, 78, 94 and 105 of the Mexican Constitution in Telecommunications," or the Guidelines, were published in the Official Gazette of the Federation, which include, among other obligations, the obligation of concessionaires of broadcast television licenses to permit the retransmission of their broadcast signals and the obligation of pay-TV concessionaires to perform such retransmission (without requiring the prior consent of the broadcast television concessionaires) in the same geographic coverage zone for free (subject to certain exceptions) and in a non-discriminatory manner in its entirety, simultaneously and without modifications, including advertising, and with the same quality of the broadcast signal without requiring consent from the broadcast television concessionaires.

On March 6, 2014, IFT issued a decision (the "Preponderance Decision") whereby it determined that we, together with other entities with concessions to provide broadcast television, including some of our subsidiaries, are preponderant economic agents in the broadcasting sector in Mexico (together, the "Preponderant Economic Agent"). As part of the TelevisaUnivision Transaction, Televisa, S. de R.L. de C.V. ("TVSA"), an entity formerly owned by the Company and now the operator of TelevisaUnivision's Content business in Mexico, executed third party programming agreements with the Company's entities that hold the broadcasting concessions. As a result of the TelevisaUnivision Transaction, TVSA is also part of the Preponderant Economic Agent.

The Preponderance Decision imposes on the Preponderant Economic Agent various measures, terms, conditions and restrictive obligations, including the following:

- *Infrastructure sharing* — The Preponderant Economic Agent must make its passive broadcasting infrastructure available to third-party concessionaires of broadcast television for commercial purposes in a non-discriminatory and non-exclusive manner, with the exception of broadcasters that, at the time the measures enter into force, have 12 MHz or more of radio-electric spectrum in the geographic area concerned. Such passive broadcasting infrastructure includes, among others, non-electronic elements at transmitting locations, rights of way, ducts, masts, trenches, towers, poles, security, sites, land, energy sources and air conditioning system elements. This action may result in the Preponderant Economic Agent being bound to incur substantial additional costs and obligations in complying with this requirement, as well as affecting the results of operations. Furthermore, this measure will facilitate the entry and expansion of new competitors in the broadcasting industry without such competitors having to incur costs or investment expenses that new businesses in this industry otherwise would have made and which we incurred in the past and will continue incurring in the future in order to remain competitive. A first infrastructure offer with the terms and conditions to make our passive broadcasting infrastructure available to third-party concessionaires was published on our website on December 19, 2014 and was valid until December 31, 2016. This was succeeded by a second infrastructure offer, which we published on our website on November 30, 2016 and which was effective as of January 1, 2017. This was succeeded by a third infrastructure offer, which we published on our website on November 30, 2017 and was valid from January 1, 2018 until December 31, 2019, which was declared unconstitutional by the Supreme Court on November 26, 2019. This was succeeded by a fourth infrastructure offer, which we published on our website on November 30, 2019, to be effective from January 1, 2020 through December 31, 2021. This was succeeded by a fifth infrastructure offer, which we published on our website on November 30, 2021, to be effective from January 1, 2022 through December 31, 2023. The price to be paid by the concessionaires for the use of our infrastructure on the fifth infrastructure offer is subject to negotiation. As of the date of this report, we have not received any request from third-party concessionaries regarding such infrastructure offer; however, we are unable to predict the impact of the use of the fourth infrastructure offer on our businesses, results of operations and financial conditions of certain of our subsidiaries that hold concessions and/or provide services in the areas of broadcasting and telecommunications.

- *Advertising sales* — According to the Preponderance Decision, the Preponderant Economic Agent must deliver to IFT the terms and conditions of its broadcast advertising services and fee structures, including commercials, packages, discount plans and any other commercial offerings and publish them on its webpage. The Preponderant Economic Agent also must make publicly available on its website its forms of contracts and terms of sale for each service. Based on this decision, the Preponderant Economic Agent is expressly prohibited from refusing to sell advertising and/or discriminating with respect to the advertising spaces being offered. If IFT considers that the Preponderant Economic Agent has failed to comply with the foregoing, IFT may order the Preponderant Economic Agent to make its advertising spaces available, which, in turn, could affect the ability of the Preponderant Economic Agent to carry out its advertising sales plans in an efficient and competitive manner, affecting its operating results. This provision may also affect the ability of the Preponderant Economic Agent to offer competitive rates to its customers.

- *Prohibition on acquiring certain exclusive content* — The Preponderant Economic Agent may not acquire transmission rights, on an exclusive basis, for any location within Mexico with respect to certain relevant content, determined by IFT in the "Ruling whereby IFT identifies the relevant audiovisual contents in terms and for the purposes of the fourth measure and the second transitory article of the fourth attachment of the Telecommunication Preponderance Decision and the Broadcasting Preponderance Decision", or the Relevant Content Ruling, which list may be updated every two years by IFT. Relevant content is defined as programs with a high expected level of regional or national audience and with unique characteristics that in the past have generated high levels of national or regional audiences. The Relevant Content Ruling identified certain programs that would be considered relevant content, namely, Mexican national soccer team games, the opening and closing ceremonies of the Olympic Games, the opening and closing ceremonies and semifinals and finals of the FIFA World Cup, and the finals of the Mexican Soccer League. Also on November 14, 2018, IFT updated the list, eliminating the opening and closing ceremonies of the Olympic Games and adding 16 matches of the FIFA World Cup, semifinals of the Mexican Soccer League and the Super Bowl. This Ruling applies to broadcasting Preponderant Economic Agents and may limit the ability of Preponderant Economic Agents to negotiate and have access to this content and could affect their ability to acquire content in the medium and long term, which could significantly and adversely affect their revenues and results of operations from the sale of advertising, as well as the quality of the programming offered for their audiences.

- *Over-the-air channels* — When the Preponderant Economic Agent offers any of its over-the-air channels, or channels that have at least 50% of the programming that is broadcast daily between 6:00 a.m. and midnight on such channels, to its affiliates, subsidiaries, related parties or third parties, for distribution through a different technological platform than over-the-air broadcast television, the Preponderant Economic Agent must offer these channels to any other person that asks for distribution over the same platform as the Preponderant Economic Agent has offered, on the same terms and conditions. Also, if the Preponderant Economic Agent offers a package of two or more of these channels, it must also offer them in an unpackaged form upon request.

- *Prohibition on participating in "buyers' clubs" or syndicates to acquire audiovisual content, without IFT's prior approval* — The Preponderant Economic Agent may not enter into or remain a member of any "buyers' club" or syndicates of audiovisual content unless it has received the prior approval of IFT. A "buyers' club" is defined as any arrangement between two or more economic agents to jointly acquire broadcast rights to audiovisual content in order to obtain better contractual terms. This may result in the Preponderant Economic Agent not having exclusive access to certain audiovisual content and consequently its audiences may move to other broadcast television transmissions or other technological platforms that transmit such content. It may also result in its acquisition costs significantly increasing, which can affect business strategy, financial condition and results of operations.

On February 27, 2017, as part of the biannual review of the broadcasting sector preponderance rules, IFT amended various measures, terms, conditions and restrictive obligations (the "New Preponderance Measures") as follows:

- *Infrastructure sharing* — In addition to the previously imposed obligations regarding the sharing of passive infrastructure, the New Preponderance Measures have (i) included the service of signal emissions in the event that no passive infrastructure exists on the relevant requested site, which was declared unconstitutional by the Supreme Court on November 26, 2019; (ii) strengthened the supervision of services provided by the Preponderant Economic Agent and tariff arrangements made with its clients; (iii) included certain rules relating to publicity of its tariffs; and (iv) included a new electronic management system. Under the New Preponderance Measures, the IFT determined specific tariffs for our third and fourth infrastructure offers.

- *Prohibition on acquiring certain exclusive content* — This measure has been modified by enabling the Preponderant Economic Agent to acquire relevant content under certain circumstances as long as it obtains the sublicense of such transmission rights to the other broadcasters of over-the-air television in Mexico on non-discriminatory terms.

- *Advertising sales* — IFT modified this measure by including specific requirements to the Preponderant Economic Agent in its provision of over the air advertising services, particularly to telecommunications companies, which include (i) publishing and delivering to IFT specific information regarding tariffs, discount plans, contracting and sales terms and conditions, contract forms and other relevant practices; and (ii) prohibiting discrimination, refusals to deal, conditioned sales and other conditions that inhibit competition. The Preponderant Economic Agent also has to provide very detailed information to IFT on a recurrent basis of over the air advertising services related to telecommunications companies.

- *Accounting separation* — We, as the Preponderant Economic Agent, are required to implement an accounting separation methodology following the criteria defined by IFT for those purposes, which criteria were published in the *Diario Oficial de la Federación*, or the Official Gazette of the Federation, on December 29, 2017. Such criteria were amended by a first amendment published on October 29, 2018, where IFT simplified some reporting obligations for accounting separation for entities that are part of the Preponderant Economic Agent, other than our subsidiaries. Furthermore, a second amendment was published on December 19, 2019, where IFT deferred the deadline for the filing of the accounting separation exercises for the fiscal years 2017 and 2018 to July 31, 2019, which we filed timely. We timely filed the accounting separation methodology for fiscal years 2019 and 2020, and have begun the process of the accounting separation methodology for fiscal year 2021, which will be filed with IFT later in 2022.

On March 28, 2014, we, together with our subsidiaries determined to be the Preponderant Economic Agent in the broadcasting sector, filed an *amparo* proceeding challenging the constitutionality of the Preponderance Decision. On November 21, 2019, the Supreme Court resolved the *amparo* proceeding. The Court declared the constitutionality of the Preponderance Decision, which, therefore, remains in force.

Additionally, on March 31, 2017, we, together with our subsidiaries, filed an *amparo* proceeding challenging the constitutionality of the New Preponderance Measures. On November 21, 2019, the Second Chamber of the Supreme Court of Justice granted the *amparo* and revoked the New Preponderance Measures. As a result, the applicable and valid measures that are in force are those issued under the Preponderance Decision.

The most recent biannual review of the broadcasting sector preponderance rules that began in 2019 was concluded due to the resolution of the *amparo*.

The Telecom Reform provided for a public bid or auction to grant licenses to establish the National Digital Networks. The "Auction Program for Digital Television Broadcast Frequencies" took place in 2014 and the first part of 2015. See "— Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue".

The LFTR provides that integrated sole concessions will be renewed for terms equal to the maximum terms for which they could be granted, namely, up to 30 years. To request the renewal of a concession, a concession holder must: (i) file its request with IFT one year prior to the beginning of the fifth period of the term of the concession; (ii) comply with its obligations established in the applicable laws and in the concession title; and (iii) accept the new conditions that IFT may impose. In such cases, IFT will issue its ruling within 180 days following the date the concession holder files the renewal request. If IFT does not issue its ruling within 180 days the renewal will be automatically granted.

In the case of concessions for the use of radio-electric spectrum, the maximum term of renewal is 20 years. Renewal of concessions for the use of spectrum require, among others: (i) to request such renewal to IFT in the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; (iii) a declaration by IFT that there is no public interest in recovering the spectrum granted under the related concession; and (iv) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT, including the payment of a related fee. To our knowledge, no spectrum granted for broadcasting services in Mexico has been recovered by the Mexican government in the past several years for public interest reasons; however, the Company is unable to predict the outcome of any action by IFT in this regard.

IFT has approved the renewal of the concession titles for the use of spectrum for the broadcast television signals known as Las Estrellas, Canal 5, NU9VE, Foro TV and other local television stations, for a term of 20 years after the existing expiration dates, as well as the issuance of concessions that grant the authorization to provide digital broadcasting television services.

As part of our expansion of our Cable business, on December 17, 2018, we acquired FTTH under the provisions set forth in transitory Article 9 of LFTR. On May 8, 2019, the IFT launched an investigation to analyze if, as a result of the transaction, the Company acquired substantial power in the market of telecommunications networks providing voice, data or video services. On September 4, 2019, the IFT Investigative Authority issued a preliminary opinion, whereby it assessed that there were elements to determine that the Company had substantial power in 35 relevant markets of the telecommunications networks that provide restricted television and audio services. Those relevant markets comprise 35 municipalities in the following States: Aguascalientes, Chihuahua, Ciudad de México, Estado de México, Jalisco, Nuevo León and San Luis Potosí. As a response to the preliminary opinion, the Company presented its position and provided evidence to prove that the Company does not hold substantial power in the relevant markets established in the preliminary opinion. On November 26, 2020, the IFT notified the Company of the final resolution confirming the existence of substantial power in the 35 relevant markets of restricted television and audio services. Consequently, on December 17, 2020, the Company filed three *amparos* challenging the constitutionality of the resolution, which are now under review by the competent court. However, we are unable to predict the outcome of these procedures. Some of the consequences derived from the determination of substantial market power, are applicable as a matter of law and others may be imposed by IFT in a new procedure in accordance with the LFTR; these may consist of: (i) the obligation to obtain IFT's approval and to register the rates for our services; (ii) to inform the IFT in case of the adoption of new technology or modifications to the network; (iii) the agent with substantial power may not be entitled to the benefits of some rules of the "must carry" and "must offer" provisions; and (iv) the implementation of accounting separation.

Overall, the Telecom Reform, the LFTR and secondary regulations already issued and to be issued by the executive power or IFT, as applicable, as well as any actions taken by IFT, may increase our operating costs and interfere with our ability to provide, or prevent us from offering, some of our current or future services.

The resolutions issued by IFT under the Telecom Reform significantly and adversely affect certain areas related to some of our activities, including cable and telecommunications, as well as our ability to introduce new products, infrastructure and services, to enter into new businesses or complementary businesses, to consummate acquisitions or joint ventures, and to determine the rates we charge for our products, services and use of our infrastructure.

See "Information on the Company—Business Overview—Regulation—Telecom Reform and Broadcasting Regulations".

Risk Factors Related to Our Major Stockholders

Emilio Azcárraga Jean Has and Will Have Substantial Influence Over Our Management and the Interests of Mr. Azcárraga Jean may Differ from Those of Other Stockholders

We have four classes of common stock: Series "A" Shares, Series "B" Shares, Series "D" Shares, and Series "L" Shares. A trust for the benefit of Emilio Azcárraga Jean, or the Azcárraga Trust, currently holds 43.8% of the outstanding Series "A" shares, 0.1% of the outstanding Series "B" shares, 0.1% of the outstanding Series "D" shares and 0.1% of the outstanding Series "L" shares of the Company. As a result, Emilio Azcárraga Jean controls the vote of most of the shares held through the Azcárraga Trust. The Series "A" Shares held through the Azcárraga Trust constitute a majority of the Series "A" Shares whose holders are entitled to vote because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series "A" Shares in accordance with the trust agreement governing the CPOs and the Company's bylaws. Accordingly, and so long as non-Mexicans own more than a minimal number of Series "A" Shares, Emilio Azcárraga Jean will have the ability to direct the election of 11 out of 20 members of our Board of Directors, as well as prevent certain actions by the stockholders, including dividend payments, mergers, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws. See "Major Stockholders and Related Party Transactions — The Major Stockholders".

As Controlling Stockholder, Emilio Azcárraga Jean Has the Ability to Limit Our Ability to Raise Capital, Which Would Require Us to Seek Other Financing Arrangements

Emilio Azcárraga Jean has the voting power to prevent us from raising money through equity offerings. Mr. Azcárraga Jean has informed us that if we conduct a primary sale of our equity, he would consider exercising his pre-emptive rights to purchase a sufficient number of additional Series "A" Shares in order to maintain such power. In the event that Mr. Azcárraga Jean is unwilling to subscribe for additional shares and/or prevents us from raising money through equity offerings, we would need to raise money through a combination of debt or other forms of financing, which we may not obtain, or if so, possibly not on favorable terms.

Risk Factors Related to Our Business

The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions

In June 2013, the Mexican Federal Congress passed the Telecom Reform which, among other things, created IFT. IFT has the authority to grant concessions for radio and television stations as well as for telecommunications services.

We hold a number of concessions from IFT (previously from SCT) to broadcast programming over television stations, and to provide telecommunication services. In November 2018, all of our digital broadcast television concessions were renewed and, as a consequence, IFT delivered to the Company concessions (i) for the use of spectrum until 2042 and (ii) that grant the authorization to provide digital broadcasting television services until 2052. See "—Risk Factors Related to Mexico—Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue". The expiration dates of our cable concessions range from 2026 to 2056 and our DTH concessions expire between 2022 and 2056. Cablevisión obtained a telecommunications concession that expires in 2029, which changed to an integrated sole concession in 2019, but keeping its original term. Before the Telecom Reform in 2013, the SCT typically renewed the concessions of those concessionaires that complied with the applicable renewal procedures under Mexican law and with their obligations under the concession. In July 2014, the Mexican Federal Congress enacted the LFTR, which provides that integrated sole concessions will be renewed for terms equal to the maximum terms for which they could be granted, namely, up to 30 years, except for spectrum which will be renewed for terms of 20 years, and in case of concessions for the use of radio-spectrum, the maximum term for renewal is 20 years.

Under Mexican law, we need a permit, or Gaming Permit, from the *Secretaría de Gobernación*, or Mexican Ministry of the Interior, to operate our gaming business. The operation of our gaming business may be terminated or interrupted if the Mexican Government does not renew or revokes our Gaming Permit. The Gaming Permit was granted to us on May 25, 2005 and its expiration date is May 24, 2030. We are unable to predict if we will obtain a renewal of the Gaming Permit.

See "— Risk Factors Related to Mexico — Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue" and "— Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

We Face Competition in Each of Our Markets That We Expect Will Intensify

We face competition in all of our businesses. The entities in which we have strategic investments and the joint ventures in which we participate, including TelevisaUnivision, also face competition. We expect that competition in our different businesses will intensify.

Our DTH satellite business faces competition from various competitors, including Dish Mexico, a DTH satellite pay-TV platform which launched its services in Mexico at the end of 2008, Star TV, a Dish Satellite pay-TV platform, *Mega Cable Comunicaciones, S.A. de C.V.*, or Megacable, Total Play, cable television companies which are subsidiaries of the Company, as well as from Digital TV and OTT and AVOD platforms. In addition, the DTH market competes with other media with respect to advertising and sales, including Pay-TV, outdoor advertising and publishing, among others.

In addition, the industries in which we operate are changing rapidly because of new participants and evolving distribution technologies, including the internet.

The cable industry in Mexico has become highly competitive and we face significant competition. Most cable operators are authorized to provide pay-TV, internet broadband services and voice services, including Voice over Internet Protocol, or VoIP, which poses a risk to us. We also face competition from the Preponderant Economic Agent in telecommunications, particularly in the provision of data and fixed telephony services. The cable business is also capital intensive.

Our pay-TV companies face competition from IPTV, AVOD or OTT providers such as Netflix, Disney+, Claro Video, Prime Video (Amazon), Star+, HBO Max, among others, as well as from other pay-TV operators such as Dish Mexico, Total Play, Megacable and other cable television companies. Additionally, our cable television companies face competition from Sky.

We also face competition in our publishing business, where each of our magazine publications compete for readership, digital audience and advertising revenues with other magazines of a general character and with other forms of print and non-print media.

Our principal competitors in the gaming industry are *Codere S.A.*, or Codere, *Grupo Caliente S.A. de C.V.*, or Grupo Caliente, *Grupo Cirsa, S.A. de C.V.*, or Grupo Cirsa, *Atracciones y Emociones Vallarta, S.A. de C.V.*, or Grupo Logrand and *Palacio de los Números, S.A. de C.V.*, or Palacio de los Números.

Our future success will be affected by changes in the industries where we participate, which we cannot predict, and consolidation in such industries could further intensify competitive pressures. We expect to face competition from an increasing number of sources in Mexico, including emerging technologies that provide new services to pay-TV customers and new entrants in the public and pay-TV industries, which will require us to make significant capital expenditures in new technologies and will result in higher costs in the acquisition of content or may impair our ability to renew rights to special events, including sporting and entertainment events. Our business may require substantial capital to pursue additional acquisitions and capital expenditures, which may result in additional incurrence of leverage, issuance of additional capital or a combination thereof.

DIRECTV Has Certain Governance and Veto Rights Over Some Operations of Innova

We own a 58.7% interest in Innova, our DTH venture in Mexico, Central America and the Dominican Republic. The remaining balance of Innova's equity is indirectly owned by The DIRECTV Group, Inc., or DIRECTV, through its subsidiaries DTH (Mexico) Investment, LTD, DIRECTV Latin America Holdings LLC and DIRECTV MPR Holdings, LLC. Although we hold a majority of Innova's equity and designate a majority of the members of Innova's Board of Directors, DIRECTV has certain governance and veto rights in Innova, including the right to block certain transactions between us and Innova. DIRECTV was acquired by AT&T Inc. in July 2015.

Loss of Transmission or Loss of the Use of Satellite Transponders Could Cause a Business Interruption in Innova, Which Would Adversely Affect Our Net Income

Media and telecom companies, including Innova, rely on satellite transmissions to conduct their day-to-day business. Any unforeseen and sudden loss of transmission or non-performance of the satellite for Innova can cause huge losses to Innova's business. The unforeseen loss of transmission may be caused due to the satellite's loss of the orbital slot or the reduction in the satellite's functional life.

The size of the business interruption impact for Innova in the case of a satellite loss exceeds the insurance we have acquired to cover this risk. In order to reduce the possibility of financial consequences resulting from an unforeseen loss of transmission, Innova entered into an agreement to launch a backup satellite jointly with Sky Brasil Servicos Ltda., or Sky Brasil, which was launched in the first quarter of 2010. In the third quarter of 2013, Sky entered into an agreement with DirecTV for the acquisition and launch of a satellite named SM-1, which started operations in June 2015. In the future, we may have to invest in additional satellite capacity. We cannot predict the extent of losses to Innova in the case of current or new satellite loss or the effectiveness of any alternative strategy.

Any Incidents Affecting Our Network and Information Systems or Other Technologies Could Have an Adverse Impact on Our Business, Reputation and Results of Operations

Our business operations rely heavily on network and information systems and other technology systems, including cloud computing. Incidents affecting these systems, including cyber-attacks, viruses, other destructive or disruptive software or activities, process breakdowns, outages, or accidental release of information could result in a disruption of our operations, improper disclosure of personal data of clients, subscribers, or employees, or other privileged or confidential information, or unauthorized access to our digital content or any other type of intellectual property. It is common for a company such as ours to be subjected to continuous attempted cyber-attacks or other malicious efforts to cause a cybersecurity incident. Any such incident could damage our reputation and may require us to expend substantial resources on litigation, regulatory investigation, and remediation costs, and could therefore have a material adverse effect on our business and results of operations. We continue to work closely with our outside advisors to prevent cybersecurity incidents, and to invest in maintaining and improving cybersecurity resilience. The Company's cybersecurity risks and mitigation actions are monitored by our Audit Committee and reported to our Board of Directors. Nevertheless, because of the nature of the threats and of the cloud computing environment, there can be no assurance that our preventative efforts can fully prevent or mitigate all such incidents or be successful in avoiding harm to our business in the future.

Following the Consummation of the TelevisaUnivision Transaction, Our Continuing Operations Are Less Diversified, Primarily Focused On Our Cable, Sky and Other Businesses Segments, and Rely Significantly On Contractual Arrangements With TelevisaUnivision to Provide Content For Our Operations

Following the completion of the TelevisaUnivision Transaction, revenue from our continuing operations is less diversified. Due to the combination of our Content business with TelevisaUnivision, our results of operations are more reliant on our Cable, Sky and Other Businesses segments, which increases our exposure to the risks of such businesses.

In addition, as a result of the TelevisaUnivision Transaction, our remaining businesses will have significant contractual arrangements with TelevisaUnivision to provide content for our Sky and Cable platforms. As we no longer control the content assets on which our business relies, TelevisaUnivision could pursue a content development, production and distribution strategy that is different from the strategy we would have pursued before the transaction. TelevisaUnivision also could breach its contractual arrangements with us and/or otherwise take actions that are detrimental to our interests. In addition, if there is any dispute relating to our contractual arrangements with TelevisaUnivision, we may have to enforce our rights through litigation or other legal proceedings, which would be subject to uncertainties inherent in the legal system and may be expensive or protracted, even if we are ultimately successful and there can be no assurance we would be successful. As the composition of our business is different following the completion of the TelevisaUnivision Transaction, our success going forward may also depend on our ability to manage risks that may be different from those we faced prior to the TelevisaUnivision Transaction. Any of the foregoing factors, among others, may have a material adverse effect on our business, financial condition and results of operations, as well as the market price of our CPOs and/or GDSs.

We May Identify Material Weaknesses in Our Internal Controls Over Financial Reporting in the Future, and Any Future Material Weaknesses or Failure to Achieve an Effective System of Internal Controls, May Cause Us Not To Be Able to Report Our Financial Results Accurately. In Addition, the Trading Price of Our Securities May Be Adversely Affected by a Related Negative Market Reaction

In connection with the preparation of our financial statements, we may identify material weaknesses (as defined under standards established by the Public Company Accounting Oversight Board) in our internal controls over financial reporting in the future. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

If any future material weaknesses occur, it could affect the accuracy of our reporting on the future results of operations and our ability to make our required filings with government authorities, including the SEC. Furthermore, our business and operating results and the price of our securities may be adversely affected by related negative market reactions. While we have no reason to believe there will be any future material weaknesses identified, we cannot be certain that in the future additional material weaknesses will not exist or otherwise be discovered.

Changes in U.S. Tax Law Might Adversely Affect the Results of Operations of Our U.S. Subsidiaries, Affiliates and Joint Venture Entities

On December 22, 2017, the United States enacted into law Public Law No. 115-97 (the "Tax Act"). The Tax Act introduced significant changes to U.S. federal income tax laws applicable to our U.S. subsidiaries, affiliates and joint venture entities including the reduction of the U.S. federal corporate income tax rate from a maximum rate of 35% to a flat rate of 21%, limitation of the tax deduction for interest expense, limitation of the tax deduction for net operating losses, enactment of an immediate deduction for certain new investments, repeal of the corporate alternative minimum tax, and modification or elimination of many business deductions and credits.

The Tax Act also imposes a new minimum tax called the Base Erosion and Anti-Abuse Tax (the "BEAT") on certain U.S. corporations. The BEAT is imposed on certain deductible amounts paid by a U.S. corporation that (i) has aggregate gross receipts of at least $1.5 billion over its three prior taxable years and (ii) is at least 25%-owned by a non-U.S. person (or otherwise related to a non-U.S. person in specified circumstances). The BEAT taxes "modified taxable income" of a U.S. corporation described above at a rate of 5% beginning in 2018, increasing to 10% in 2019 and 12.5% in 2026. In general, modified taxable income is calculated by adding back to the U.S. corporation's regular taxable income the amount of certain "base erosion tax benefits" with respect to payments to foreign affiliates, as well as the "base erosion percentage" of any net operating loss deductions. The BEAT applies only to the extent it exceeds the U.S. corporation's regular corporate income tax liability (determined without regard to certain tax credits). At present, we do not expect the BEAT to apply to our U.S. subsidiaries, affiliates and joint ventures, however, it is possible that the BEAT could apply in future years.

Risk Factors Related to Univision

The Results of Operations of TelevisaUnivision May Affect Our Financial Performance and the Value of Our Investment in that Company; Key Members of Our Management Team Also Participate in the Management of the Mexican Content Business of TelevisaUnivision

We have a substantial investment in TelevisaUnivision, the parent company of Univision Holdings, Inc. (formerly known as Broadcasting Media Partners, Inc., or BMP) ("UHI") and Univision Communications Inc. ("UCI" and jointly with TelevisaUnivision and UHI, "Univision"). As we previously announced, on January 31, 2022, we consummated a transaction (the "TelevisaUnivision Transaction") with UHI and, for the limited purposes set forth in the transaction agreement (the "2021 Transaction Agreement"), affiliates of Searchlight Capital Partners, LP ("Searchlight"), ForgeLight LLC ("ForgeLight") and Liberty Global plc, through its venture investment vehicle ("Liberty Global"), pursuant to which, among other things, we contributed our Content business (other than the main real estate associated with the production facilities and Mexican over-the air broadcast concessions and transmission infrastructure, as well as certain assets relating to our former news business which was transferred at closing to an entity controlled by Emilio Fernando Azcárraga Jean (the "News Company")) to UHI. After the closing of the TelevisaUnivision Transaction, news programs are owned by the News Company and licensed to TelevisaUnivision. In consideration for the contribution of our Content business, we received approximately U.S. $4.5 billion in a combination of cash (U.S. $3.0 billion) and U.S. $1.5 billion of common and preferred shares of TelevisaUnivision, excluding closing consideration adjustments. In addition, the Company and Univision have entered into commercial arrangements pursuant to which the Company will receive additional consideration valued at approximately U.S. $300 million in the aggregate. The TelevisaUnivision Transaction was partially financed by UHI through a new Series C preferred equity investment in TelevisaUnivision of U.S. $1.0 billion in the aggregate led by the SoftBank Latin American Fund, along with ForgeLight, with participation from Google and The Raine Group, as well as debt financing. As a result of the TelevisaUnivision Transaction, we own an approximately 45% equity interest on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options) in TelevisaUnivision. However, we do not control TelevisaUnivision. As a result, we do not consolidate TelevisaUnivision's results and we no longer consolidate the results of the content business segment included in the TelevisaUnivision Transaction. Our investment in TelevisaUnivision is currently held in the form of shares of common stock and convertible preferred stock. The value of the common stock and preferred stock of TelevisaUnivision, neither of which are publicly traded, will fluctuate and could materially increase or decrease in value.

The value of those shares of TelevisaUnivision common stock and convertible preferred stock, and thus the value of our investment in TelevisaUnivision and our reported results of operations, will be affected by the results of operations of TelevisaUnivision and its subsidiaries. The business, financial condition and results of operations of TelevisaUnivision and its subsidiaries could be materially and adversely affected by risks including, but not limited to: (i) TelevisaUnivision's inability or failure to service its debt; (ii) cancellation, reductions or postponements of advertising; (iii) adverse global economic conditions; (iv) an increase in the preference among Hispanics for English-language programming on platforms other than those of TelevisaUnivision; (v) an increase in the cost of, and/or decrease in the supply, quality of and/or demand for, TelevisaUnivision's content; (vi) changes in the rules and regulations of the Federal Communications Commission, or the FCC, as well as other federal, state and local regulations, including those applicable in Mexico; (vii) competitive pressures from other broadcasters, content distributors and other entertainment and news media; (viii) TelevisaUnivision's failure to retain the rights to popular programming, including sports programming; (ix) TelevisaUnivision's failure to renew existing carriage agreements or reach new carriage agreements with MVPDs; (x) possible strikes or other union job actions; (xi) the impact of new technologies as well as TelevisaUnivision's ability to successfully launch its streaming operations; and (xii) failure to develop, produce or acquire content for, attract customers for and/or profitably commercialize a Spanish-language streaming platform.

The COVID-19 pandemic has had, and may continue to have, an adverse impact on TelevisaUnivision, due to, among other things, the negative impact on advertising trends and advertising revenue, suspension of sporting events and curtailment or suspension of other programming production to which TelevisaUnivision has broadcast rights, reductions or delays in the production of programming by TelevisaUnvision's partners and general COVID-19 related disruptions to business and operations. Due to the evolving and uncertain nature of developments related to the COVID-19 pandemic, we cannot estimate the impact on TelevisaUnivision's businesses, financial condition or near or longer-term financial or operational results with certainty.

In addition, TelevisaUnivision has recently started the integration of our former Content business with its operations. If the integration process takes longer than expected or is more costly than expected, TelevisaUnivision's existing business and operational relationships with customers, employees and other counterparties are not maintained, unforeseen expenses or liabilities arise, or the integration otherwise is not successful, the anticipated benefits of the TelevisaUnivision Transaction may not be realized fully or at all, or may take longer to realize than expected, and the value of our investment in TelevisaUnivision may decline.

There can be no assurance that the results of operations of TelevisaUnivision and its respective subsidiaries will be sufficient to maintain or increase the value of our investment, or that such results will not materially and adversely affect our business, financial condition and results of operations. In addition, no public market exists for TelevisaUnivision's shares, and such shares are subject to transfer restrictions, so there can be no assurance that we will be able to realize value from our investment in TelevisaUnivision at a time when it may be beneficial for us to do so, or at all. For a discussion of our investment in TelevisaUnivision, see "Information on the Company—Business Overview—Univision".

In addition, as part of the combination of our former Content business with TelevisaUnivision's other operations, Messrs. Bernardo Gómez Martínez and Alfonso de Angoitia Noriega became part of the management team of the Mexican Content business of TelevisaUnivision. These individuals also continue to serve in their current roles at the Company. Additionally, our directors and officers may have interests that are different from those of our shareholders and actual or apparent conflicts of interest may arise with respect to matters involving or affecting us and TelevisaUnivision.

The Performance of TelevisaUnivision May Affect the Market Price of Our Shares and of Our CPOs or GDSs, the Underlying Asset of Which Are Our Shares

Following the completion of the TelevisaUnivision Transaction, we own an approximately 45% equity interest on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options) in TelevisaUnivision. Such interest forms an important part of our assets and an important part of our share of income of associates and joint ventures. As a result of the foregoing, the performance of TelevisaUnivision may have an effect on the market price of our shares or of the CPOs or GDSs, the underlying asset of which are the shares of Grupo Televisa. In addition, changes in market conditions of U.S. media companies could impact the valuation of TelevisaUnivision and may affect the market price of our shares.

Although We Have a Large Equity Interest in TelevisaUnivision, We Do Not Control TelevisaUnivision and Its Interests May Differ From Those of Grupo Televisa or Other Investors in TelevisaUnivision and Grupo Televisa's Interests May Differ From Those of Other Investors in TelevisaUnivision

Following the TelevisaUnivision Transaction, we continue to be the largest shareholder of TelevisaUnivision. In addition, we are entitled to appoint five directors to the Board of Directors of TelevisaUnivision, including the chairperson. However, such equity interest and our governance rights do not grant us control over TelevisaUnivision, and TelevisaUnivision will be deemed an "associate" (*asociada*) of ours under applicable accounting regulations. As a result of the foregoing, if the interests of the rest of the investors of TelevisaUnivision differ from our interests, TelevisaUnivision may conduct its businesses differently than the way that is in the best interests of us and our shareholders, and such change may have an adverse effect on our financial position and results of operations and the expected benefits of the TelevisaUnivision Transaction.

Risk Factors Related to Our Securities

Any Actions Stockholders May Wish to Bring Concerning Our Bylaws or the CPO Trust Must Be Brought in a Mexican Court

Our bylaws provide that a stockholder must bring any legal actions concerning our bylaws in courts located in Mexico City. All parties to the trust agreement governing the CPOs, including the holders of CPOs, have agreed to submit any legal actions concerning the trust agreement only to Mexican courts.

Non-Mexicans May Not Hold Series "A" Shares, Series "B" Shares or Series "D" Shares Directly and Must Have Them Held in a Trust at All Times

Although, as a result of the Telecom Reform, the regulatory framework for foreign direct investment allows foreign investors to hold up to 100% of the equity interest of Mexican companies doing business in telecommunications and satellite communications, and up to 49% in the broadcasting sector, subject to reciprocity from the country of the ultimate investor. The trust governing the CPOs and our bylaws nevertheless restrict non-Mexicans from directly owning Series "A" Shares, Series "B" Shares or Series "D" Shares. Non-Mexicans may hold Series "A" Shares, Series "B" Shares or Series "D" Shares indirectly through the CPO Trust, which will control the voting of such shares. Under the terms of the CPO Trust, a non-Mexican holder of CPOs or GDSs may instruct the CPO Trustee to request that we issue and deliver certificates representing each of the shares underlying its CPOs so that the CPO Trustee may sell, to a third party entitled to hold the shares, all of these shares and deliver to the holder any proceeds derived from the sale.

Non-Mexican Holders of Our Securities Forfeit Their Securities if They Invoke the Protection of Their Government

Pursuant to Mexican law, our bylaws provide that non-Mexican holders of CPOs and GDSs may not ask their government to interpose a claim against the Mexican government regarding their rights as stockholders. If non-Mexican holders of CPOs and GDSs violate this provision of our bylaws, they will automatically forfeit the Series "A" Shares, Series "B" Shares, Series "L" Shares and Series "D" Shares underlying their CPOs and GDSs to the Mexican government.

Non-Mexican Holders of Our Securities Have Limited Voting Rights

In accordance with the bylaws and trust governing the CPOs of the Company, non-Mexican holders of CPOs or GDSs are not entitled to vote the Series "A" Shares, Series "B" Shares and Series "D" Shares underlying their securities. The Series "L" Shares underlying CPOs or GDSs, the only series of our Shares that can be voted by non-Mexican holders of CPOs or GDSs, have limited voting rights. These limited voting rights include the right to elect two directors and limited rights to vote on extraordinary corporate actions, including the delisting of the Series "L" Shares and other actions which are adverse to the holders of the Series "L" Shares. For a brief description of the circumstances under which holders of Series "L" Shares are entitled to vote, see "Additional Information—Bylaws—Voting Rights and Stockholders' Meetings".

Our Antitakeover Protections May Deter Potential Acquirers and May Depress Our Stock Price

Certain provisions of our bylaws could make it substantially more difficult for a third party to acquire control of us. These provisions in our bylaws may discourage certain types of transactions involving the acquisition of our securities. These provisions may also limit our stockholders' ability to approve transactions that may be in their best interests and discourage transactions in which our stockholders might otherwise receive a premium for their Shares over the then current market price and could possibly adversely affect the trading volume in our equity securities. As a result, these provisions may adversely affect the market price of our securities. Holders of our securities who acquire Shares in violation of these provisions will not be able to vote, or receive dividends, distributions or other rights in respect of these securities and would be obligated to pay us a penalty. For a description of these provisions, see "Additional Information—Bylaws—Antitakeover Protections".

GDS Holders May Face Disadvantages When Attempting to Exercise Voting Rights as Compared to Other Holders of Our Securities

In situations where we request that The Bank of New York Mellon, the depositary for the securities underlying the GDSs, ask GDS holders for voting instructions, the holders may instruct the depositary to exercise their voting rights, if any, pertaining to the deposited securities. The depositary will attempt, to the extent practical, to arrange to deliver voting materials to these holders. We cannot assure holders of GDSs that they will receive the voting materials in time to ensure that they can instruct the depositary how to vote the deposited securities underlying their GDSs, or that the depositary will be able to forward those instructions and the appropriate proxy request to the CPO Trustee in a timely manner. For stockholders' meetings, if the depositary does not receive voting instructions from holders of GDSs or does not forward such instructions and appropriate proxy request in a timely manner, if requested in writing from us, it will provide a proxy to a representative designated by us to exercise these voting rights. If no such written request is made by us, the depositary will not represent or vote, attempt to represent or vote any right that attaches to, or instruct the CPO Trustee to represent or vote, the shares underlying the CPOs in the relevant meeting and, as a result, the underlying shares will be voted in the manner described under "Additional Information—Bylaws—Voting Rights and Stockholders' Meetings—Holders of CPOs". For CPO Holders' meetings, if the depositary does not timely receive instructions from a Mexican or non-Mexican holder of GDSs as to the exercise of voting rights relating to the underlying CPOs in the relevant CPO holders' meeting, the depositary and the custodian will take such actions as are necessary to cause such CPOs to be counted for purposes of satisfying applicable quorum requirements and, unless we in our sole discretion have given prior written notice to the depositary and the custodian to the contrary, vote them in the same manner as the majority of the CPOs are voted at the relevant CPOs holders' meeting.

This means that holders of GDSs may not be able to exercise their right to vote and there may be nothing they can do if the deposited securities underlying their GDSs are not voted as they request.

The Interests of Our GDS Holders Will Be Diluted if We Issue New Shares and These Holders Are Unable to Exercise Preemptive Rights for Cash

Under Mexican law and our bylaws, our stockholders have preemptive rights with respect to capital increases. This means that in the event that we issue new Shares for cash, our stockholders will have a right to subscribe and pay the number of Shares of the same series necessary to maintain their existing ownership percentage in that series. U.S. holders of our GDSs cannot exercise their preemptive rights unless we register any newly issued Shares under the U.S. Securities Act of 1933, as amended, or the Securities Act, or qualify for an exemption from registration. If U.S. holders of GDSs cannot exercise their preemptive rights, the interests of these holders will be diluted in the event that we issue new Shares for cash. We intend to evaluate at the time of any offering of preemptive rights the costs and potential liabilities associated with registering any additional Shares. We cannot assure that we will register under the Securities Act any new Shares that we issue for cash. In addition, although the Deposit Agreement provides that the depositary may, after consultation with us, sell preemptive rights in Mexico or elsewhere outside the U.S. and distribute the proceeds to holders of GDSs, under current Mexican law these sales are not possible. See "Directors, Senior Management and Employees-Stock Purchase Plan and Long—Term Retention Plan" and "Additional Information—Bylaws—Preemptive Rights".

The Protections Afforded to Minority Stockholders in Mexico Are Different from Those in the U.S.

Under Mexican law, the protections afforded to minority stockholders are different from those in the U.S. In particular, the law concerning fiduciary duties of directors is not well developed, there is no procedure for class actions or stockholder derivative actions and there are different procedural requirements for bringing stockholder lawsuits. As a result, in practice, it may be more difficult for our minority stockholders to enforce their rights against us or our directors or major stockholders than it would be for stockholders of a U.S. company.

The *Ley del Mercado de Valores*, or the Mexican Securities Market Law, provides additional protection to minority stockholders, such as (i) providing stockholders of a public company representing 5% or more of the capital stock of the public company, an action for liability against the members and secretary of the Board and relevant management of the public company, and (ii) establishing additional responsibilities on the audit committee in all issues that have or may have an effect on minority stockholders and their interests in an issuer or its operations.

It May Be Difficult to Enforce Civil Liabilities Against Us or Our Directors, Executive Officers and Controlling Persons

We are organized under the laws of Mexico. Substantially all of our directors, executive officers and controlling persons reside outside the U.S., all or a significant portion of the assets of our directors, executive officers and controlling persons, and substantially all of our assets, are located outside of the U.S., and some of the parties named in this annual report also reside outside of the U.S. As a result, it may be difficult for you to effect service of process within the United States upon these persons or to enforce against them or us in U.S. courts judgments predicated upon the civil liability provisions of the federal securities laws of the U.S. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortés y Fuentes, S.C., that there is doubt as to the enforceability, in original actions in Mexican courts, of liabilities predicated solely on U.S. federal securities laws and as to the enforceability in Mexican courts of judgments of U.S. courts obtained in actions predicated upon the civil liability provisions of U.S. federal securities laws.

Item 4. Information on the Company

History and Development of the Company

Grupo Televisa, S.A.B. was originally incorporated as a *sociedad anónima*, or limited liability corporation under the laws of Mexico in accordance with the *Ley General de Sociedades Mercantiles*, or Mexican Companies Law, and later adopted the form of *sociedad anónima bursátil*, or limited liability stock corporation in accordance with the *Ley del Mercado de Valores*, or the Mexican Securities Market Law. It was incorporated under Public Deed Number 30,200, dated December 19, 1990, granted before Notary Public Number 73 of Mexico City, and registered with the Public Registry of Commerce in Mexico City on Commercial Page (*folio mercantil*) Number 142,164. Pursuant to the terms of our *estatutos sociales*, or bylaws, our corporate existence continues through 2106. Our principal executive offices are located in Mexico City at Avenida Vasco de Quiroga, No. 2000, Colonia Santa Fe, 01210 Ciudad de México, México. Our telephone number at that address is (52) (55) 5261-2000.

Capital Expenditures

The table below sets forth our expected capital expenditures for the year ended December 31, 2022 and our actual capital expenditures, investments in joint ventures and associates, and acquisitions for the years ended December 31, 2021, 2020 and 2019.

	Year Ended December 31,[1][2]			
	2022 (Expected)	2021 (Actual)	2020 (Actual)	2019 (Actual)
	(Millions of U.S. Dollars)			
Capital expenditures	U.S.$ 867.0	U.S.$ 1,149.1	U.S.$ 939.4	U.S.$ 992.2
GTAC[3]	8.9	6.4	6.3	8.8
Other acquisitions and investments	—	53.3	27.8	—
Total capital expenditures and investments	U.S.$ 875.9	U.S.$ 1,208.8	U.S.$ 973.5	U.S.$ 1,001.0

(1) Amounts in respect of some of the capital expenditures, investments and acquisitions we made in 2021, 2020 and 2019 were paid for in Pesos. These Peso amounts were translated into U.S. Dollars at the Interbank Rate in effect on the dates on which a given capital expenditure, investment or acquisition was made. See "Key Information - Selected Financial Data".

(2) See "Operating and Financial Review and Prospects—Results of Operations—Liquidity, Foreign Exchange and Capital Resources—Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity."

(3) See "—Business Overview—Our Operations—Cable", and "—Business Overview—Investments" for a discussion of GTAC, Cablecom, Telecable and TVI.

In 2021, 2020 and 2019, we relied on a combination of operating revenues, borrowings and net proceeds from dispositions to fund our capital expenditures, acquisitions and investments. We expect to fund our capital expenditures in 2022 and potential capital expenditures, investments and/or acquisitions going forward, which could be substantial in size, through a combination of cash from operations, cash on hand, equity securities, and/or the incurrence of debt, or a combination thereof.

For a more detailed description of our capital expenditures, investments and acquisitions in prior years, see "Operating and Financial Review and Prospects—Results of Operations—Liquidity, Foreign Exchange and Capital Resources—Liquidity" and "Operating and Financial Review and Prospects—Results of Operations—Liquidity, Foreign Exchange and Capital Resources—Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity".

Business Overview

The Company is a major telecommunications corporation which owns and operates one of the most significant cable companies as well as a leading DTH satellite pay television system in Mexico. The Company's cable business offers integrated services, including video, high-speed data, voice and mobile to residential and commercial customers as well as managed services to domestic and international carriers.

The Company owns a majority interest in Sky, a leading DTH satellite pay television system and broadband provider in Mexico, operating also in the Dominican Republic and Central America.

In addition, the Company is the largest shareholder of TelevisaUnivision, a leading media company producing, creating, and distributing Spanish-language content through several broadcast channels in Mexico, the US and over 60 countries through television networks, cable and pay-TV operators and over-the-top or "OTT" streaming services.

The Company holds a number of concessions granted by the Mexican government that authorizes it to broadcast programming over television stations for the signals of TelevisaUnivision, and its cable and DTH systems.

The Company also has interests in magazine publishing and distribution, professional sports and live entertainment, and gaming.

Business Strategy

We operate a Cable business and Sky, a DTH platform. We intend to continue strengthening our position in these businesses and growing by continuing to make additional investments, which could be substantial in size, while maintaining profitability and financial discipline.

We are the largest shareholder of TelevisaUnivision, a leading media company producing, creating and distributing Spanish speaking content through several broadcast channels in Mexico, the United States and over 60 countries through TV networks, cable operators and over-the-top services. We intend to continue exploring potential ventures and business opportunities with TelevisaUnivision.

In addition, we intend to continue to analyze opportunities to expand our business by developing new business initiatives and/or through business acquisitions and investments. We also continue to evaluate strategic alternatives for our portfolio of non-core assets.

Continue Building Our Cable and DTH Platforms

Cable. We are a shareholder of several Mexican cable companies. For example:

- we own a 51% controlling stake in Cablevisión, which operates in Mexico City and its metropolitan area, where it offers cable television, high speed internet and IP telephony services;
- we own TVI, which offers cable television, data and voice services in the metropolitan area of Monterrey and other areas of northern Mexico; it also offers specific data and voice services in the metropolitan area of Mexico City;
- we own Cablemás, which operates in approximately 105 cities in Mexico where it offers cable television, high speed internet and telephony services;
- we own Cablecom, which offers cable television, high speed internet, telephony, value added services and virtual networks to corporate customers located in 15 states of Mexico;
- we own Telecable, a cable company that provides video, data and telephony (including mobile telephony services as a mobile virtual network operator) services in Mexico, primarily in the states of Guanajuato, Jalisco, Aguascalientes, Querétaro, Tamaulipas, Colima and Chiapas, among others; and
- since December 17, 2018, we own the residential fiber-to-the-home business, and related assets, acquired from Axtel in Mexico City, Zapopan, Monterrey, Aguascalientes, San Luis Potosí and Ciudad Juárez, through the acquisition of 100% of the equity interests of FTTH.

With a consolidated 6.4 million subscriber base and 17.9 million homes passed as of December 31, 2021, these companies are important service providers in Mexico. “Homes passed” refers to any residential homes or businesses that are connected to telecommunications systems, those prepared to be connected to telecommunications systems but are not currently connected or require some type of investment in order to be connected. For instance, each apartment located in a building that is prepared to be connected to telecommunications systems represents one home passed. It is generally understood that a home or business counts as a home passed when it can be connected to a telecommunications network without additional extensions to the main transmission lines. Our cable strategy aims to increase our subscriber base, average monthly revenues per subscriber and penetration rate by:

- continuing to offer high quality content;
- continuing to upgrade our existing cable network into a broadband or fiber-optic bidirectional network;
- aiming to provide digital services in order to stimulate new subscriptions, substantially reduce piracy and offer new value-added services;
- increasing the penetration of our high-speed internet access and other multimedia services as well as providing a platform to offer internet protocol, or IP, and telephony services;

- continuing the roll out of advanced digital set-top boxes which allow the transmission of high definition programming and recording capability, including OTT services;

- continuing to grow our mobile product, bundling it with our other services; and

- continuing to leverage our strengths and capabilities to develop new business opportunities and expand through additional investments and/or acquisitions, which can be substantial in size.

Our cable companies have introduced a variety of new services over the past years, such as interactive television and other enhanced program services, including high-speed internet access through cable modem and fiber-to-the-home, as well as IP telephony. In November 2014, we launched a unified commercial offer under the izzi brand for residential customers. Currently, izzi offers telecommunication services packages including unlimited telephony services, high-speed data access and pay-TV programming for residential customers and micro and small-sized enterprises. In June 2016, we launched "izzi TV", a new entertainment platform, which among other services, provides customers live channels, SVOD (Subscription Video on Demand), as well as access to all of the Company's content. Recently the bundle packages include access to Netflix, blim, Disney+, HBO Max, among others. izzi TV is available through the "izzi TV" set-top-box and through "izzi go", which is a TV Everywhere application for authenticated subscribers that enables users to access TV channels, movies and series on demand, compatible with PCs, iOS and Android platforms. izzi go also features remote control functions compatible with our izzi TV set-top-boxes. For an additional cost, subscribers can choose from different add-ons to the "izzi TV" service, such as TVOD (Transactional Video on Demand) titles, HBO Max, Disney+ and Star+ , among others. In addition to the izzi brand, our cable companies also provide telecommunication services under the wizz and wizzplus brands in certain municipalities. In July 2018, our cable companies launched "afizzionados", our first proprietary sports channel dedicated to soccer, broadcasting selected sport content and exclusive matches. In November 2018, we launched "izzi flex" (wireless internet for homes) and "izzi pocket" (mobile internet), which offer speeds of 5 Mbps and up to 20 Mbps. In 2018 and 2019, we renewed our triple play product with packaging benefits of voice, broadband and video. In June 2020, we launched our mobile virtual network operator (MVNO) service, "izzi móvil", providing a mobile service for broadband subscribers, which offers calls, SMS and Gigabytes for a competitive price through a reseller agreement with Altán Redes, S.A.P.I. de C.V. ("Altán Redes"). We also provide mobile services through "Bestel móvil", which offers calls, SMS and Gigabytes according to the coverage area for enterprise, corporate, and government customers through a reseller agreement with Altán Redes and Radiomóvil Dipsa, S.A. de C.V. Likewise, we recently launched our new STB "izziTV -smart" that allow us to become one of the largest OTT aggregators in Mexico. It allows us to include in our offerings access to the main OTT platforms in the market and the possibility to bundle our pay-TV service with Netflix, Blim, Disney+, HBO Max, amongst others.

As of December 31, 2021, our cable companies had 4.2 million cable television, or video RGUs, 5.6 million broadband RGUs and 4.6 million IP telephone lines in service, or voice RGUs. In addition, we currently have 156,000 mobile service RGUs. The growth in our subscriber base has been driven primarily by the upgrade of our networks and the launch of competitive broadband offerings.

DTH. We believe that Ku-band DTH satellite services offer an enhanced opportunity for expansion of pay television services into households seeking to upgrade reception of broadcasting signals and in areas not currently serviced by operators of cable or multi-channel, multi-point distribution services. We own a 58.7% interest in Innova, or Sky, our venture with DIRECTV. Innova is a DTH company with services in Mexico, Central America and the Dominican Republic with more than 7.4 million video subscribers, of which 3.0% were commercial subscribers as of December 31, 2021.

The key components of our DTH strategy include:

- offering high quality content, including rights to our four over-the-air broadcast channels, exclusive broadcasts of sporting events, such as most of the Spanish Soccer League, La Liga and La Copa del Rey, the English Premier League, the Carabao Cup, the NFL Sunday Ticket, MLB Extra Innings, the NHL, marathons, ice skating events, Davis Cup, Diamond League, the Pacific Mexican Baseball League (LMP), Caribbean Series, UEFA EURO, UEFA Nations League and qualifying matches of the CONMEBOL for the World Cup, as well as special coverage of female soccer leagues from Germany, Spain, Sweden and the U.K.;

- capitalizing on our relationship with DIRECTV and local operators in terms of technology, distribution networks, infrastructure and cross-promotional opportunities;

- capitalizing on the low penetration of pay-TV services in Mexico;

- providing superior digital Ku-band DTH satellite services and emphasizing customer service quality;
- providing aggressive HD offerings and continuously expanding our programming in HD; and
- providing single play broadband services as well as video-broadband bundles to complement our product offering.

Transforming Our Publishing Business

Despite the continuing challenges facing the industry, including the COVID-related global economic crisis, we continue to be among the leaders of the publishing business in Mexico and maintained a total approximate circulation of more than 11 million magazines during 2021. Editorial Televisa publishes 32 titles, with six wholly owned trademarks and nine licensed trademarks from world renowned publishing houses, including Spanish language editions of some of the most prestigious brands in the world, as well as 14 digital platforms and two digital native brands. During 2021, we continued to focus our efforts on a multiplatform content generation model (print & digital) for our profitable brands.

Developing New Businesses and Expanding through Acquisitions

We plan to continue leveraging our strengths and capabilities to develop new businesses and analyzing opportunities to expand through acquisitions. We are constantly assessing investment opportunities that complement our business strategy. We may identify and evaluate opportunities for strategic acquisitions of complementary businesses, technologies or companies. We may also consider joint ventures, minority investments and other collaborative projects and investments. Any such acquisition or investment could be funded using cash on hand, our equity securities and/or the incurrence of debt, or a combination thereof.

Our recent acquisitions and investments include our acquisition on December 17, 2018 of the residential fiber-to-the-home business and related assets from Axtel in Mexico City, Zapopan, Monterrey, Aguascalientes, San Luis Potosi and Ciudad Juarez, through the acquisition of 100% of the equity interests of FTTH.

For a further discussion of some of our recent investments, see "— Investments".

We have grown our gaming business, which consists of casinos and an online gaming site. As of December 31, 2021, we had 18 casinos in operation, under the brand name "PlayCity". Due to the global pandemic, the casinos have opened and closed intermittently, following guidance from the relevant authorities. In accordance with our permit, we may open more casinos until May 2021. We have requested an extension of our permit from the Mexican Ministry of the Interior which is still pending to be resolved. In 2017, we launched our online sports betting site. The casinos and the online sports betting site are operated under the Gaming Permit obtained from the Mexican Ministry of the Interior, to establish, among other things, up to 45 casinos and number draws throughout Mexico.

Notwithstanding the foregoing, the Company continues to evaluate its portfolio of assets in order to identify opportunities and determine if it should dispose of select non-core operations.

Expanding Our Business in the Mexican Telecommunications Markets by Taking Advantage of the Telecom Reform and Implementing Legislation

Pursuant to the Telecom Reform (see "—Regulation—Telecom Reform and Broadcasting Regulations"), a "preponderant economic agent" (*agente económico preponderante*) in the telecommunications sector means an economic agent that has, directly or indirectly, more than 50% of the national market share in telecommunications services, calculated based on the number of users, subscribers, network traffic or used capacity according to the data available to IFT. We are aware from the public records that, on March 7, 2014, IFT notified *América Móvil, S.A.B. de C.V.*, or América Móvil, of a resolution which determined that América Móvil and its operating subsidiaries *Radiomóvil Dipsa, S.A de C.V.*, or Telcel, and *Teléfonos de México, S.A.B. de C.V.*, or Telmex, *Teléfonos del Noreste, S.A. de C.V.* or Telnor, as well as *Grupo Carso, S.A.B. de C.V.* and *Grupo Financiero Inbursa, S.A.B. de C.V.*, are a preponderant economic agent in the telecommunications sector and imposed on them certain specific asymmetrical regulations which América Móvil reported publicly in the following areas:

- Interconnection: Regulation on interconnection, including the imposition of (a) asymmetric rates to be determined by IFT and (b) the implementation of an interconnection framework agreement (*convenio marco de interconexión*);

- Sharing of Infrastructure: Regulation on the access and use of passive infrastructure, including towers, sites, and ducts, at rates to be negotiated amongst the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of long average incremental costs;

- Local Loop Unbundling: Regulation on local loop unbundling, including the imposition of rates to be determined by IFT using a methodology of long average incremental costs;

- Resale: Resale of wholesale voice, broadband and dual-play packages that replicate packages provided by the preponderant economic agent in the telecommunications sector, at retail level, at rates to be negotiated among the operators and, where an agreement cannot be reached, to be determined by IFT using a methodology of retails minus;

- Indirect Access to the Local Loop: Regulation on the wholesale bitstream access to the access network of the preponderant economic agent in the telecommunications sector at rates to be negotiated among the operators and, where an agreement cannot be reached, to be determined by IFT using a methodology of retail minus;

- Wholesale Leased Lines: Regulation on wholesale leased lines for interconnection, local and domestic and international long distance, at rates to be negotiated among the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of retail minus, except for leased lines for interconnection services where the methodology to be used for determining the applicable rates will be of long average incremental costs;

- Roaming: Regulation on the provision of wholesale roaming services, at rates to be negotiated amongst the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of long average incremental costs;

- Elimination of National Roaming Charges: IFT has imposed the elimination of national roaming charges to the suscribers of the preponderant economic agent in the telecommunications sector;

- Mobile Virtual Network Operators: Regulation on wholesale access to mobile virtual operators to services provided by the preponderant economic agent in the telecommunications sector to its subscribers, at rates to be negotiated among the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of retail minus (for the reseller business model);

- Certain Obligations on the Provision of Services: Certain rates for the provision of telecommunications services to the subscribers of the preponderant economic agent in the telecommunications sector shall be subject to rate control and/or authorization by IFT, by using a series of methodologies related to maximum prices and replicability. Also, a series of obligations relating to the sale of services and products, including the obligation to offer individually all services that are offered under a bundle scheme; limited exclusivity on handsets and tablets; and the obligation of eliminating the sim-lock on handsets;

- Content: IFT has issued the Relevant Content Ruling applicable for preponderant economic agent in the telecommunications sector, which contains a prohibition to acquire transmission rights for any territory within Mexico on an exclusive basis, relating to relevant content (*contenidos audiovisuales relevantes*), including without limitation national soccer play-offs (liguilla), FIFA world cup soccer finals and, any other event where high-audiences are expected at a national or regional level. The IFT may update the relevant content list every two years; and

- Information and Quality of Service Obligations: Several obligations related to information and quality of service, including the publication of a series of reference terms (*ofertas públicas de referencia*) of the wholesale and interconnection services subject of the asymmetric regulation imposed by IFT and accounting separation.

On March 8, 2017, IFT issued a resolution to the preponderant economic agent in the telecommunications sector that modifies the asymmetrical regulations described above. The most relevant modifications are the following:

- Wholesale Leased Lines: the methodology to be used by IFT in case an agreement cannot be reached in wholesale leased lines for interconnection, local and domestic and international long distance, is limited to long average incremental costs;

- Functional separation: the preponderant economic agent in the telecommunications sector will have to functionally separate the provision of wholesale services through the creation of a new legal entity and a wholesale division; which entity will solely and exclusively provide wholesale services related to access network elements, dedicated links and passive infrastructure, among other wholesale services;

The wholesale division within the existing companies will provide the other wholesale services subject to the aforementioned measures that are not provided by the newly created legal entity:

- Equivalence of Supplies and Inputs, Technical and Economic Replicability: The preponderant economic agent in the telecommunications sector must guarantee the equivalence of inputs, the technical replicability of the services that it commercializes to its end users, and equal access to technical and commercial information;

- Fiber disaggregation Regulation on unbundling of P2P (point-to-point), fiber was added to the local loop unbundling regulation. Unbundling of passive optical networks (PON), is not considered under this service and remains accessible through the Indirect Access to the Local Loop service; and

- The preponderant economic agent in the telecommunications sector must also guarantee the economic replicability of the services that it commercializes to its end users for which it will validate the economic replicability of the services "ex-post" based on the methodology, terms and conditions that the IFT determines.

According to public records, América Móvil and its operating subsidiaries, Telcel, Inbursa, Telmex and Telnor, filed *amparo* proceedings against IFT's original resolution. The courts issued a ruling confirming the constitutionality of IFT's resolution, with the exception of Telcel's proceeding. On March 3, 2021, the Supreme Court confirmed that Telcel is also part of the preponderant economic agent in the telecommunications sector.

In March 2018, América Móvil received a resolution from IFT determining the terms under which Telmex and Telnor shall, legally and functionally, separate the provision of wholesale regulated fixed services by incorporating new legal entities with their own corporate governance, independent from those of América Móvil's subsidiaries holding a concession, and by creating a wholesale business unit within Telmex and Telnor. Telmex and Telnor had two years to implement the separation ordered by the IFT. The resolution established a calendar for implementation and obligations to deliver periodic information to the IFT. In March 2020, the two-year period granted to the preponderant economic agent in the telecommunications sector to implement the functional separation of Telmex and Telnor ended.

In March 2020, America Móvil created two companies; Red Nacional Última Milla, S.A.P.I. de C.V. and Red Última Milla del Noroeste, S.A.P.I. de C.V., for the provision of wholesale regulated fixed services, in compliance with the functional separation requirements, and a Wholesale Division inside Telmex and Telnor.

On December 2, 2020, IFT issued a resolution on its evaluation of the asymmetrical regulations imposed on Telmex, as preponderant economic agent in the telecommunications sector in March 2014. Some of the most relevant modifications are: (i) the use of a long-run average incremental costs model to determine the local loop indirect access services rates, and that IFT may determine competitive geographic zones where such rates will be determined by the preponderant economic agent in the telecommunications sector; (ii) for dedicated-link leasing services, the IFT may determine competitive geographic zones where rates will be determined pursuant to a price cap methodology; and for the rest of the country, rates will be determined by IFT by using a methodology of long average incremental costs; and (iii) certain operative and informational modifications to the electronic management system. The resolution may be challenged by América Móvil.

On August 4, 2021, IFT determined 52 competitive geographic zones in the country where rates for local loop indirect access services will be established by the preponderant aconomic agent in the telecommunications sector.

The measures imposed on the preponderant economic agent in the telecommunications sector, if properly implemented, will represent an opportunity for us to increase our coverage and product diversity, while reducing our costs and capital expenditures requirements as a result of the access to the network of the preponderant economic agent in the telecommunications sector and the regulation of the terms and conditions, on competitive terms, of such access. Moreover, asymmetric regulations may create a beneficial economic and regulatory environment in the telephony and broadband markets and may further enhance our ability to compete in the telecommunications industry.

All of these measures, if properly implemented, could create a beneficial economic and regulatory environment, level the playing field for all participants in the telecommunications market and foster competition, representing an opportunity for the growth of our Sky and Cable businesses; nevertheless, in the Company's view, the preponderant economic agent in the telecommunications sector is not complying with its obligations under such measures and the Company has filed several complaints before IFT. As a result of the complaints, IFT has initiated investigations that are ongoing.

In August 2017, the Supreme Court of Justice of the Nation (SCJN) determined that the interconnection rate regime relating to mobile termination by the preponderant economic agent in telecommunications sector, which contained a limitation on its ability to charge for traffic termination in its mobile network, was unconstitutional. As a result, the SCJN ordered that IFT issue a tariff. In November 2017, IFT resolved that the tariff for traffic termination in the mobile network of the preponderant economic agent in the telecommunications sector would be Ps.0.028562 per minute of interconnection from January 1, 2018 to December 31, 2018. In November 2018, IFT determined that the tariff for traffic termination in the mobile network of the preponderant economic agent in the telecommunications sector would be Ps.0.028313 per minute of interconnection from January 1, 2019 to December 31, 2019. In November 2019, IFT determined that the tariff for traffic termination in the mobile network of the preponderant economic agent in the telecommunications sector would be Ps.0.025771 per minute of interconnection from January 1, 2020 to December 31, 2020. In November 2020, IFT determined that the tariff for traffic termination in the mobile network of the preponderant economic agent in the telecommunications sector would be Ps. 0.018489 minute of interconnection from January 1, 2021 to December 31, 2021. For 2022, IFT determined a lower tariff for traffic termination in the mobile network of the preponderant economic agent in the telecommunications sector being Ps.0.017118 per minute of interconnection.

In April 2018, the SCJN determined that the interconnection rate regime relating to fixed termination by the preponderant economic agent in the telecommunications sector, which contained a limitation on its ability to charge for traffic termination in its fixed network, was unconstitutional. As a result, the SCJN ordered IFT to issue a tariff for traffic termination in the fixed network of the preponderant economic agent in the telecommunications sector applicable from January 1 to December 31, 2019. In November 2018, IFT determined that the tariff for traffic termination in the fixed network of the preponderant economic agent in the telecommunications sector will be Ps.0.003151 per minute of interconnection from January 1, 2019 to December 31, 2019. In November 2019, IFT determined that the tariff for traffic termination in the fixed network of the preponderant economic agent in the telecommunications sector will be Ps.0.003331 per minute of interconnection from January 1, 2020 to December 31, 2020. In November 2020, IFT determined that the tariff for traffic termination in the fixed network of the preponderant economic agent in the telecommunications sector will be Ps.0.002842 per minute of interconnection from January 1, 2021 to December 31, 2021. For 2022, the tariff for traffic termination in the fixed network of the preponderant economic agent in the telecommunications sector will be Ps.0.002862 per minute of interconnection.

In January 2020, IFT imposed a fine on Telnor in the amount of Ps.1,311.8 million for a breach of the availability of information of certain passive infrastructure (post, duct) in the electronic management system (*Sistema Electrónico de Gestión*, or "SEG"), used to request wholesale services from Telnor.

Additionally, the Telecom Reform (1) permits 100% foreign ownership in satellite and telecommunications services and increases to up to 49% the level of permitted foreign ownership in television and radio services, subject to reciprocity of the originating foreign investment country, and (2) provides that the Mexican government will build a national network to facilitate effective access for the Mexican population to broadband and other telecommunications services. These amendments may provide opportunities for us to enter into joint ventures with foreign investors with proven international experience in these markets and also to work with the Mexican government in the development of this new network.

Commitment to Sustainability

As we strive to operate our business in an efficient manner, we focus on managing our environmental, social, and corporate governance (ESG) performance. We aim to develop a consistent, transparent, and comparable ESG reporting framework to inform our stakeholders. As part of that effort, we annually publish a comprehensive sustainability report pursuant to the Global Reporting Initiative (GRI) standards and also look to integrate incrementally other external standards, including the provisions of the Sustainability Accounting Standards Board (SASB) and the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).

We acknowledge the importance of targeting climate change-related issues. For that reason, we are committed to reducing our environmental impact and greenhouse gas emissions through specific programs, training, and monitoring and reporting of emissions. We have also set ecological targets such as clean energy generation, energy consumption reduction, water consumption reduction, and greenhouse gases (GHG) emissions reduction. Our commitment to conserving natural capital is reflected in our Environmental Management Policy and Statement on Biodiversity and Environment, which acknowledges the importance of preserving and protecting ecosystems and biodiversity and reducing our environmental impact. To help protect Mexico's vast natural wealth and biodiversity, we (along with certain other Mexican companies and NGOs) established the Mexican Alliance for Biodiversity and Business to implement projects to promote conservation, sustainable use, and restoration. These targets align with public sector efforts, such as the UN Sustainable Development Goals.

Furthermore, we focus on our social performance. Growth of our employees is an important topic for us. We further enhance careers with training programs (ethics, anti-corruption, human rights, information security, and data protection), performance evaluations, and additional benefits. To help maintain the physical wellbeing of our employees, we manage, monitor and enhance key performance indicators, maintain policies, and conduct regular training and periodic audits on health and safety at work under the guidance of our Committee on Safety and Civil Protection and the Health and Safety Commission. We apply fair labor practices in our operations and adhere to best practices. We are committed to offering stable labor conditions to our employees by respecting their human and collective rights and providing a working environment that enables them to improve their performance and increase their engagement.

Additionally, we focus on achieving local community engagement through assessment and planning, to understand their potential, expectations, and needs. We create opportunities in education, culture, entrepreneurship, health, and environmental protection to improve communities and help build better and more sustainable societies through our social programs.

Sustainability and ESG-related risks are evaluated by our management on a regular basis. We embed sustainability at multiple levels of our business, with our Sustainability Coordination and Analysis Unit being responsible for ESG-related issues under the supervision of the Vice President of Investor Relations (who is responsible for advancing our ESG initiatives). Our Sustainability Committee (which is comprised of senior executives from different areas, such as Legal, Internal Audit, Human Resources, Risk Management and others) reviews and approves our sustainability strategy, monitors ESG initiatives, evaluates annual results and sets objectives aligned with our business strategy, programs for our growth, and sustainable development.

Our sustainability achievements result from a regular enhancement of policies and programs to improve corporate performance. During 2021, the Company's many sustainability efforts continued to be recognized globally. For example, the Company was selected for the 2021 Dow Jones Sustainability MILA Pacific Alliance Index and was one of only five Mexican companies selected for the DJS Emerging Markets Index. Also, the Company was included in three 2020 FTSE4Good Index Series: FTSE4Good Emerging Markets, FTSE4Good Emerging Latin America, and FTSE4Good BIVA.

Further, for the fourth consecutive year, the Company received the *Distintivo Empresa Socialmente Responsable 2021* (2021 Socially Responsible Company recognition), granted by *Centro Mexicano para la Filantropía* (Mexican Center for Philanthropy), and *Alianza por la Responsabilidad Social Empresarial* (Alliance for the Social Responsibility of Businesses). Also, the Company was selected as a constituent of the ESG index, launched by S&P, Dow Jones and the Mexican Stock Exchange. Finally, the Company was confirmed as a signatory of the United Nations Global Compact, the world's largest corporate sustainability initiative.

In summary, 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.

Commitment to Social Responsibility

In a challenging 2021, Fundación Televisa (or "Fundación") was committed to helping those most in need. As a result, in 2021, we were able to impact the lives of 757,565 children and adults in both Mexico and the United States, investing (together with our allies) more than Ps.337.8 million.

Our innovative programs in education, culture, entrepreneurship and environmental protection provide an empowering platform for hundreds of thousands of people to improve their lives, transform their communities, and build better and more sustainable societies. Our approach combines an effective leveraging of the Company's communication channels with state of the art digital tools, financial support and on-the-ground multidisciplinary teams.

We directly contributed to 11 of 17 of the United Nations ("UN") Sustainable Development Goals ("SDG").

In 2021 we provided more than 21.5 million digital impacts and more than 103,000 TV & radio media impacts, reaching more than 48 million people on TV. At the same time, we helped more than 26 institutions and organizations through communication campaigns with television spaces.

We generated more than 1.6 million followers on social networks and more than 1.5 million people to our digital platforms.

Fundación programs work along different life stages. Empieza Temprano focuses on early childhood development by providing parents and families with information and practical tips. To enhance the skills of K-12 students, Fundación has a civic values program called Valores and a health and wellness program called Vida Saludable. Cuantrix teaches computer science and coding. Technolochicas empowers young women through STEAM (Science, Technology, Engineering, Art and Mathematics). Bécalos works to increase high school and college completion while improving the student's employability. POSiBLE helps to expand high-impact innovation-driven entrepreneurship through training, networking, resources, visibility and acceleration for high-potential startups. In addition, Fundación's cultural and environmental programs cut across ages serving the general public through actions in specific locations and through digital and media spaces.

Our numbers and recognitions include the following:

- We had more than 68,000 students from public schools and 5,400 teachers and instructors, across Mexico, register in our Cuantrix platform to learn basic coding skills.
- We had more than 2,390 middle-school girls participate in Technolochicas STEAM activities in Mexico and the United States.
- We had 37,861 recipients of Bécalos scholarships, including 15,000 scholarships for students and teachers developing employability competencies, 100 scholarships for students attending a program for talented youth, and 2,000 scholarships for women registered into STEAM training.
- We continued our partnership with Schmidt Futures and Rhodes Trust to promote their RISE scholarship program in Mexico. This program provides a lifetime support to exceptional teenagers that want to change the world.
- We supported 10,978 entrepreneurs in developing their business models through our POSiBLE program.
- We participated in far-reaching communication campaigns, including "Cada Momento Cuenta" and "Semana de la Primer Infancia" focused on delivering messages to promote early childhood stimulation; "Valores" which promoted civic values and the prevention of digital violence through the soap opera "Vencer el P@sado", and our "Vida Saludable" program which promoted wellness and health, reaching more than 6.5 million high school students through the Mexican Ministry of Public Education's (*Secretaría de Educación Pública*) programming channel "Aprende en Casa III".
- We provided more than 58,606 parents with practical tips weekly via SMS and our digital newsletter through our Empieza Temprano program.
- We provided more than 23,929 recipients with new aid in health, nutrition, development, dwelling, reforestation and support of women through our "*Gol por México*" program.
- Through our Visual Arts Cultural projects, we promoted and exhibited our photographic and cinematographic collection in national and international festivals and museums reaching more than 69,344 attendees.
- We were selected and recognized by the UN as one of the 23 organizations that made a public commitment to support girls and women under the 2021-2026 goal.
- Recognition from the UN of our Cuantrix program as a distinguished working member for the SDG "Quality Education."
- *Nacional Monte de Piedad* awarded Bécalos for the "Sustainable Development in Training for Decent Work."
- Citibanamex's Social Entrepreneurship 2021 was awarded to our POSiBLE Program.

By responsibly leveraging media, talent, partnerships and financial assets, the efforts led by Fundación reflect the commitment of the Company. We intend to make a strategic contribution to building a more empowered, prosperous and democratic society where all people have a platform to succeed.

Our Operations

As of December 31, 2021, we classified our operations into four business segments: Cable, Sky, Content and Other Businesses. Following the completion of the TelevisaUnivision Transaction on January 31, 2022, our Content business was combined with UHI, creating TelevisaUnivision, a premier global Spanish-language media company. As a result, subject to certain exceptions, we no longer own our Content business. Through the third quarter of 2019, our recently disposed Radio Business was classified as part of the Other Businesses segment, and beginning in the fourth quarter of 2019, it was classified as held-for-sale operations in the business segment information until it was disposed in July 2020. In the third quarter of 2020, our former Radio Business operations were classified as disposed operations in our Other Businesses segment information.

Cable

The Cable Television Industry in Mexico. Cable television offers multiple channels of entertainment, news and informational programs to subscribers who pay a monthly fee. These fees are based on the package of channels the subscribers receive. According to IFT, there were approximately 1,463 pay-TV concessions in Mexico, including 846 integrated sole concessions, as of the date of their report, serving approximately 18.0 million subscribers (including cable and DTH).

Digital Cable Television Services. Our cable companies offer on-screen interactive programming guide with direct access to blim, Netflix, Disney+, Star+, HBO Max, amongst others through the "izzi TV" platform, video on demand, high definition channels as well as other services throughout Mexico. Along with their digital pay-TV service, our cable companies offer high speed internet and a competitive digital telephone service. Through their network, they are able to distribute high quality video content, new services, interactivity with video on demand, 1080i high definition, impulse and order pay-per-view, a-la-carte programming, among other products and services, with added value features and premium solutions for consumers, and telephony and internet. Likewise, our cable companies offer mobile applications such as "izzi go", which is a TV Everywhere application for authenticated subscribers through compatible PCs, iOS and Android platforms, that enables subscribers to access channels, movies and series on demand. "izzi go" also features remote control functionalities compatible with our "izzi TV" set-top-boxes, and allows subscribers to watch additional content through the application. In November 2020 and August 2021, izzi partnered with Disney+ and Star+ respectively, in order to distribute the service both a la-carte and as a bundle in select triple play packages and with payment integration services for izzi customers.

Revenues. Our cable companies generate revenues from their pay-TV, broadband and telephony services, from additional services such as video on demand, and from sales of advertising to local and national advertisers. Subscriber revenues come from monthly service and rental fees and, to a lesser extent, one-time installation fees.

Cable Initiatives. Our cable companies plan to continue offering the following services to their subscribers:

- Enhanced programming services, including video on demand, subscription video on demand, high definition and bundled packages;
- Broadband internet services, including fixed/mobile solutions;
- IP telephony services; and
- Mobile services.

Cablevisión. We own a 51% controlling stake in Cablevisión, one of the most important cable television operators in Mexico, which operates in Mexico City and its metropolitan area, where it offers cable television, high speed internet access and IP telephony services.

TVI. In March 2016, we acquired the remaining 50% of the equity interest of TVI and its subsidiaries and as a result, TVI is a wholly-owned subsidiary of the Company. The transaction amounted to Ps.6,750 million, including the assumption of long-term liabilities in the aggregate amount of Ps.4,750.0 million, with maturities between 2017 and 2020, and a cash payment of Ps.2,000.0 million. TVI offers cable television, internet access, telephony services and bidirectional data transmission in the metropolitan area of Monterrey and other areas of northern Mexico.

Cablemás. We own Cablemás, which operates in approximately 105 cities in Mexico where it offers cable television, high speed internet access and telephony services.

Cablecom. On July 31, 2013, we invested Ps.7,000 million in convertible debt instruments, which in August 2014 we converted into 95% of the equity interest in Ares, the owner of 51% of the equity interest in Cablecom, a cable company that offers cable television, internet access and telephony services in Mexico. As part of the 2013 transaction, we also invested U.S.$195 million in a debt instrument issued by Ares. In August 2014, we acquired, pursuant to applicable regulations, the remaining 5% of the equity interest in Ares and the remaining 49% of the equity interest of Cablecom for an additional consideration of Ps.8,550 million, which consisted of the capitalization of the U.S. dollar debt instrument issued by Ares in the amount of Ps.2,642 million, and cash in the amount of Ps.5,908 million.

Telecable. On January 8, 2015, through a series of transactions, we acquired 100% of the equity interest of Telecable for an aggregate consideration of Ps.10,002 million. Telecable is a cable company that provides cable television, internet access and telephony services in Mexico, primarily in the states of Guanajuato, Jalisco, Aguascalientes, Querétaro, Tamaulipas, Nayarit, Chiapas and Colima, among others.

Bestel. Currently, the Company indirectly holds 66.1% of the equity of Bestel (35.3% through Cablevisión and 30.8% through CVQ), which provides voice, data, and managed services to domestic and international carriers and to the enterprise, corporate, and government segments, cloud and other services in Mexico. Through Bestel (USA), Inc., Bestel provides cross-border services to U.S. carriers including internet protocol, or IP, transit, collocation, international private lines, virtual private networks, or VPNs, and voice services, as well as access to the Internet backbone via companies or carriers classified as “TIER 1” which are networks that can reach every other network on the internet without purchasing internet protocol address transit or paying settlements and “TIER 2” which are networks that peer with some networks, but purchase internet protocol address transit or pay settlements to reach at least some portion of the internet. Bestel operates approximately 38,732 kilometers of a fiber-optic network, including the fiber-optic network it owns. This fiber-optic network covers several important cities and economic regions in Mexico and has direct crossing of its network into San Antonio, Laredo, McAllen, El Paso and Dallas in Texas, Nogales in Arizona, Miami in Florida and San Diego and Los Angeles in California in the United States. This enables the Company to provide high capacity connectivity between the United States and Mexico.

FTTH. On December 17, 2018, we acquired from Axtel its residential fiber-to-the-home business and related assets in Mexico City, Zapopan, Monterrey, Aguascalientes, San Luis Potosi and Ciudad Juarez, through our FTTH subsidiary. The acquired assets comprised 553,226 RGUs, consisting of 97,622 video, 227,802 broadband and 227,802 voice RGUs. The total value of the transaction amounts to Ps.4,713 million.

Sky

Background. We operate “Sky”, our DTH satellite venture in Mexico, Central America and the Dominican Republic, through Innova. We indirectly own 58.7% of this venture. The remaining 41.3% of Innova is owned by DIRECTV. For a description of capital contributions and loans we have made to Innova, see “Operating and Financial Review and Prospects—Results of Operations—Liquidity, Foreign Exchange and Capital Resources—Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity”.

Innova’s Social Part Holders Agreement provides that neither we nor News Corp. nor DIRECTV may directly or indirectly operate or acquire an interest in any business that operates a DTH satellite system in Mexico, Central America and the Dominican Republic (subject to limited exceptions).

As of December 31, 2019, 2020 and 2021, Innova's DTH satellite pay-TV service had 7,429,351, 7,477,294 and 7,408,075 gross active video subscribers, respectively. Innova primarily attributes its success to its superior programming content, its exclusive transmission of the largest coverage sporting events such as soccer tournaments and special events, its high quality customer service and its nationwide distribution network with approximately 807 points of sale. In addition to the above, Innova also attributes its success to VeTV, our low-end package in Mexico. Sky continues to offer the highest quality and exclusive content in the Mexican pay-TV industry. Its programming packages combine our over-the-air channels with other exclusive content.

During 2021, Sky offered exclusive content, which included most of the Spanish Soccer League, La Liga and La Copa del Rey, the English Premier League, the Carabao Cup, the NFL Sunday Ticket, MLB Extra Innings, the NHL, marathons, ice skating events, Davis Cup, Diamond League, the Pacific Mexican Baseball League (LMP), and Caribbean Series, UEFA EURO, UEFA Nations League and qualifying matches of the CONMEBOL for the World Cup, as well as special coverage of female soccer leagues from Germany, Spain, Sweden and the U.K. In addition to new programming contracts, Sky continues to operate under arrangements with a number of third party programming providers to provide additional channels to its subscribers. Sky also has arrangements with the major programming studios and sports federations.

In 2021, the Sky HD Package comprised 157 channels, as well as nine additional channels for pay-per-view. We expect to continue broadening our HD offering in the coming years for which we may need additional transponder capacity.

As of December 31, 2021, the standard definition programming packages monthly fees for residential subscribers, net of a prompt payment discount if the subscriber pays within 12 days of the billing date, are the following: Basic Ps.159, Fun Ps.319, Fox+ Ps.494, HBO Ps.489, Universe Ps.724 and monthly fees for high definition programming packages are: Gold Ps.219, Platinum Ps.309 and Black Ps.704. Monthly fees for each programming package do not reflect a monthly rental fee in the amount of Ps.184 for standard definition, Ps.184 for Gold and Ps.214 for Platinum and Black packages for the decoder necessary to receive the service (or Ps.170 for standard definition, Ps.160 for Gold and Ps.200 for Platinum and Black packages if the subscriber pays within 12 days of the billing date) and a one-time activation fee which depends on the number of decoders and payment method. The monthly fees with respect to our prepaid programming package are the following: VeTV Ps.104, VeTV PLUS Ps.154 and the monthly rental fee for the decoder necessary to receive the service is Ps.120.

Sky devotes nine pay-per-view channels to family entertainment and movies and four channels are devoted to adult entertainment. In addition, Sky assigns 15 extra channels exclusively for special events, known as Sky Events, which include concerts and sports. Sky provides some Sky Events at no additional cost while it sells others on a pay-per-view basis.

The installation fee is based on the number of set up boxes and the method of payment chosen by the subscriber. The monthly cost consists of a programming fee plus a rental fee for each additional box.

In 2018, Sky launched Fixed Wireless Broadband services under the brand name Blue Telecomm. Sky offers five, 10 or 20 mega single-play broadband services and five or 10 for video-broadband bundles. These services are limited to certain areas in Mexico. At the end of fiscal year 2021, Sky had 727,226 broadband customers.

In 2021, Sky launched mobile services under the brand Blue Telecomm Cel. Sky offers 5 GB and 20 GB single-play mobile and video-mobile bundle services for Ps.150 and Ps.200, respectively. Like our broadband service, mobile service is available in certain areas of Mexico. At the end of fiscal year 2021, Sky had 30,867 mobile customers.

Programming. Sky receives programming content from several providers, including TVSA, which also grants DTH satellite service broadcast rights to most of its existing and future program services (including pay-per-view services on DTH), subject to some pre-existing third party agreements and other exceptions and conditions.

Other Businesses

Publishing. Notwithstanding the challenges facing the publishing industry, we believe we have maintained our position as a significant publisher and distributor of magazines in Mexico, as measured by circulation.

With a total circulation of more than 11 million copies in 2021, we publish 32 titles that are distributed in Mexico. See "—Publishing Distribution". Our main publications in Mexico include *TVyNovelas*, a weekly entertainment and dramas magazine; *Vanidades*, a popular bi-weekly magazine for women; and *Caras*, a monthly leading lifestyle and socialite magazine. We also manage 14 digital platforms that generated 204 million unique users on such platforms during 2021.

We publish the print Spanish-language edition and digital platforms of several magazines, including *Cosmopolitan*, *Harper's Bazaar* and *Esquire* through a joint venture with Hearst Communications, Inc.; and *Muy Interesante* and *Muy Interestante Jr.* pursuant to a license agreement with Zinet Media Global, S.L. We also publish a Spanish-language print edition and digital platforms of *National Geographic* and *National Geographic Traveler* through a licensing agreement with National Geographic Partners, LLC. In addition, we publish several comics pursuant to license agreements with Marvel Brands LLC and DC Comics.

Our digital advertising revenue increased from 26% of the total advertising revenue of the publishing business in 2020 to 34% in 2021.

Publishing Distribution. We estimate that we distribute more than 50%, in terms of volume, of the magazines circulated in Mexico through our subsidiary, *Distribuidora Intermex, S.A. de C.V.*, or Intermex. We believe that our distribution network, including independent distributors, reaches over 126 million Spanish-speaking people in Mexico. We also estimate that such distribution network reaches more than 8,300 points of sale in Mexico. In 2019, 2020 and 2021, 66%, 51% and 52% respectively, of the publications distributed by our company were published by our Publishing division. In addition, our distribution network sells a number of publications published by joint ventures and independent publishers, as well as sticker albums, books, novelties and other consumer products.

Sports and Show Business Promotions. We actively promote a wide variety of sports events and cultural, musical and other entertainment productions in Mexico. Most of these events and productions are broadcast on television stations as well as on our cable television system and DTH satellite services. See "Our Operations—Programming", "Our Operations—Cable—Digital Cable Television Services", and "Our Operations—Sky".

Soccer. We own *Club de Fútbol América S.A. de C.V.*, or Club América, which currently plays in the Mexican First Division and is one of the most popular and successful soccer teams in Mexico. In the Mexican First Division, each team plays two tournaments of 17 games per regular annual season. The best teams of each regular season engage in post-season championship play.

We own the Azteca Stadium, which has hosted two World Cup Inaugurations and Final Games (1970 and 1986). In 2016, the Azteca Stadium underwent major renovations, adding new premier zones (suites and club seats). The stadium currently has a total seating capacity of approximately 84,500 fans. The Azteca Stadium hosts the home games of Club América as well as the qualifying matches of the Mexican National Team. Also, since the second half of 2018, the Azteca Stadium became host for the home games of the soccer team known as Cruz Azul, which also participates, in the first division of the Professional Mexican Soccer League. It also hosts a wide variety of private events and live events, including concerts and shows of Mexican and international artists and performers. In addition, the Azteca Stadium has been confirmed by FIFA to host soccer matches during the 2026 World Cup, which will be held in Canada, Mexico and the United States of America.

National Football League. The Company entered into a contract with the National Football League, or the NFL, to host one regular season game each year beginning in 2016. The parties agreed for the stadium to host two regular season games in Mexico City during the 2020 and 2021 seasons, subject to certain conditions being met. Due to the COVID-19 pandemic, the games scheduled to take place in 2020 and 2021 were postponed.

Gaming Business. In 2006, we launched our gaming business, which consists of casinos and an online gaming site. As of December 31, 2021, we had 18 casinos in operation, under the brand name "PlayCity". Due to the COVID-19 pandemic, the casinos have opened and closed intermittently, following guidance from the relevant authorities. In accordance with our permit, we were permitted to open new casinos until May 2021. We have requested an extension of our permit from the Mexican Ministry of the Interior, which is still pending resolution. In 2017, we launched our online sports betting site. The casinos and our online sports betting site are operated under the Gaming Permit obtained from the Mexican Ministry of the Interior, to establish, among other things, up to 45 casinos and number draws throughout Mexico. During 2017, our management decided to begin an internal process to close Multijuegos, our lottery business, and in December 2017, we obtained an authorization from the Mexican Ministry of Interior to suspend such business operations.

Held-for-Sale Operations

Radio Stations. On July 2, 2020, we concluded the sale of our 50% equity participation in *Sistema Radiópolis, S.A. de C.V.*, or Radiópolis. Such business was classified as a held-for-sale operation for accounting purposes until its disposal. Our participation in Radiópolis was operated under a joint venture with *Promotora de Informaciones, S.A.*, or Grupo Prisa, a leading Spanish communications group.

Discontinued Operations.

Content

We owned the Content business prior to the completion of the TelevisaUnivision Transaction. Prior to the completion of such transaction, the Content business generated revenues from the following services:

Advertising

During 2021, advertising sales increased by 17.2% as compared to 2020, mainly due to increased marketing activity and advertising spending across all major categories as a result of the recovery of the economy.

With four free-to-air channels in Mexico City—2, 4, 5, and 9—which the Company operated during 2021 with a combination of owned and affiliated network stations throughout Mexico, a strong portfolio of pay-TV networks, and new media platforms, the Company was one of the largest providers of advertising alternatives in the Mexican market.

Network Subscription

During 2021, Televisa Networks was one of the most successful producers and distributors of content for pay-TV platforms in Mexico.

The Company was one of the world's leading producers of original Spanish-language content for pay-TV platforms during 2021. The Company commercialized 27 pay-TV brands through 65 domestic and international feeds, which reached over 46 million subscribers around the world.

Licensing and Syndication

During 2021, the Company exported innovative content around the world, as well as created alliances with new partners.

In the United States, through a Program License Agreement ("PLA") with Univision, we reached a very important demographic in the Spanish-speaking world: the Hispanic market.

Through the PLA we granted Univision exclusive access to most of our audiovisual content in any format for distribution in the United States during 2021. In exchange, during 2021, we received a royalty payment of 16.45% on substantially all of Univision's Spanish-language audiovisual revenue, equivalent to U.S.$417.8 million. As part of the TelevisaUnivision Transaction, the PLA was assigned to an affiliate of UHI and the Company is no longer entitled to receive royalties under the agreement.

In addition, during 2021, we exported over 43 thousand hours of our original programming to more than 60 countries.

Our Content business also included programming produced by the Company, foreign-produced programming, talent promotion, the television networks we operated through concessions we hold, Televisa Digital and blim tv, which has over 37 thousand hours of content and 44 linear channels for SVOD (subscription video on demand), and over 18 thousand hours of content and ten linear channels for AVOD (advertising video on demand), being the premier Spanish-language platform in Mexico.

For a more detailed description of the Content business that was disposed on January 31, 2022, please see "Information on the Company —Business Overview—Univision—TelevisaUnivision Transaction."

Videocine

As part of the TelevisaUnivision Transaction, we sold Videocine, our feature film production and distribution business.

Videocine produces and co-produces first-run Spanish language feature films, some of which are among Mexico's top films based on box office receipts.

Investments

OCEN. We owned a 40% stake in *Ocesa Entretenimiento, S.A. de C.V.* ("OCEN"). On July 24, 2019, we announced that Live Nation Entertainment, Inc. ("Live Nation") had agreed to purchase our unconsolidated 40% equity participation in OCEN. On December 6, 2021, we announced the closing of the sale of our equity participation in OCEN to Live Nation.

Imagina. We owned equity participations equivalent to 19.05% of the capital stock of *Imagina Media Audiovisual S.L.*, or Imagina, one of the main providers of content and audiovisual services for the media and entertainment industry in Spain. On June 26, 2018, we closed on the sale of our 19.05% stake in Imagina. From the total proceeds paid to us of approximately U.S.$341.0 million, 11% was retained in escrow. In July, 2021 the last portion of the amount that was in escrow was released, and, accordingly, there are no additional amounts pending to be received by the Company in connection with this transaction.

Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. In March 2010, *Telefónica, Editora Factum, S.A. de C.V.*, a wholly-owned subsidiary of the Company which was merged into CVQ in May 2015, and Megacable agreed to jointly participate, through a consortium known as Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. ("GTAC"), in the public bid for a pair of dark fiber wires held by the CFE (*Comisión Federal de Electricidad*). In June 2010, the SCT granted GTAC a favorable award in the bidding process for a 20 year contract for the lease of up to 19,457 kilometers of dark fiber-optic capacity, along with a corresponding concession, granted in July 2010, to operate a public telecommunications network using DWDM technology. In June 2010, one of our subsidiaries entered into a long-term credit facility agreement to provide financing to GTAC in an amount up to Ps.688.2 million, which was already liquidated. Under the terms of this agreement, principal and interest were payable at dates agreed by the parties, between 2013 and 2021. In addition, a subsidiary of the Company entered into supplementary long-term loans to provide additional financing to GTAC for an aggregate principal amount of Ps.1,077.7 million. By the end of 2021, GTAC had in operation 1820 links and 159 nationwide nodes, and the services for customers grew to 3,299, of which 90% have a capacity of 10 Gbps. The overall capacity per link is approximately 3.2 Tbps (80 optical channels x 10, 40 and 100 Gbps each channel). In addition, GTAC maintains four of its own routes (1,882 kilometers), three third-party dark fiber IRU (2,764 kilometers) and local loops (559 kilometers). This fiber-optic network represents for us an alternative to access data transportation services, increasing competition in the Mexican telecommunications market and therefore improving the quality of the services offered. The fiber-optic network aims to increase broadband internet access for businesses as well as households in Mexico.

We have investments in several other businesses. See Notes 3 and 10 to our consolidated year-end financial statements.

Univision

We have a number of arrangements with Univision, the leading Spanish-language content and media company in the United States that owns and operates the following: Univision Network, which is among the most-watched Spanish-language television networks in the United States; UniMás Network; Univision Cable Networks, including Galavisión and TUDN; 59 local television stations and 57 radio stations in major Hispanic markets across the United States, ViX, one of the world's largest Spanish language streaming services; Univision Now; Univision.com; and Uforia, a music application featuring multimedia music content.

On December 20, 2010, Univision, we, UHI and other parties affiliated with the other investor groups that at the time owned a majority of the shares of UHI (the "Univision Sponsor Group") entered into various agreements and completed certain transactions as a result of which, among other things, we made a cash investment of U.S. $1,255 million in UHI (formerly known as BMP) in exchange for an initial 5% equity stake in UHI, and U.S. $1,125 million aggregate principal amount of 1.5% Convertible Debentures of UHI due 2025 which were convertible at our option into additional shares then equivalent to an approximately 30% equity stake of UHI. In connection with this investment, (i) we entered into an amended program license agreement, or PLA, with Univision, pursuant to which Univision had the exclusive right to broadcast certain of the Company's content in the United States, (ii) we entered into a new program license agreement with Univision, the Mexico License Agreement, or MLA, under which we had received the exclusive Spanish-language broadcast and digital rights to Univision's audiovisual programming (subject to certain exceptions) in Mexico during the term of the PLA, and (iii) three designees of the Company joined Univision's board of directors, which was later increased to four designees of the Company.

In December 2011, we made an additional investment of U.S. $49.1 million in cash in common stock of UHI by which we increased our equity interest in UHI from 5% to 7.1%. In August 2012, we made an additional investment of U.S. $22.5 million in cash in common stock of UHI by which we increased our equity interest in UHI from 7.1% to 8.0%. On January 30, 2014, a group of institutional investors made a capital contribution to UHI. As a result of this transaction, our equity stake in UHI decreased from 8.0% to 7.8%. In July 2015, we exchanged U.S. $1.125 billion principal amount of Univision's convertible debentures into warrants that were exercisable for certain classes of UHI's common stock. In connection with the conversion, Univision made a one-time payment to the Company of U.S.$135.1 million on July 15, 2015 to induce the conversion. In addition, on July 15, 2015, we exercised 267,532 warrants to increase our common stock ownership from 7.8% to 10%.

Effective as of December 29, 2020, the Univision Sponsor Group that collectively owned a majority of the shares of UHI completed the sale of a majority of shares of UHI to affiliates of Searchlight and ForgeLight. Liberty Global also acquired a minority preferred equity interest in UHI. In connection with those transactions, we retained all of our equity interests in UHI, and our commercial arrangements with UHI and Univision, including the PLA and MLA, remained in effect and unchanged. Also in connection with those transactions, we entered into new governance arrangements with the new shareholders with respect to UHI pursuant to which, among other things, three designees of the Company remained on Univision's then nine-member board of directors. Also on December 29, 2020, we exercised all of our remaining warrants exercisable for UHI common stock in exchange for 4,590,953 shares of Class C common stock of UHI. As a result of the foregoing transactions, our equity ownership of UHI increased to approximately 36%.

Following the completion of the TelevisaUnivision Transaction, we currently own an approximately 45% equity interest on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options) in TelevisaUnivision, and we are party to related governance arrangements pursuant to which, among other things, we are entitled to designate five of the 13 members of the Board of Directors of TelevisaUnivision, at least proportionate membership on board committees and consent rights over certain matters. In addition, Messrs. Bernardo Gómez Martínez and Alfonso de Angoitia Noriega became part of the management team of the Mexican Content business of TelevisaUnivision. These individuals also continue to serve in their current roles at the Company.

PLA and MLA

Under the PLA, we granted Univision exclusive Spanish-language broadcast and digital rights to our audiovisual programming (subject to certain exceptions) in the United States and all territories and possessions of the United States, including Puerto Rico, in exchange for a royalty payment. Under the MLA, we had the exclusive Spanish-language broadcast and digital rights to Univision's audiovisual programming (subject to certain exceptions) in Mexico during the term of the PLA.

As part of the TelevisaUnivision Transaction, the PLA and the MLA were assigned to an affiliate of UHI, and beginning in February 2022, we no longer receive any royalties from Univision under the PLA.

TelevisaUnivision Transaction

As previously announced, on January 31, 2022, we consummated the TelevisaUnivision Transaction with UHI and affiliates of Searchlight, ForgeLight and Liberty Global, pursuant to which, among other things, we contributed our Content business (other than certain assets relating to our former news business, which was transferred at closing to the News Company, real estate and Mexican over-the-air broadcast concessions) to UHI. In consideration for the contribution our of Content business, we received approximately U.S.$4.5 billion in a combination of cash (U.S.$3.0 billion) and U.S. $1.5 billion of common and preferred shares of TelevisaUnivision, excluding closing consideration adjustments. In addition, the Company and Univision have entered into commercial arrangements pursuant to which the Company will receive additional consideration valued at approximately U.S.$300 million in the aggregate. The combined company is referred to as TelevisaUnivision, Inc., or TelevisaUnivision. The TelevisaUnivision Transaction was partially financed by UHI through a new Series C preferred equity investment in TelevisaUnivision of U.S. $1.0 billion in the aggregate led by the SoftBank Latin American Fund, along with ForgeLight, with participation from Google and The Raine Group, as well as debt financing. In addition, TelevisaUnivision's news content production for Mexico was transferred so that it is provided by the News Company. After the closing of the TelevisaUnivision Transaction, news programs are owned by the News Company and licensed to TelevisaUnivision.

The foregoing summary of the TelevisaUnivision Transaction does not purport to be complete and is qualified in its entirety by reference to the full text of the 2021 Transaction Agreement, a copy of which has been filed as Exhibit 4.12 to this Form 20-F.

FCC Matters

On January 3, 2017, the FCC (i) approved an increase in the authorized aggregate foreign ownership of Univision's issued and outstanding shares of common stock from 25% to 49%; and (ii) authorized the Company to hold up to 40% of the voting interests and 49% of the equity interests of Univision. Such authorization enabled the Company to increase its equity stake in Univision, which it did through the exercise of warrants in December 2020, as described earlier in this section under "—Univision", and subsequently in the completion of the TelevisaUnivision Transaction, as described earlier in this section under "—Univision". In addition, on December 23, 2020, the FCC approved the then-pending acquisition of a majority equity interest in UHI by affiliates of Searchlight and ForgeLight, subject to certain requirements, and authorized the foreign ownership of up to 100% of UHI's equity and voting interests, including up to a 49.9% non-controlling voting and/or equity interest to be held by the Company.

On January 21, 2022, the FCC approved the TelevisaUnivision Transaction, subject to compliance with certain requirements set forth in its ruling, including requirements relating to foreign ownership.

For additional information regarding our relationship with Univision, see Notes 3, 9, 10, 14, 15, 20 and 30 to our consolidated year-end financial statements.

Competition

We compete with various forms of media, entertainment and telecommunications companies in Mexico, both Mexican and non-Mexican. See "Key Information—Risk Factors—Risk Factors Related to Our Business—We Face Competition in Each of Our Markets That We Expect Will Intensify".

Cable

Cablevisión, Cablemás, TVI, Cablecom, Telecable and FTTH face intense competition from several media, internet, OTT, cable, pay-TV and telecommunications companies throughout Mexico.

The telecommunications industry in Mexico has become highly competitive. New technologies and technical innovations have been implemented in the telecommunications sector, resulting in a significant increase in competition. We believe that there is a strong correlation between the increase in competition and the adoption of new technologies.

Our cable operators face intense competition in the Internet services market and in the fixed telephony services market from several service providers such as Totalplay and other cable companies, but also importantly from the preponderant economic agent in the telecommunications sector, which holds a significant market share, as well as other competitors in fixed-mobile solutions.

Our cable operators also face tough competition from other cable companies and from other pay-TV operators such as Dish Mexico, Total Play, Megacable, Sky and other cable operator companies. Recently, competition in this market has increased due to the growth of IPTV or OTT providers such as Netflix, Disney+, Star +, Claro Video, Prime Video (Amazon) and HBO Max, among others.

Our cable operators compete as well with other media with respect to advertising sales, including DTH, social media, outdoor advertising and publishing among others. The information technologies are changing and we expect will continue to change the consumption of advertising in the communications media.

Sky

Innova currently competes with, or expects to compete with, among others, cable television operators, MMDS systems, national broadcast networks (including our three free-to-air networks and Channel 4), regional and local broadcast stations, OTT content providers, internet video websites and other DTH concessions such as Dish Mexico, which as of the first quarter of 2021 had approximately 1.3 million subscribers, according to IFT. Currently, Dish Mexico offers not only low-priced packages, but also high-end products such as High Definition Packages. Innova also faces competition from: (a) unauthorized C-band and Ku-band television signals provided by third parties without authorization of the Mexican government; and (b) illegal streaming services that facilitate access to television channels and content through set up boxes and applications. Other competitors include radio, movie theaters, video rental stores, IPTV, video games and other entertainment sources. We also face significant competition from new entrants in pay-TV services as well as from the new public television networks. The consolidation in the entertainment and broadcast industries could further intensify competitive pressures. As the pay-TV market in Mexico matures, and as the offering of bundled services that include pay-TV, broadband and telephony increases, Innova expects to face competition from an increasing number of sources. Emerging technologies that provide new services to pay-TV customers as well as new competitors in the DTH field or cable, telecommunication and internet players entering into video services would require us to make significant capital expenditures in new technologies and additional transponder capacity.

In October 2008, Dish Mexico, a subsidiary of a U.S. based DTH company operating with certain arrangements with Telmex, started operations in Mexico through a DTH concession. Dish Mexico currently operates nationwide.

Other Businesses

Publishing

Each of our magazine publications competes for readership and advertising revenues with other magazines of a general character and with other forms of print and non-print media. Competition for advertising is based on circulation levels, reader demographics and advertising rates.

Gaming Business

Our principal competitors in the gaming industry are, with respect to casinos, Codere, Grupo Caliente, Grupo Cirsa, Grupo Logrand, and Palacio de los Números. We also face competition from several illegal casino and bingo parlors throughout Mexico.

Regulation

Our business, activities and investments are subject to various Mexican federal, state and local statutes, rules, regulations, policies and procedures, which are constantly subject to change and are affected by the actions of various Mexican federal, state and local governmental authorities. Given that we retained the broadcast concessions as part of the TelevisaUnivision Transaction, we continue to be responsible for compliance with regulations applicable to them, as described below. See "Key Information—Risk Factors—Risk Factors Related to Mexico—Imposition of Fines by Regulators and Other Authorities Could Adversely Affect Our Financial Condition and Results of Operations", "Key Information—Risk Factors—Risk Factors Related to Mexico—Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue" and "Key Information—Risk Factors—Risk Factors Related to Mexico—The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments". The material Mexican federal, state and local statutes, rules, regulations, policies and procedures to which our business, activities and investments are subject are summarized below. These summaries do not purport to be complete and should be read together with the full texts of the relevant statutes, rules, regulations, policies and procedures described therein.

Cable

Concessions. Cable television operators apply for a concession from IFT in order to operate their networks and provide cable television services and other multimedia communications services. Applications are submitted to IFT and, after a formal review process, a concession is granted for an initial term of up to 30 years. Cablevisión obtained a telecommunications concession, which expires in 2029; in 2019 such concession became an integrated sole concession. Pursuant to its public telecommunications concession, Cablevisión can provide any telecommunication services in Mexico, including cable television, limited audio transmission services, bidirectional internet access and unlimited data transmission services in Mexico City and surrounding areas in the State of Mexico (*Estado de México*). The scope of Cablevisión's integrated sole concession is much broader than the scope of its former public telecommunications concession, which covered certain telecommunications services in Mexico City and its metropolitan area.

Cablemás operates under one integrated sole concession, which covers 19 Mexican states. Pursuant to this concession, Cablemás provides cable television services, internet access and bidirectional data transmission services. In addition, Cablemás provides local and long distance telephony services. The concession granted by IFT allows Cablemás to install and operate a public telecommunications network. The Cablemás concession will expire in 2046. The Cablemás concession allows it to provide any telecommunication services throughout Mexico. In 2021, as part of a strategy to make the operation more efficient, Cablemás waived its previous concessions for residential services, which were granted pursuant to an integrated sole concession that allowed Cablemás to provide any telecommunication services in Mexico, with an expiration date of 30 years from July 7, 2016.

TVI operates under one integrated sole concession, which covers primarily six Mexican states. Through this concession, TVI provides cable television services, bidirectional data transmission and internet and telephony services. The integrated sole concession granted by IFT allows TVI to install and operate a public telecommunications network to provide any telecommunication and broadcasting services all around Mexico. TVI's concession will expire in 2045.

Cablecom and its affiliates operate under two integrated sole concessions, which cover 18 Mexican states. Through these concessions, Cablecom provides cable television services, bidirectional data transmission and internet and telephony services. Each concession granted by IFT allows Cablecom to install and operate a public telecommunications network. The expiration dates for Cablecom's concessions are June 2045 and September 2038. Cablecom concession titles allow it to provide telecommunication services throughout Mexico. In 2021, as part of a strategy to make the operation more efficient, Cablecom waived its previous concessions for residential services, which were granted pursuant to two integrated sole concessions that allowed Cablecom to provide any telecommunication services in Mexico, with an expiration date of 30 years from June 3, 2015.

Telecable operates under one integrated sole concession, which covers 10 Mexican states. Through this concession, Telecable provides cable television services, bidirectional data transmission and internet and telephony services, as well as mobile telephony as a mobile virtual network operator (MVNO) in 29 Mexican States. The concession granted by IFT allows Telecable to install and operate a public telecommunications network. The Telecable concession title allows it to provide any telecommunication services throughout Mexico, which was extended by IFT on December 16, 2020 for an additional 30 years, until December 26, 2056. The delivery of the concession title is pending.

In 2021, as part of a strategy to make the operation more efficient, Telecable waived its previous concessions for residential services, which were incorporated under one integrated sole concession that allowed Telecable to provide telecommunication services in Mexico, and which expires on December 26, 2056.

In 2021, FTTH sold its operations to its affiliated concessionary companies which previously operated in Mexico. As a result, FTTH waived its rights, in the same year, to its integrated sole concession, in order to avoid any risk of fine and/or revocation by IFT.

According to the LFTR, a public telecommunications concession may be renewed upon its expiration, or revoked or terminated prior to its expiration for a variety of circumstances, including:

- unauthorized interruption or termination of service;
- interference by the concessionaire with services provided by other operators;
- non-compliance with the terms and conditions of the public telecommunications concession (which has expressly established that failure to comply will result in the revocation of the concession);
- the concessionaire's refusal to interconnect with other operators;
- loss of the concessionaire's Mexican nationality;
- unauthorized assignment, transfer or encumbrance, in whole or in part, of the concession or any rights or assets;
- the liquidation or bankruptcy of the concessionaire; and
- ownership or control of the capital stock of the concessionaire by a foreign government.

In addition, IFT may establish under any public telecommunications concession further events which could result in revocation of the concession. Under current Mexican laws and regulations, upon the expiration or termination of a public telecommunications concession, the Mexican government has the right to purchase those assets of the concessionaire that are directly related to the concession, at market value.

Cable television operators are subject to the LFTR. Under current Mexican law, cable television operators are classified as public telecommunications networks, and must conduct their business in accordance with Mexican laws and regulations applicable to public telecommunications networks.

Under the applicable Mexican law, the Mexican government, through the SCT, may also temporarily seize or even expropriate all of a public telecommunications concessionaire's assets in the event of a natural disaster, war, significant public disturbance or threats to internal peace and for other reasons related to preserving public order or for economic reasons. The Mexican government is obligated by Mexican law to compensate the concessionaire, both for the value of the assets seized and related profits.

Supervision of Operations. IFT regularly inspects the operations of cable systems and cable television operators must file periodic reports with IFT, and, as of 2020, publish, on their web pages, the average download speed of their internet services.

Under Mexican law, programming broadcast on cable networks is not subject to judicial or administrative censorship. However, this programming is subject to various regulations, including prohibitions on foul language, programming which is against good manners and customs or programming which is against the national security or against public order.

Mexican law also requires cable television operators to broadcast programming that promotes Mexican culture, although cable television operators are not required to broadcast a specified amount of this type of programming.

In addition to broadcasting programming that promotes Mexican culture, Mexican law also requires cable television operators to carry all air broadcast channels and *Señales de Instituciones Públicas Federales* or Public Federal Institutions Channels provided by the Mexican government according to the applicable regulations.

Restrictions on Advertising. Mexican law restricts the type of advertising that may be broadcast on cable television. These restrictions are similar to those applicable to advertising broadcast on over-the-air channels. See "—Regulation—Television—Mexican Television Regulations—Restrictions on Advertising".

Forfeiture of Assets. Under Mexican regulations, at the end of the term of a public telecommunications concession, assets of concessionaires may be purchased by the Mexican government at market value.

Non-Mexican Ownership of Public Telecommunications Networks

Under current Mexican law, non-Mexicans may currently own up to 49%, subject to reciprocity by the relevant foreign country, of the outstanding voting stock of Mexican companies with a broadcast television or radio concession. However, non-Mexicans may currently own up to all of the outstanding voting stock of Mexican companies with a public telecommunications concession to provide cellular telephone, fixed-line telephone, pay-TV and data services.

Application of Existing Regulatory Framework to Internet Access and IP Telephony Services

Cablevisión, TVI, Cablecom, Telecable Cablemás and FTTH may be required, under Mexican law, to permit other concessionaires to connect their network to its network in a manner that enables its customers to choose the network by which the services are carried.

To the extent that a cable television operator has any available capacity on its network, as a public telecommunications network, Mexican law requires the operator to offer third party providers access to its network. Our cable operators currently do not have any capacity available on their networks to offer to third party providers and do not expect that they will have capacity available in the future given the broad range of services they plan to provide over their networks.

Satellite Communications

Mexican Regulation of DTH Satellite Services. Under LFTR, concessions to broadcast DTH satellite services are for an initial term of up to 30 years, and are renewable for up to 30 years. We received a 30-year concession to operate DTH satellite services in Mexico utilizing SatMex satellites in May 1996. In November 2018, such concession transitioned into a unique concession which authorizes Sky to render the following services: DTH Pay TV; Private Satellite Link Services; and Fixed Telephony and Internet Access. In October 2021, we were officially notified by IFT of the extension of our concession which has been renewed for 30 years, which now expires in May 2056.

In November 2000, we received an additional 20-year concession to operate our DTH satellite service in Mexico using the IS-9 satellite system, a foreign-owned satellite system. Our use of the IS-16, IS-21 and SM-1 satellites has been authorized by the competent Mexican authorities. As of November 2020, due to modifications in the telecommunications legislation, such concession transitioned into a new 10-year authorization and, at the same time, we were granted a unique concession, thereby complementing our concession to continue providing the DTH service.

Like a public telecommunications network concession, a unique concession, as well as any other authorization, may be revoked or terminated by IFT prior to the end of its term in certain circumstances, which for a DTH concession include:

- The failure to use the concession within 180 days after it was granted;
- A declaration of bankruptcy of the concessionaire;
- Failure to comply with the obligations or conditions specified in the concession;
- Unlawful assignments of, or encumbrances on, the concession; or
- Failure to pay to the government the required fees.

At the termination of a concession, the Mexican government has the preemptive right to acquire the assets of a DTH satellite service concessionaire. In the event of a natural disaster, war, significant public disturbance or for reasons of public need or interest, the Mexican government may temporarily seize and expropriate all assets related to a concession, but must compensate the concessionaire for such seizure. The Mexican government may collect fees based on DTH satellite service revenues of a satellite concessionaire.

Under the LFTR, DTH satellite service concessionaires may freely set customer fees but must notify IFT of the amount, except that if a concessionaire has substantial market power, IFT may determine fees that may be charged by such concessionaire. The LFTR specifically prohibits cross-subsidies.

There is currently no limitation on the level of non-Mexican ownership of voting equity of DTH satellite system concessionaires.

Regulation of DTH Satellite Services in Other Countries. Our current and proposed DTH ventures in other countries are and will be governed by laws, regulations and other restrictions of such countries, as well as treaties that such countries have entered into, regulating the delivery of communications signals to, or the uplink of signals from, such countries. In addition, the laws of some other countries establish restrictions on our ownership interest in some of these DTH ventures as well as restrictions on programming that may be broadcast by these DTH ventures.

Mexican Gaming Regulations

Pursuant to Mexico's *Ley Federal de Juegos y Sorteos*, or Federal Law of Games and Draws, or Gaming Law, and its accompanying regulations, the *Reglamento de la Ley Federal de Juegos y Sorteos*, or Gaming Regulations, the Mexican Ministry of the Interior has the authority to permit the operation of games and lotteries that involve betting. This administrative authorization is defined as a permit under the Gaming Regulations. Under the Gaming Regulations, each permit establishes the terms and conditions for the operation of the respective activities authorized under the permit and the specific periods for operation of those activities. Permits for games and lotteries that involve betting have a maximum term of 25 years. The holder of the relevant permit must comply with all the terms provided in the permit, the Gaming Law and the Gaming Regulations. We were granted a Gaming Permit on May 25, 2005, which expires on May 24, 2030.

Mexican Antitrust Law

The Federal Antitrust Law became effective on July 7, 2014. It should be noted that IFT is entitled to review antitrust matters related to the telecommunications and broadcasting sectors, while the COFECE is in charge of all other antitrust matters. IFT or COFECE must authorize mergers and acquisitions before they take place. In addition, one of the thresholds was modified to only apply to sales or assets of economic agents in Mexico and not worldwide economic agents.

The Antitrust Law provides that the following reportable transactions, among others, are exempt from being reviewed by IFT or COFECE:

(i) Corporate restructurings.

(ii) Transactions where the acquirer has control over the target from its incorporation or from the date the last reported transaction was approved by IFT or COFECE.

(iii) Trusts in which the trustor contributes assets without intending to transfer, or causing the actual transfer of, assets to another company that is not part of the corporate structure of the trustor.

(iv) Transactions that have effect in Mexico involving non-Mexican participants, if the participants will not take control of Mexican legal entities, or acquire assets in Mexico, in addition to those previously controlled or owned by such participants.

(v) When the acquirer is a Brokerage House, whose operation involves the acquisition of stock, obligations, securities or assets, in order to place them among the investing public, except when the Brokerage House obtains a significant influence in the decisions of the company.

(vi) Acquisitions of equity securities (or convertible securities) through stock markets that represent less than 10% of such securities, and the acquirer is not entitled to: (w) appoint board members; (x) control a shareholders meeting decision; (y) vote more than 10% of voting rights of the issuer; or (z) direct or influence the management, operation, strategy or principal policies of the issuer.

(vii) When the acquisition of stock, assets, obligations or securities is made by one or more investment funds with speculative purposes that have no investments in companies or assets that participate or are occupied in the same relevant market of the acquired company.

According to transitory Article 9 of the LFTR, as long as there is a Preponderant Economic Agent in the telecommunications and broadcasting sectors, in order to promote competition and develop viable competitors in the future, it is not required to obtain IFT approval of mergers and acquisitions carried out by concession holders when the following requirements are met:

(a) The transaction reduces the Dominance Index in the sector and the Hirschman-Herfindahl Index does not increase by more than 200 points.

(b) As a result of the transaction, the economic agent involved has a sector share percentage of less than 20%.

(c) The Preponderant Economic Agent of the sector in which the transaction is taking place is not involved in the transaction.

(d) The transaction does not effectively diminish, harm or hinder the free competition and concurrency in the applicable sector.

Notwithstanding the above, concession holders involved in the transaction shall inform IFT of the transaction within ten days following the completion of the transaction and IFT will then have 90 calendar days to investigate the transaction and in case it determines the existence of substantial market power in the relevant market, it may impose the necessary measures to protect and encourage free competition and concurrency in such market.

As part of our expansion of our cable business, on December 17, 2018, we acquired FTTH under the provisions set forth in transitory Article 9 of LFTR. On May 8, 2019, the IFT launched an investigation to analyze if, as a result of the transaction, the Company acquired substantial power in the market of telecommunications networks providing voice, data or video services. On September 4, 2019, the IFT Investigative Authority issued a preliminary opinion, whereby it assessed that there were elements to determine that the Company had substantial power in 35 relevant markets of the telecommunications networks that provide restricted television and audio services. Those relevant markets comprise 35 municipalities in the following States: Aguascalientes, Chihuahua, Ciudad de México, Estado de México, Jalisco, Nuevo León and San Luis Potosí. As a response to the preliminary opinion, the Company presented its position and provided evidence to prove that the Company does not hold substantial power in the relevant markets established in the preliminary opinion. On November 26, 2020, the IFT notified the Company of the final resolution confirming the existence of substantial power in the 35 relevant markets of restricted television and audio services. Consequently, on December 17, 2020, the Company filed three *amparos* challenging the constitutionality of the resolution, which are now under review by the competent court. However, we are unable to predict the outcome of these procedures. Some of the consequences derived from the determination of substantial market power, are applicable as a matter of law and others may be imposed by IFT in a new procedure in accordance with the LFTR; these may consist of: (i) the obligation to obtain IFT's approval and to register the rates for our services; (ii) to inform the IFT in case of the adoption of new technology or modifications to the network; (iii) the agent with substantial power may not be entitled to the benefits of some rules of the "must carry" and "must offer" provisions; and (iv) the implementation of accounting separation.

Other relevant provisions provided in the Antitrust Law, are the following:

(a) Granting the Autoridad Investigadora, or Prosecutor Authority, authority to investigate the commission of monopolistic practices, forbidden mergers, barriers to competition, essential facilities or substantial market power.

(b) Enhancement of the legal power of the authorities for conducting its investigations (such as requesting written evidence and testimonies and performing verification visits).

(c) Significantly increased monetary fines for the commission of illegal conduct.

(d) IFT or COFECE, as applicable, may determine the existence of essential facilities when the following conditions are met: (i) one or several economic agents with substantial market power control a good; (ii) the reproduction of such good by other economic agents is unviable, now or in the future, due to technical, legal or economic reasons; (iii) the good is indispensable for the provision of other goods or services in other markets and does not have close substitutes.

(e) IFT or COFECE, as applicable, may determine the existence of barriers to competition and free markets, when an element is found that either: (i) hinders the access of new entrants; (ii) limits competition; or (iii) hinders or distorts competition and the free market process.

(f) The resolutions issued by IFT or COFECE, as applicable, can only be challenged by an amparo claim, which will be ruled by the Antitrust, Telecommunications and Broadcasting federal courts, without any judicial stay that can suspend the execution of the resolution.

The above mentioned provisions may significantly and adversely affect our business, results of operations and financial condition.

Mexican Television Regulations

Concessions. The LFTR regulates, on a convergent basis, the use and exploitation of the radio-electric spectrum, and the telecommunications networks, as well as the rendering of broadcasting, cable, satellite pay-TV and telecommunications services.

Concessions for the commercial use of spectrum are granted through public bid processes. Such concessions are granted for a fixed term, subject to renewal in accordance with LFTR. Renewal of concessions for the use of spectrum require, among others: (i) to request such renewal to IFT in the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; (iii) a declaration by IFT that there is no public interest in recovering the spectrum granted under the related concession; and (iv) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT, including the payment of a related fee. To our knowledge, no spectrum granted for broadcasting services in Mexico has been recovered by the Mexican government in the past several years for public interest reasons, however, the Company is unable to predict any future action by IFT.

Pursuant to the Telecommunications and Broadcasting Federal Law, concessionaires will now only have one integrated sole concession to provide telecommunication and broadcasting services. Integrated sole concessions will be granted for a term of up to 30 years with the possibility to renew them, for the same term originally granted. Renewal of integrated sole concessions require, among others: (i) to request its renewal to IFT within the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; and (iii) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT. IFT shall resolve any request for renewal of the telecommunications concessions within 180 business days of its request. Failure by IFT to respond within such period of time shall be interpreted as if the request for renewal has been granted.

In May 2018, applications for the renewal of the Group's 70 broadcasting concessions (comprising 225 TV stations), were timely filed under the LFTR and the terms set on the concessions, and as part of the renewal process, the Company regrouped its concessions to create (i) three concessionaires, each one specialized on broadcasting the National TV Networks of Las Estrellas, Canal 5 and Canal Nu9ve, respectively, and (ii) three concessionaires specialized on local TV content.

On November 6, 2018, IFT notified the Company the grant of the renewal of its concessions, the new conditions under which they will operate, as well as the relevant fee to be paid for such renewals.

On November 26, 2018, the Company timely accepted the new conditions for the renewal of the concessions and performed the payment of the relevant fee for a total amount of Ps.5,753 million, as a consequence, the IFT delivered to the Company (i) 23 concessions for the use of spectrum that comprise the Company 225 TV stations, for a term of 20 years, starting in January 2022, and ending in January 2042, and (ii) six concessions that grant the authorization to provide digital broadcasting television services of such 225 TV stations, for a term of 30 years, starting in January 2022 and ending in January 2052.

On March 7, 2014, IFT published in the Official Gazette of the Federation an invitation to a public auction for the concession for the two new National Digital Networks. The invitation provided that the concessions for the National Digital Networks would be granted for a term of 20 years for the operation of stations with, among other characteristics, mandatory geographic coverage in 123 locations corresponding to 246 channels within the Mexican territory.

The Company was prevented from participating as a bidder in the 2014 public auction. See "Key Information — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments" and "Key Information — Risk Factors Related to Our Business — The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions". In March 2015, IFT issued its ruling announcing Grupo Radio Centro and Imagen Television as winning bidders for two free to air broadcasting licenses with separate national coverage. Imagen Television has completed the process and received its license. However, since Grupo Radio Centro failed to pay the amount they bid for their free to air broadcasting license, the IFT's ruling announcing them as a winning bidder was declared null and void and they will not receive the license. As a result, the auction of the portion of the spectrum that was going to be assigned to Grupo Radio Centro took place during 2017. The new bid was for 148 channels for Digital Terrestrial Television, including at least 123 channels that were not allocated in the IFT-1 bidding process for the two national digital broadcast television networks. At the end of the process, offers were received for 32 channels located in 29 different coverage areas, located in 17 States and covering about 45 percent of the country's total population. The bidding process concluded in December 2017 with the issuance of the corresponding concession titles in *favor of Compañía Periodística Sudcaliforniana, S.A. de C.V., Comunicación 2000, S.A. de C.V., Francisco de Jesús Aguirre Gómez, Intermedia de Chihuahua, S.A. de C.V., José Guadalupe Manuel Trejo García, Multimedios Televisión, S.A. de C.V., Quiero Media, S.A. de C.V., Radio Comunicación Gamar, S.A. de C.V., Radio Operadora Pegasso, S.A. de C.V., Radio-Televisión de Nayarit, S.A. de C.V., Tele Saltillo, S.A. de C.V., Televisión Digital, S.A. de C.V. and Telsusa Televisión México, S.A. de C.V.* See "Key Information—Risk Factors—Risk Factors Related to Mexico—The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

None of our over-the-air television concessions has ever been revoked or otherwise terminated and, except for an immaterial concession to transmit an UHF restricted television service which expired in November 2010, all of our concessions have been renewed. See "Information on the Company—Business Overview—Regulation— Cable—Concessions".

We believe that we have operated our television concessions substantially in compliance with their terms and applicable Mexican law. If a concession is revoked or terminated, the concessionaire could be required to forfeit to the Mexican government all of its assets or the Mexican government could have the right to purchase all the concessionaire's assets. In our case, the assets of our licensee subsidiaries generally consist of transmitting facilities and antennas. See "Key Information—Risk Factors—Risk Factors Related to Our Business—The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions".

As a result of the Telecom Reform, certain provisions of the LFTR and Guidelines related to the distribution of more than one channel of programming on the same transmission channel, or multiplexing, were passed. Such provisions optimize the use of the spectrum; for example, where the 6MHz spectrum was used entirely to broadcast only one channel of programming analog standard, now based on new technologies, more than one channel of programming digital standard on the same transmission channel can be broadcast. The Company, as a Preponderant Economic Agent has a restrictive obligation related to multiplexing. The IFT shall not authorize the Preponderant Economic Agent to broadcast channels in excess of 50% of the total channels authorized to other broadcasters in the same geographic coverage. The IFT has granted multiplexing authorizations to the Company, granting access to Televisa, S. de R.L. de C.V. as its third party programmer in terms of the third party programming agreements: 35 authorizations for multiplexing the Channel 5 Network, 24 authorizations for multiplexing the Channel *Nu9ve Network*, two authorizations for multiplexing the Channel 2 Network, 35 authorizations for multiplexing Channel *Foro TV Network* and three authorizations for multiplexing the Channel CV Shopping (programmed by the Company) and 65 authorizations for temporary transmissions of the Government Educational Channel "Aprende en Casa III" (which ended on July, 11, 2021), supporting the government measures for the COVID-19 pandemic. Further filings for new authorizations are still under evaluation.

Supervision of Operations. To ensure that broadcasting is performed in accordance with the provisions established in the concession title, the LFTR and Guidelines, IFT is entitled to monitor compliance by exercising powers of supervision and verification: for example, the IFT can perform technical inspections of the television stations and the concessionaire must file annual reports with IFT.

On August 21, 2018, the Mexican Ministry of Interior published in the Official Gazette of the Federation an amendment to the regulations of broadcast television and pay-TV programming guidelines that provides for different age classifications for programming (the "Programming Guidelines Amendment"), which became effective on August 22, 2018, substituting in full force and effect the previous amendment published on February 15, 2017. The Programming Guidelines Amendment for broadcast television is as follows: (i) programs classified "D" extreme and adult only may broadcast after midnight to 5:00 am; (ii) programs classified "C" not suitable for people under the age of 18 may broadcast only after 9:00 p.m. to 5:59 am; (iii) programs classified "B15" for teenagers over 15 years old may be broadcast only after 7:00 p.m. to 5:59 am; (iv) programs classified "B" for teenagers may be broadcast only after 4:00 p.m. to 5:59 am; and (v) programs classified "A" and "AA" suitable for all age groups may be broadcast at any time. The same age classifications apply for pay-TV programming and the age classifications must be shown to the audience, but there are no applicable broadcasting time limitations.

On February 14, 2020, the Mexican Ministry of Interior published in the Official Gazette of the Federation an additional amendment to the Programming Guidelines, for which the only relevant change therein was to extend the display time for the Parental Advisory from 15 to 30 seconds.

Content for Children and Teenagers. The LFTR includes new criteria for programming addressed for children and teenagers. Each concessionaire is also required to transmit each day, free of charge, up to 30 minutes of programming promoting cultural, educational, family counseling and other social matters, using programming provided by the Mexican government. Historically, the Mexican government has not used a significant portion of this time.

Restrictions on Advertising. Mexican law regulates the type and content of advertising broadcast on television. In order to prevent the transmission of misleading advertising, without affecting freedom of expression and dissemination, the broadcasting of advertisements presented as journalistic news or information is prohibited. Under current law, advertisements of alcoholic beverages (other than beer and wine) may be broadcast only after 9:00 p.m. and advertisements for tobacco products are prohibited. Advertising for alcoholic beverages must not be excessive and must be combined with general promotions of nutrition and general hygiene. Health Law Guidelines were published in the Official Gazette of the Federation on April 15, 2014 and became effective on July 7, 2014, for the advertisement of the following products: snacks, flavored drinks, candies, chocolates, or foods similar to chocolates and became effective for the remaining products on January 1, 2015. See "Key Information—Risk Factors—Risk Factors Related to Mexico—The Amendments to the Regulations of the General Health Law on Advertising Could Materially Affect Our Business, Results of Operations and Financial Condition". Moreover, the Mexican government must approve any advertisement of lotteries and other sweepstakes games.

TV advertisement will not take up more than 18% of the broadcast time on any day in TV. However, this percentage can be increased by an additional 2% when at least 20% of the content programmed is national production. Another 5% of advertisement time can be added when at least 20% of the content programmed is independent national production. There are no restrictions on maximum rates. See "Key Information—Risk Factors—Risk Factors Related to Mexico—Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue", "—The Amendments to the Regulations of the General Health Law on Advertising Could Materially Affect Our Business, Results of Operations and Financial Situation" and "—The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

The Company must also comply with the provisions of the Agencies Law, which includes various obligations and restrictions relating to the sale of advertising for all forms of media. See "Risk Factors—Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue."

Additional Rights for Audiences. Among others, the LFTR imposes new obligations on concessionaires. On November 29, 2016, IFT issued the Guidelines for the Defense of the Audiences, which were published on December 21, 2016, in the Federal Official Gazette. These guidelines and some related provisions of the LFTR were constitutionally challenged by the Executive Branch and the Senate particularly for concerns that they restrict freedom of speech. These procedures were dismissed by the Supreme Court of Justice by the entry into force of the reform of the LFTR published in the Official Gazette on October 31, 2017 (the "LFTR 2017 Reform"). The amendment to the LFTR includes among other things: (i) restricts the power of the IFT to regulate a large portion of the provisions established by the Guidelines for the Defense of the Audience; (ii) increases the ability of all broadcasting and telecommunications concessionaries to self-regulate themselves by granting them the ability to regulate their programming content and the way in which they decide to respect and promote the rights of the audiences through their code of ethics without being subject to IFT's approval; (iii) removes the obligation to make sure that, when broadcasting news, the reporting of factual material is clearly distinguished from

commentaries and personal analysis; and (iv) makes clear that the appointment of an Ombudsman is not subject to special specifications and procedures set by IFT. As a result, the legal provisions that are contrary to this amendment were repealed.

The LFTR 2017 Reform was challenged through actions for constitutional review (*acciones de constitucionalidad*), which are pending before the Supreme Court of Justice. In addition, a third-party association filed an *amparo* suit challenging some provisions of the LFTR 2017 Reform. As a result of such proceeding, the courts ordered the repeal of the LFTR 2017 Reform. The Company's entities that are concessionaires challenged the decision to repeal the LFTR 2017 Reform, which is still pending.

Government Broadcast Time. Television stations have to provide to the Mexican government up to 18 minutes per day of the television broadcast time between 6:00 a.m. and midnight, in each case distributed in an equitable and proportionate manner. Any time not used by the Mexican government on any day is forfeited. Generally, the Mexican government uses all or substantially all of the broadcast time available to it under this tax.

In April 2020, the President of Mexico issued a decree amending the rules on government broadcast time starting on May 2020. For the periods where no electoral pre-campaigns and campaigns are in place, television stations will have to provide to the Mexican government up to 11 minutes per day of television broadcast time between 6:00 am and midnight, in each case distributed in a proportionate manner. Another significant difference is that under the terms of the prior rules the unused minutes by the government were forfeited and could be used by the broadcasters, while in the new decree, the Secretaría de Gobernación, or Mexican Ministry of Interior, may reassign the unused minutes for the use by the Mexican government for an indefinite term.

Foreign Ownership. Non-Mexican ownership of shares of Mexican enterprises is restricted in some economic sectors, including broadcast television, and radio. As a result of the Telecom Reform, the participation of foreign investors can be up to 49% in free to air radio and television concessions, subject to reciprocity requirements, and up to 100% in telecommunications services and satellite communications. Such amendments are reflected in the LFTR and Mexico's *Ley de Inversión Extranjera*, or Foreign Investment Law, and the *Reglamento de la Ley de Inversión Extranjera y del Registro Nacional de Inversiones Extranjeras*, or the Regulation of the Foreign Investment Law and the Foreign Investment National Registry. The Foreign Investment Law does not restrict foreign investment in programmers such as TVSA that make their programming channels available through free to air television. See "—Satellite Communications —Mexican Regulation of DTH Satellite Services".

Mexican Electoral Amendment

In 2007, the Mexican Federal Congress published an amendment to the Mexican Constitution (referred to in this annual report as the 2007 Constitutional Amendment), pursuant to which, among other things, the *Instituto Federal Electoral*, or the Federal Electoral Institute, or IFE, has the exclusive right to manage and use the Official Television Broadcast Time (referred to in this annual report as Official Broadcast Time). In February 2014, the Mexican Federal Congress approved a Constitutional amendment creating the *Instituto Nacional Electoral*, or the National Electoral Institute, or INE, which replaced the IFE. The INE has the same functions and capabilities as the former IFE and regulates the services of television in the same manner, except that the INE has a relevant participation in the electoral campaigns in federal, state and local procedures by distributing the Official Broadcast Time among the political parties. The INE has the exclusive right to use the Official Broadcast Time for its own purposes and for the use of political parties in Mexico (as provided in the Mexican Constitution) for self-promotion and, when applicable, to promote their electoral campaigns during election day, pre-campaign and campaign periods.

The INE and the political parties must comply with certain requirements included in the 2007 Constitutional Amendment for the use of Official Broadcast Time. During federal electoral periods, the INE will be granted, per the 2007 Constitutional Amendment, 48 minutes per day in each radio station and television channel, to be used during pre-campaign periods in two and up to three minutes per broadcast hour in each radio station and television channel, of which all the political parties will be jointly entitled to use one minute per broadcast hour. During campaign periods, at least 85% of the 48 minutes per day, shall be allocated among the political parties, and the remaining 15% may be used by the INE for its own purposes. During non-electoral periods, the INE will be assigned with up to 12% of the Official Broadcast Time, half of which shall be allocated among the political parties. In the event that local elections are held simultaneously with federal elections, the broadcast time granted to the INE shall be used for the federal and the local elections. During any other local electoral periods, the allocation of broadcast time will be made pursuant to the criteria established by the 2007 Constitutional Amendment and as such criteria are reflected in applicable law.

In addition to the foregoing, pursuant to the 2007 Constitutional Amendment political parties are forbidden to purchase or acquire advertising time directly or through third parties, from radio or television stations; likewise, third parties shall not acquire advertising time from radio or television stations for the broadcasting of advertisements which may influence the electoral preferences of Mexican citizens, nor in favor or against political parties or candidates to offices elected by popular vote.

Telecom Reform and Broadcasting Regulations

On June 12, 2013, the Telecom Reform came into force. The Telecom Reform, the LFTR and secondary regulations issued by the President and IFT, as applicable, and certain actions recently taken by IFT, an organization with constitutional autonomy responsible for overseeing the radio and television broadcasting industries and telecommunications, including all aspects of economic competition, affect or could significantly and adversely affect our business, results of operations and financial position. See "Key Information—Risk Factors—Risk Factors Related to Mexico—The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

The Telecom Reform created two regulatory bodies that are independent from the executive branch of government: COFECE (which assumed the functions of the former Mexican Antitrust Commission, except in the areas of telecommunications and broadcasting (television and radio)) and IFT (which oversees the Mexican telecommunications and broadcasting (television and radio) industries, including all antitrust matters relating to those industries). In addition, specialized federal courts empowered to review all rulings, actions and omissions of these independent regulatory bodies were created. No stay or injunction will suspend any measure or action taken by these regulatory bodies. Therefore, subject to limited exceptions, until any decision, action or omission by these regulatory bodies is declared void by a competent court through a binding and final judgment, COFECE's or IFT's decision, action or omission will be valid and will have full force and legal effect.

IFT is empowered, among other things, to (i) oversee the Mexican telecommunications (including cable and satellite pay-TV) and broadcasting (television and radio) industries, including all antitrust matters related to these industries; (ii) set limits to national and regional frequencies that can be exploited by a concession holder, or to the cross-ownership of telecommunications, television or radio businesses that serve the same market or geographical zone that may include the divestment of certain assets to comply with such limits; (iii) issue asymmetric regulation; (iv) grant and revoke telecommunications, television and radio concessions; (v) approve any assignment or transfer of control of such concessions; (vi) revoke a concession for various reasons, including in the case of a breach by a concessionaire of a non-appealable decision confirming the existence of illegal antitrust conduct ("*practica monopólica*"); and (vii) determine the payment to be made to the government for the granting of concessions.

Concessions for the use of spectrum will only be granted through public bid processes. On March 7, 2014, IFT published in the Official Gazette of the Federation an invitation to a public auction for the concession for the two National Digital Networks which would be granted for a term of 20 years for the operation of stations with, among other characteristics, mandatory geographic coverage in 123 locations corresponding to 246 channels within the Mexican territory.

In March 2015, IFT issued its ruling announcing Grupo Radio Centro and Imagen Television as winning bidders for two free to air broadcasting licenses with separate national coverage. Imagen Television has completed the process and received its license. However, since Grupo Radio Centro failed to pay the amount they bid for their free to air broadcasting license, the IFT's ruling announcing them as a winning bidder was declared null and void and they will not receive the license. As a result, the auction of the portion of the spectrum that was going to be assigned to Grupo Radio Centro took place during 2017. The new bid was for 148 channels for Digital Terrestrial Television, including at least 123 channels that were not allocated in the IFT-1 bidding process for the two national digital broadcast television networks. At the end of the process, offers were received for 32 channels located in 29 different coverage areas, located in 17 States and covering about 45% of the country's total population. The bidding process concluded in December 2017 with the issuance of the corresponding concession titles in favor of *Compañía Periodística Sudcaliforniana, S.A. de C.V., Comunicación 2000, S.A. de C.V., Francisco de Jesús Aguirre Gómez, Intermedia de Chihuahua, S.A. de C.V., José Guadalupe Manuel Trejo García, Multimedios Televisión, S.A. de C.V., Quiero Media, S.A. de C.V., Radio Comunicación Gamar, S.A. de C.V., Radio Operadora Pegasso, S.A. de C.V., Radio-Televisión de Nayarit, S.A. de C.V., Tele Saltillo, S.A. de C.V., Televisión Digital, S.A. de C.V. and Telsusa Televisión México, S.A. de C.V.* See "Key Information—Risk Factors—Risk Factors Related to Mexico—The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments."

Access to information and communication technologies, as well as broadcasting and telecommunications services (including broadband), is established as a constitutional right. The Telecom Reform further requires that such information be diverse and timely, and that any person may search, receive and disclose information and ideas of any kind through any media. Among other things, the LFTR contemplates the right of audiences to be able to receive content that reflects ideological pluralism, and to have the right to replicate the news.

The Telecom Reform permits 100% foreign ownership in satellite and telecommunications services concessions and increases to up to 49% the level of permitted foreign ownership in television and radio services concessions, subject to reciprocity of the originating foreign investment country. The Foreign Investment Law does not restrict foreign investment in programmers such as TVSA that make their programming channels available through free to air television.

As a result of the Telecom Reform and LFTR, starting on September 10, 2013, concessionaries of broadcast services have been required to permit pay-TV concessionaries to retransmit broadcast signals, free of charge and without discrimination, within the same geographic coverage area simultaneously and without modifications, including advertising, and with the same quality of the broadcast signal, except in certain specific cases provided in the Telecom Reform. Also, since September 10, 2013, our pay-TV licensees are required to retransmit broadcast signals of others, free of charge and on a non-discriminatory basis, subject to certain exceptions and additional requirements provided for in the Telecom Reform.

On February 27, 2014, the Guidelines were published in the Official Gazette of the Federation, which include, among other obligations, the obligation of concessionaries of broadcast television licenses to permit the retransmission of their broadcast signals and the obligation of pay-TV concessionaries to allow such retransmission (without requiring the prior consent of the broadcast television concessionaries) in the same geographic coverage zone for free (subject to certain exceptions) and in a non-discriminatory manner in its entirety, simultaneously and without modifications by the broadcasting concessionaire, including advertising, and with the same quality of the broadcast signal without requiring consent from the broadcast television concessionaries.

The Telecom Reform calls for the National Development Plan. The National Development Plan includes a program for installing broadband connections in public facilities, which would identify the number of sites to be connected per year to promote access to broadband in public buildings dedicated to investigation, health, education, social services and in other facilities owned by the government. See “Key Information—Risk Factors—Risk Factors Related to Mexico—The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments”.

The LFTR establishes a renewal procedure that would result in the granting of a renewal of an integrated sole concession (when involving radio-electric spectrum or orbital resources, a concession to exploit such spectrum is required) in order to provide telecommunications and broadcasting services. The integrated sole concession would be awarded for renewable 30 year terms. Renewal of integrated sole concessions require, among others: (i) to request its renewal to IFT within the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder’s obligations under the LFTR, other applicable regulations, and the concession title; and (iii) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT. IFT shall resolve any request for renewal of the concessions within 180 business days of its request. Failure by IFT to respond within such period of time shall be interpreted as if the request for renewal has been granted.

The LFTR also contemplates that concession holders that operate a public network of telecommunications must: (i) abstain from charging long distance fees for calls made by users to any national destination; (ii) if there was no other concession holder providing similar services in a certain territory, the concession holder providing the service in such territory shall have to continue providing the services; and (iii) concession holders must adopt the open architecture designs for the network to guarantee the interconnection and interoperation of their network.

The LFTR establishes the maximum amount of time that a concession holder providing broadcasting services with commercial purposes can use for commercial advertising. The maximum amount of advertising time is set at 18% of the total broadcasting time for each television channel (such percentage may be increased as described in “— Television—Mexican Television Regulations—Restrictions on Advertising”).

The LFTR establishes that those concession holders providing broadcasting services shall offer broadcasting services and advertising spaces to any person or corporation that requires them on a non-discriminatory basis and on market terms granting the terms, packages, conditions, and rates in force at the time of the request. Additionally, the law provides that balance shall be maintained between advertising and programming. Advertising shall be subject to several rules, including the maximum time allowed for advertising (i.e. 18% of the total available time per channel in free to air television; and six minutes per hour on pay-television and audio). However, in free to air television, the time allowed for advertising can be increased by an additional 2% when at least 20% of the content aired is national production. Another 5% of advertisement time can be added when at least 20% of the content aired is independent national production. There are no restrictions on maximum rates.

Significant Subsidiaries

The table below sets forth our significant subsidiaries as of December 31, 2021.

Name of Significant Subsidiary	Jurisdiction of Organization or Incorporation	Percentage Ownership[1]
Cable segment:		
Empresas Cablevisión, S.A.B. de C.V. [3] [5]	Mexico	51.2 %
Milar, S.A. de C.V. [3]	Mexico	51.2 %
Cablevisión, S.A. de C.V.	Mexico	51.2 %
Cablemás subsidiaries [4]	Mexico	100.0 %
Televisión Internacional, S.A. de C.V. (TVI) [2] [5]	Mexico	100.0 %
Cablestar, S.A. de C.V.[2] [17]	Mexico	66.2 %
Arretis S.A.P.I. de C.V.[2][5]	Mexico	100.0 %
Telecable subsidiaries [2] [7]	Mexico	100.0 %
FTTH de México, S.A. de C.V. [2][5]	Mexico	100.0 %
Corporativo Vasco de Quiroga, S.A. de C.V. (CVQ)[9]	Mexico	100.0 %
Sky segment:		
Sky DTH, S.A. de C.V. [16]	Mexico	100.0 %
Innova Holdings, S. de R.L. de C.V. [16]	Mexico	58.7 %
Innova, S. de R.L. de C.V. (Innova)[10]	Mexico	58.7 %
Content segment:		
Grupo Telesistema , S.A. de C.V. [11]	Mexico	100.0 %
Televisa, S. de R. L de C.V.[13]	Mexico	100.0 %
Televisión Independiente de México, S.A. de C.V.[2]	Mexico	100.0 %
Multimedia Telecom, S.A. de C.V. [2] [12]	Mexico	100.0 %
Ulvik, S.A. de C.V.[2] [11]	Mexico	100.0 %
Other Businesses segment:		
Controladora de Juegos y Sorteos de México, S.A. de C.V.[2] [6] [14]	Mexico	100.0 %
Editorial Televisa, S.A. de C.V.[2] [6][8]	Mexico	100.0 %
Grupo Distribuidoras Intermex, S.A. de C.V.[2] [6][15]	Mexico	100.0 %
Villacezán, S.A. de C.V. [2][6]	Mexico	100.0 %

(1) Percentage of equity owned by us directly or indirectly through subsidiaries.

(2) While each of these subsidiaries is not a significant subsidiary within the meaning of Rule 1-02(w) of Regulation S-X under the Securities Act, we have included these subsidiaries in the table above to provide a more complete description of our operations.

(3) One of two subsidiaries through which we own our equity interest in Cablevisión, S.A. de C.V.

(4) The Cablemás subsidiaries are directly or indirectly owned by CVQ.

(5) One of four indirect subsidiaries through which, together with the Cablemás and Telecable subsidiaries, we conduct the operations of our Cable segment.

(6) One of four subsidiaries through which we conduct the operations of our Other Businesses segment.

(7) The Telecable subsidiaries are directly owned by CVQ.

(8) Direct subsidiary through which we conduct the operations of our Publishing business.

(9) Direct subsidiary through which we conduct the operations of our Cable segment and parent company of Innova.

(10) Indirect subsidiary through which we conduct the operations of our Sky segment. We currently own a 58.7% interest in Innova.

(11) Direct subsidiary through which we conduct certain operations of our Content segment and certain operations of our Other Businesses segments.

(12) Indirect subsidiary through which we maintain our investment in shares of UH II, representing 35.5% of the outstanding shares of UH II on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options) as of December 31, 2021. On January 31, 2022, as part of the transaction closed with UH II on that date, we acquired an additional stake in UH II, primarily through our subsidiaries Grupo Telesistema, S.A. de C.V. and Villacezán, S.A. de C.V., to increase our investment in shares of UH II to approximately 45% of the outstanding shares of TelevisaUnivision, Inc. (formerly known as UH II) on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options) as of January 31, 2022.

(13) Indirect subsidiary through which we conduct certain operations of our Content segment. Through January 31, 2022, Televisa, S. de R.L. de C.V. was a direct subsidiary of Grupo Telesistema, S.A. de C.V.

(14) Direct subsidiary through which we conduct the operations of our Gaming business.

(15) Direct subsidiary through which we conduct the operations of our Publishing Distribution business

(16) One of two subsidiaries through which we own our equity interest in Innova.

(17) Cablestar, S.A. de C.V., is an indirect majority-owned subsidiary of CVQ and Empresas Cablevisión, S.A.B. de C.V.

Property, Plant and Equipment

Broadcasting, Office and Production Facilities. Our properties consist primarily of broadcasting, production facilities, television and repeater stations, technical operations facilities, workshops, studios and office facilities, most of which are located in Mexico. Some of these properties are currently leased to subsidiaries of TelevisaUnivision as part of the TelevisaUnivision Transaction. We own most of our properties or lease offices and facilities through indirect wholly owned and majority owned subsidiaries. There are no major encumbrances on any of our properties and we currently do not have any significant plans to construct any new properties or expand or improve our existing properties.

Our principal offices, which we own, are located in Santa Fe in Mexico City.

We beneficially own Azteca Stadium, which seats approximately 84,500 people, through a trust arrangement that was renewed in 1993 for a term of 30 years and that may be extended for additional periods.

Our cable television, publishing and Mexican DTH satellite service businesses are located in Mexico City.

As of December 31, 2021, our properties, excluding Azteca Stadium, represented approximately 6.16 million square feet of space, of which over 4.44 million square feet are located in Mexico City and the surrounding areas, and approximately 1.72 million square feet are located outside of Mexico City and the surrounding areas. These properties include 2.2 million square feet of broadcasting and production facilities of which 0.42 million square feet were transferred to entities of TelevisaUnivision as part of the TelevisaUnivision Transaction.

After the closing of such transaction, our properties represent approximately 5.22 million square feet of space, 2.4 million square feet of which are owned by us and leased to subsidiaries of TelevisaUnivision, including the television stations, four locations in Mexico City, 14 studios in San Angel, three studios in Santa Fe and one studio in Rojo Gomez, and 12 studios located in Chapultepec. We also own other properties, including a training center, technical operations facilities, studios, workshops, television and repeater stations, and office facilities, part of which are leased to entities of TelevisaUnivision.

We also own or lease over a total of 34,795 square feet in properties in the United States, Latin America, Spain and Switzerland in connection with our operations there. We own or lease all of these properties through indirect wholly owned and majority owned subsidiaries. The following table summarizes our real estate and lease agreements in the United States, Latin America, Spain and Switzerland.

Operations	Number of Properties	Location
Television and news activities		
Leased properties	2	Madrid, Spain(1)
		Zug, Switzerland(1)
Publishing activities		
Owned properties	2	Miami, Florida(1)
		Caracas, Venezuela (1)
		Bogotá, Colombia(1)
DTH		
Leased properties	7	San José, Costa Rica(1)
		Guatemala(1)
		Nicaragua(1)
		Panamá(1)
		San Salvador(1)
		Honduras(1)
		Dominican Republic(1)
Telephony		
Leased properties	4	San Antonio, Texas(2)
		Laredo, Texas(1)
		Mission, Texas (1)

Satellites. We currently use transponder capacity on ten satellites: Eutelsat 117 West A (formerly Satmex 8), which reaches Mexico, the United States, Latin America, and the Caribbean; Eutelsat 115 West A (formerly Satmex 5), which reaches Mexico, the United States and Latin America; Intelsat IS-11, replacement of PAS 3-R (renamed in February 2007 IS-3R), which started operations in July 2009 and reaches North America, Western Europe, Latin America and the Caribbean; Galaxy 16 (formerly Galaxy IVR), which reaches Mexico, the United States and Canada; Galaxy 19, which reaches Mexico, the United States and Canada; Intelsat IS-35e, replacement of IS-905 and the migration from Intelsat IS-35e to Eutelsat E9B which reaches Western and Eastern Europe; SES-14 (formerly NSS-806), which reaches North America, Western Europe, Latin America and the Caribbean; IS-21, which reaches Central America, Mexico, the Southern United States and the Caribbean; IS-16, which reaches Central America, Mexico, the Southern United States and the Caribbean; and SM-1, which reaches Central America, Mexico, the Southern United States and the Caribbean. In March 2010, Sky reached an agreement with a subsidiary of Intelsat to lease 24 transponders on the Intelsat IS-21 satellite which is mainly used for signal reception and retransmission services over the satellite's estimated 15-year service life. IS-21 started service in the third quarter of 2012, replacing Intelsat IS-9 as Sky's primary transmission satellite. In April 2010, Intelsat released the IS-16 satellite, where Sky has an additional twelve transponders to deliver new DTH-HD channels and more DTH SD channels; this satellite is also a back-up satellite for our DTH venture operations. For a description of guarantees related to our DTH venture transponder obligations, see Note 14 to our consolidated year-end financial statements.

Since 1996, we have been working with PanAmSat (now Intelsat) as our satellites services provider, which provided to the Company five Ku band transponders on Satellite PAS-3R, three of which were intended to be for DTH to Spain. We were required to pay an annual fee for each transponder of U.S. $3.1 million. Due to an exchange with three of five 54 MHz Ku Band transponders, until April 2, 2016, we had capacity on two 36 MHz C band transponders on Galaxy 16.

In December 2005, we signed an extension with PanAmSat, for the use of three transponders on the PAS-3R satellite until 2009 and 2012 and two transponders on the Galaxy IVR (replaced by Galaxy 16) satellite until 2016. In October 2015, we signed a new contract with SES S.A. until June 2019 for the replacement of two transponders of Galaxy 16. The new contract included three transponders and a full service migration to the new satellite, AMC-9. On June 17, 2017, AMC-9 experienced a technical issue that impacted the satellite and thus, we entered into a new contract until June 30, 2022 to transition the full service of 147 MHz to Intelsat's satellites, Galaxy 16 and Galaxy 19. In December 2021, we renegotiated and renewed the contracts for the four transponders (147MHz) with Intelsat, which expire on June 30, 2026.

In February 2007, Intelsat renamed some of its satellite fleet acquired with its 2006 merger with PanAmSat: current names for PAS-9 and PAS-3R are IS-9 and IS-3R, respectively. Intelsat kept the name of Galaxy 16. In December 2007, Sky and Sky Brasil reached an agreement with Intelsat Corporation and Intelsat LLC to build and launch a new 24-transponder satellite, IS-16, for which service will be dedicated to Sky and Sky Brasil over the satellite's estimated 15-year life. The satellite was successfully launched in February 2010 and started operations in April 2010. In the third quarter of 2013, Sky entered into an agreement with DirecTV for the acquisition and launch of the SM-1 satellite, which was successfully launched in May 2015 and started operations on June 2015. See Note 12 to our consolidated year-end financial statements.

In August 2009, the contract on two remaining transponders of the IS-3R satellite expired (end of life of the satellite). We negotiated a new contract for the transponder on the IS-905 satellite until August 31, 2015, for the distribution of our content in Europe. In September 2015, the contract was renewed with Intelsat until August 2018. Migration from IS-905 to IS-35e took place from June to August 2018, and we renewed the contract with Intelsat from November 1, 2018 until October 31, 2021. We negotiated a new contract with Eutelsat and migrated from IS-35e to Eutelsat E9B. The new contract expires on December 31, 2024.

We have renewed the contract with Intelsat for Satellite PAS-3R referred as PAS-11 until November 30, 2022, which is the end of the satellite's life, and renewed satellite IS-34 until November 30, 2025. The migration will start several months before the end of the existing contract.

In February 2012, we renewed the contract with Satélites Mexicanos, S.A. de C.V., or Satmex, on Satmex 5 until January 31, 2015. In March 2014, Satélites Mexicanos, S.A. de C.V. was renamed Eutelsat Americas, as a part of Eutelsat Group. In February 2015, we renewed our contracts with Eutelsat Americas until January 2018, and also contracted for a new transponder on Eutelsat 117 West A from April 2015 until March 2018. In February and April 2018, we renewed our contracts with Eutelsat America until December 2022. In January 2019, we contracted for a new transponder on Eutelsat 117 West A from January 2019 until December 2021. In August 2020, we renegotiated and renewed the contracts for the three transponders with Eutelsat America until December 2024.

On November 15, 2016, we contracted a half transponder on SES NSS-806 until January 31, 2018. On September 5, 2018, SES NSS-806 was replaced with SES-14 and the contract was renewed with SES until January 31, 2019. On February 1, 2019, the contract with SES was renewed until January 31, 2020. In this renewal, the bandwidth was decreased from 18 MHz to 6 MHz. On February 1, 2020, the contract was renewed with SES until January 31, 2021. On February 1, 2021, the contract was renewed with SES until January 31, 2022. The bandwidth remained at 6 MHz. On February 1, 2022, this contract was renewed with SES until January 31, 2023, with the bandwidth under the contract remaining at 6 MHz.

With several new domestic and international satellites having been launched recently, and with several others scheduled for launch in the next few years, including those scheduled for launch by Intelsat, Eutelsat Americas (formerly Satmex) and SES, we believe that we will be able to secure satellite capacity to meet our needs in the future, although no assurance can be given in this regard.

Insurance. We maintain comprehensive insurance coverage for our offices, equipment, transmission lines networks and other property for risks including fire, earthquake, flooding, storm, and other similar events and the resulting business interruption losses, subject to some limitations. In addition, we maintain a cyber-insurance policy that covers certain types of cyber-related losses. We do not maintain insurance for our DTH business in case of loss of satellite transmission. We cannot provide any assurance that our insurance coverage is sufficient to cover any losses that we may sustain, or that we will be able to successfully claim our losses under our insurance policies on a timely basis or at all. If we incur any loss not covered by our insurance policies, or the compensated amount is significantly less than our actual loss or is not timely paid, our business, financial condition and results of operations could be materially and adversely affected.

Item 5. Operating and Financial Review and Prospects.

You should read the following discussion together with our consolidated year-end financial statements and the accompanying notes, which appear elsewhere in this annual report. This annual report contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this annual report, particularly in "Key Information—Risk Factors". See "Key Information—Forward-Looking Statements" for further discussion of the risks and uncertainties inherent in forward-looking statements. In addition to the other information in this annual report, investors should consider carefully the following discussion and the information set forth under "Key Information—Risk Factors" before evaluating us and our business.

COVID-19 Impact

For the quarter ended March 31, 2022, the financial crisis caused by the COVID-19 pandemic still had a negative effect on our business, financial position and results of operations and it is currently difficult to predict the degree of the impact in the future.

We cannot guarantee that conditions in the bank lending, capital and other financial markets will not continue to deteriorate as a result of the pandemic, or that our access to capital and other sources of funding will not become constrained, which could adversely affect the availability and terms of future borrowings, renewals or refinancings. In addition, the deterioration of global economic conditions as a result of the pandemic may ultimately reduce the demand of our products across our segments as our clients and customers reduce or defer their spending.

Although vaccination efforts have continued, the Mexican Government is still implementing its plan to reactivate economic activities in accordance with color-based phases determined in every state of the country. Most non-essential economic activities are open, and there are some limitations in place with respect to capacity and hours of operation. Notwithstanding the foregoing, during the quarter ended March 31, 2022, this has affected, and is still affecting, the ability of our employees, suppliers and customers to conduct their functions and businesses in their typical manner.

As of the date of this report, given that it is considered an essential economic activity, we have continued operating our telecommunications business uninterrupted to continue benefiting the country with connectivity and information.

In our Other Businesses segment, sporting and other entertainment events for which we have broadcast rights, or which we organize, promote and/or are located in venues we own, are operating with some restrictions and taking the corresponding sanitary measures, and to date all of our casinos have resumed operations with reduced capacity and hours of operation, with some casinos closing and reopening in regions with a higher number of COVID-19 cases, as mandated by the authorities. Local authorities may impose additional rules, including restrictions on capacity and operating hours, which may affect the results of our Other Businesses segment in the following months.

In addition, the authorities may impose restrictions on non-essential activities, including but not limited to temporary shutdowns or additional guidelines, which could be expensive or burdensome to implement, and which may affect our operations.

The magnitude of the impact on our business will depend on the duration and extent of the COVID-19 pandemic and the impact of federal, state, local and foreign governmental actions, including continued or future social distancing, and consumer behavior in response to the COVID-19 pandemic and such governmental actions. Due to the evolving and uncertain nature of this situation, we are not able to estimate the full extent of the impact of the COVID-19 pandemic, but it may continue affecting our business, financial position and results of operations over the near, medium or long-term.

TelevisaUnivision Transaction

On January 31, 2022, we and Univision Holdings, Inc., or UHI, announced the consummation of the TelevisaUnivision Transaction with UHI and, for the limited purposes set forth in the transaction agreement (the "2021 Transaction Agreement"), affiliates of Searchlight Capital Partners, LP ("Searchlight"), ForgeLight LLC ("ForgeLight") and Liberty Global plc, through its venture investment vehicle ("Liberty Global"), pursuant to which, among other things, we contributed our Content business (other than certain assets relating to our news business, real estate and Mexican over-the-air broadcast concessions) to UHI.

In consideration for the contribution of our Content business, we received approximately U.S. $4.5 billion in a combination of cash (U.S. $3.0 billion) and U.S. $1.5 billion of common and preferred shares of TelevisaUnivision excluding closing consideration adjustments. In addition, the Company and Univision have entered into commercial arrangements pursuant to which the Company will receive additional consideration valued at approximately U.S. $300 million in the aggregate. As a result of the TelevisaUnivision Transaction, we own an approximately 45% equity interest in TelevisaUnivision on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options). Our investment in TelevisaUnivision is currently held in the form of shares of common stock and convertible preferred stock. The value of the common stock and preferred stock of TelevisaUnivision, neither of which are publicly traded, will fluctuate and could materially increase or decrease the value of our investment.

As a result of the completion of the TelevisaUnivision Transaction, our cash and cash equivalents increased by U.S. $3.2 billion, and our investment in common and preferred shares of TelevisaUnivision increased by U.S. $1.5 billion. In addition, during the first quarter of 2022, we recognized: (i) a preliminary consideration of U.S.$3.2 billion in cash, U.S.$750 million in Class A common stock of TelevisaUnivision, and U.S.$750 million in Series B participating preferred stock of TelevisaUnivision, with an annual cumulative dividend of 5.5%; (ii) a preliminary income from discontinued operations in the amount of Ps.54,765.4 million, net of income taxes; and (iii) an increase in our share in TelevisaUnivision from 35.5% to 45.0% on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options). Also, beginning in the first quarter of 2022, we began to present the results of our disposed businesses as discontinued operations in our consolidated statements of income for any prior period presented for comparative purposes and for the month ended January 31, 2022. These effects were partially offset in our consolidated statement of income by a reduction in our consolidated operating income resulting primarily from the disposal of our Content business segment. As a result of the completion of the TelevisaUnivision Transaction, we will no longer consolidate the results of our Content business segment. The following discussion is a historical presentation of our financial statements and does not reflect the impact of the TelevisaUnivision Transaction.

Preparation of Financial Statements

As required by regulations issued by *Comisión Nacional Bancaria y de Valores*, or the Mexican Banking and Securities Commission, for listed companies in Mexico, our financial information is presented in accordance with the IFRS as issued by the IASB for financial reporting purposes.

	Year Ended December 31,		
	2021	2020	2019
	(Millions of Pesos)[1]		
Net sales	Ps. 103,521.8	Ps. 97,361.6	Ps. 101,757.2
Cost of sales	59,561.5	56,989.6	59,067.4
Selling expenses	10,460.2	10,366.6	11,099.0
Administrative expenses	13,710.8	12,713.7	13,269.2
Other income (expense), net	2,388.0	233.7	(1,316.6)
Operating income	22,177.3	17,525.4	17,005.0
Finance expense, net	11,748.6	6,255.0	8,810.8
Share of income (loss) of joint ventures and associates, net	3,671.9	(5,739.7)	581.1
Income taxes	6,745.8	5,227.9	2,668.5
Net income	7,354.8	302.8	6,106.8
Net income attributable to non-controlling interests	1,299.0	1,553.1	1,480.7
Net income (loss) attributable to stockholders of the Company	Ps. 6,055.8	Ps. (1,250.3)	Ps. 4,626.1

(1) Certain data set forth in the table above may vary from the corresponding data set forth in our consolidated statements of income for the years ended December 31, 2021, 2020 and 2019 included in this annual report due to differences in rounding.

Results of Operations

For segment reporting purposes, our consolidated cost of sales, selling expenses and administrative expenses for the years ended December 31, 2021, 2020 and 2019 exclude corporate expenses and depreciation and amortization, which are presented as separate line

items. The following table sets forth the reconciliation between our operating segment income and the consolidated operating income according to IFRS:

	Year Ended December 31,		
	2021	2020	2019
	(Millions of Pesos)[1]		
Net sales[2]	Ps. 103,521.8	Ps. 97,138.3	Ps. 100,915.8
Cost of sales[2][3]	59,561.5	40,423.1	43,141.9
Selling expenses[2][3]	10,460.2	8,854.6	9,279.5
Administrative expenses[2][3]	13,710.8	7,421.2	7,534.5
Intersegment operations[4]	64.4	71.5	72.2
Operating segment income	**43,475.5**	**40,510.9**	**41,032.1**
Corporate expenses	2,203.5	1,882.9	1,888.4
Depreciation and amortization	21,418.3	21,260.8	21,008.8
Other income (expense), net	2,388.0	233.7	(1,316.6)
Intersegment operations[4]	(64.4)	(71.5)	(72.2)
Disposed operations[2]	—	(4.0)	258.9
Operating income	**Ps. 22,177.3**	**Ps. 17,525.4**	**Ps. 17,005.0**

(1) Certain data set forth in the table above may vary from the corresponding data set forth in our consolidated statements of income for the years ended December 31, 2021, 2020 and 2019 included in this annual report due to differences in rounding.

(2) The sale of the Company's Radio Business was concluded on July 2, 2020. Accordingly, the net sales, cost of sales, operating expenses and the operating segment income associated with the Radio Business, which was part of the Company's Other Businesses segment, are presented separately as disposed operations for the years ended December 31, 2020 and 2019.

(3) Excluding corporate expenses and depreciation and amortization.

(4) As a result of the adoption of IFRS 16 Leases ("IFRS 16"), intersegment operations related to intercompany leases were not eliminated on the Operating Segment Income level.

The following table sets forth our segment net sales data for the indicated periods as a percentage of total segment net sales:

	Year Ended December 31,[1]		
Segment Net Sales	2021	2020	2019
Cable	43.3 %	43.5 %	39.2 %
Sky	19.8	21.2	20.1
Content	32.4	31.2	33.0
Other Businesses	4.5	4.1	7.7
Total segment net sales	100.0 %	100.0 %	100.0 %
Intersegment operations	(6.8)	(6.9)	(5.1)
Disposed operations	—	0.2	0.8
Total consolidated net sales	93.2 %	93.3 %	95.7 %

The following table sets forth our consolidated operating income as a percentage of our total consolidated net sales:

	Year Ended December 31,[1]		
	2021	2020	2019
Net Sales			
Cost of sales[2]	41.0 %	41.7 %	42.8 %
Selling expenses[2]	9.2	9.1	9.2
Administrative and corporate expenses[2]	10.0	9.6	9.3
Depreciation and amortization	20.7	21.8	20.7
Other (income) expense, net	(2.3)	(0.2)	1.3
Consolidated operating income	21.4	18.0	16.7
Total consolidated net sales	100.0 %	100.0 %	100.0 %

(1) Certain segment data set forth in these tables may vary from the corresponding data set forth in our consolidated year-end financial statements due to differences in rounding. The segment net sales and total segment net sales data set forth in this annual report include sales from intersegment operations in all periods presented. See Note 26 to our consolidated year-end financial statements.

(2) Excluding depreciation and amortization.

Summary of Business Segment Results

The following tables set forth the net sales and operating segment income of each of our reportable business segments and intersegment operations, corporate expenses, depreciation and amortization, other income (expense), net and disposed operations for the years ended December 31, 2021, 2020 and 2019. Reportable segments are those that are based on our method of internal reporting to senior management for making operating decisions and evaluating performance of operating segments, and certain qualitative, grouping and quantitative criteria. As of December 31, 2021, we classified our operations into four business segments: Cable, Sky, Content and Other Businesses.

	Year Ended December 31,		
	2021	2020	2019
	(Millions of Pesos)[1]		
Segment Net Sales			
Cable	Ps. 48,020.9	Ps. 45,367.1	Ps. 41,702.0
Sky	22,026.6	22,134.7	21,347.1
Content	35,941.9	32,613.0	35,060.5
Other Businesses[2]	5,029.1	4,276.0	8,200.3
Total Segment Net Sales	111,018.5	104,390.8	106,309.9
Intersegment Operations[1]	(7,496.7)	(7,252.5)	(5,394.1)
Disposed Operations[2]	—	223.3	841.4
Total Consolidated Net Sales	Ps. 103,521.8	Ps. 97,361.6	Ps. 101,757.2
Operating Segment Income			
Cable	Ps. 20,285.0	Ps. 18,898.3	Ps. 17,797.6
Sky	8,504.2	9,135.3	9,121.2
Content	13,779.0	12,360.8	12,649.1
Other Businesses[2]	907.3	116.5	1,464.2
Total Operating Segment Income[3]	43,475.5	40,510.9	41,032.1
Corporate Expenses[3]	(2,203.5)	(1,882.9)	(1,888.4)
Depreciation and Amortization[3]	(21,418.3)	(21,260.8)	(21,008.8)
Other Income (Expense), net	2,388.0	233.7	(1,316.6)
Intersegment Operations[4]	(64.4)	(71.5)	(72.2)
Disposed Operations[2]	—	(4.0)	258.9
Consolidated Operating Income[5]	Ps. 22,177.3	Ps. 17,525.4	Ps. 17,005.0

(1) Certain segment data set forth in these tables may vary from the corresponding data set forth in our consolidated year-end financial statements due to differences in rounding. The segment net sales and total segment net sales data set forth in this annual report include sales from intersegment operations in all years presented. See Note 26 to our consolidated year-end financial statements.

(2) The sale of the Company's Radio business was concluded on July 2, 2020. Accordingly, the net sales and the operating segment income associated with the Radio business, which was part of the Company's Other Businesses segment, are presented separately as disposed operations for the years ended December 31, 2020 and 2019.

(3) The total operating segment income data set forth in this annual report do not include corporate expenses nor depreciation and amortization in any year presented, but are presented herein to facilitate the discussion of segment results.

(4) As a result of the adoption of IFRS 16, intersegment operations related to intercompany leases were not eliminated on the Operating Segment Income level.

(5) Consolidated operating income reflects corporate expenses, depreciation and amortization, other income (expense), net, intersegment operations and disposed operations in the years presented. See Note 26 to our consolidated year-end financial statements.

Seasonality

Our results of operations are seasonal. We typically recognize a disproportionately large percentage of our overall consolidated net sales (principally advertising) in the fourth quarter in connection with the holiday shopping season. For example, in 2021, 2020 and 2019, we recognized 27.8%, 28.5% and 27.8%, respectively, of our consolidated net sales in the fourth quarter of the year. Our costs, in contrast to our revenues, are more evenly incurred throughout the year and generally do not correlate to the amount of advertising sales.

Preponderant Economic Agent Status

For a discussion of the consequences regarding IFT's March 6, 2014 decision determining that we, together with other entities with concessions to provide broadcast television, are preponderant economic agents in the broadcasting sector in Mexico see "Key Information—Risk Factors—Risk Factors Related to Mexico—The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments". For a discussion regarding the opportunities and options for us as a result of IFT's determination that *Grupo Carso, S.A.B de C.V., Grupo Financiero Inbursa, S.A.B. de C.V.*, and other entities are preponderant economic agents in the telecommunications market in Mexico see "Information on the Company— Business Overview—Business Strategy —Expanding our Business in the Mexican Telecommunications Markets by Taking Advantage of the Telecom Reform and Implementing Legislation".

Results of Operations for the Year Ended December 31, 2021 Compared to the Year Ended December 31, 2020

Total Segment Results

Net Sales

Net sales increased by Ps.6,160.2 million, or 6.3%, to Ps.103,521.8 million for the year ended December 31, 2021 from Ps.97,361.6 million for the year ended December 31, 2020. This increase was due to revenue growth in the Content, Cable and Other Businesses segments, which was partially offset by a decrease in revenues in our Sky segment.

Cost of Sales

Cost of sales increased by Ps.1,833.9 million, or 4.5%, to Ps.42,429.2 million for the year ended December 31, 2021 from Ps.40,595.3 million for the year ended December 31, 2020. This increase was mainly due to higher costs in our Content, Cable and Sky segments.

Selling Expenses

Selling expenses increased by Ps.587.9 million, or 6.6%, to Ps.9,480.5 million for the year ended December 31, 2021 from Ps.8,892.6 million for the year ended December 31, 2020. This increase was attributable to higher selling expenses in our Content, Sky and Cable segments.

Administrative and Corporate Expenses

Administrative and corporate expenses increased by Ps.1,083.3 million, or 11.6%, to Ps.10,404.5 million for the year ended December 31, 2021 from Ps.9,321.2 million for the year ended December 31, 2020. The increase mainly reflects higher administrative expenses in our Cable and Content segments.

Corporate expenses increased by Ps.320.6 million, or 17.0%, to Ps.2,203.5 million in 2021, from Ps.1,882.9 million in 2020. This increase was due to increased expenses associated with our employee profit sharing program.

Share-based compensation expense in 2021 and 2020 amounted to Ps.1,088.4 million and Ps.984.4 million, respectively, and was accounted for as corporate expense. Share-based compensation expense is measured at fair value at the time the equity benefits are conditionally sold to officers and employees, and is recognized over the vesting period.

Cable

Cable net sales are derived from the provision of cable and telecommunication services, as well as advertising sales. Net sales relating to pay-TV services generally consist of monthly subscription fees for basic and premium service packages, fees charged for pay-per-view programming and, to a significantly lesser extent, monthly rental and one-time installation fees, broadband internet and telephone services subscription. The voice and data business derives revenues from providing data and long-distance services solutions to carriers and other telecommunications service providers through its fiber-optic network. Net sales relating to pay-TV advertising consist of revenues from the sale of advertising on Cablevisión, Cablemás, TVI, Cablecom and Telecable. Rates are based on the day and time the advertising is aired, as well as the type of programming in which the advertising is aired. Pay-TV subscription and advertising rates are adjusted periodically in response to inflation and in accordance with market conditions.

Cable net sales, representing 43.3% and 43.5% of our segment net sales for the years ended December 31, 2021 and 2020, respectively, increased by Ps.2,653.8 million, or 5.8%, to Ps.48,020.9 million for the year ended December 31, 2021 from Ps.45,367.1 million for the year ended December 31, 2020.

Total revenue generating units or RGUs reached 14.6 million. Total net additions for the year were approximately 501.3 thousand.

Cable operating segment income increased by Ps.1,386.7 million, or 7.3%, to Ps.20,285.0 million for the year ended December 31, 2021 from Ps.18,898.3 million for the year ended December 31, 2020, and the margin reached 42.2%.

These favorable variances were partially offset by higher broadband, commissions and personnel costs and expenses.

The following table sets forth the breakdown of RGUs per service type for our Cable segment as of December 31, 2021 and 2020.

	2021	2020
Video	**4,166,460**	**4,284,682**
Broadband (data)	**5,649,102**	**5,430,859**
Voice	**4,617,265**	**4,296,530**
Mobile	**156,051**	**75,515**
RGUs	**14,588,878**	**14,087,586**

Sky

Sky net sales are primarily derived from program services, activation fees and equipment rental to subscribers, national advertising sales and broadband internet services, and as of 2019 it provides telephone services to its subscribers.

Sky net sales, representing 19.8% and 21.2% of our segment net sales for the years ended December 31, 2021 and 2020, respectively, decreased by Ps.108.1 million, or 0.5%, to Ps.22,026.6 million for the year ended December 31, 2021 from Ps.22,134.7 million for the year ended December 31, 2020. This decrease was due to the decrease in the number of video RGUs as a result of the post-pandemic slowdown.

Total net additions for the year were approximately 22.1 thousand RGUs. This growth was mainly driven by 91.6 thousand broadband and mobile net additions; and was partially offset by a decrease of 69.2 thousand in video RGUs. In addition, Sky closed the year with 175,225 video RGUs in Central America and the Dominican Republic.

The following table sets forth the breakdown of RGUs per service type for Sky as of December 31, 2021 and 2020.

	2021	2020
Video	**7,408,075**	**7,477,294**
Broadband (data)	**727,226**	**665,907**
Voice	**601**	**892**
Mobile	**30,266**	**—**
RGUs	**8,166,168**	**8,144,093**

Sky operating segment income decreased by Ps.631.1 million, or 6.9%, to Ps.8,504.2 million for the year ended December 31, 2021 from Ps.9,135.3 million for the year ended December 31, 2020, and the margin was 38.6%. The decrease in operating segment income was due to the decrease in revenues and an increase in programming, broadband, and special events costs.

Content

We categorize our sources of revenue in our Content segment as follows:

- Advertising,
- Network Subscription, and
- Licensing and Syndication.

Given the cost structure of our Content segment, operating segment income is reported as a single line item.

The Advertising revenue is derived primarily from the sale of advertising time on our television broadcast operations, which include the production of television programming and broadcasting of Channels 2, 4, 5 and 9 (“television networks”), as well as the sale of advertising time on programs provided to pay television companies in Mexico and in our internet business, and the production of television programming and broadcasting for local television stations in Mexico. The broadcasting of television networks is performed by television repeater stations in Mexico which are wholly-owned, majority-owned or minority-owned by the Group or otherwise affiliated with our networks.

The Network Subscription revenue is derived from domestic and international programming services provided to independent cable television systems in Mexico and our DTH satellite and cable television businesses. These programming services for cable and pay-per-view television companies are provided in Mexico, other countries in Latin America, the United States and Europe. The programming services consist of both programming produced by us and programming produced by third parties. As discussed above, beginning on January 31, 2022, we are no longer engaged in the Content business operations as a result of the closing of the TelevisaUnivision Transaction.

The Licensing and Syndication revenue is derived from international program licensing and syndication fees. Our television programming is licensed and syndicated to customers abroad, including Univision.

The following table presents net sales and operating segment income in our Content segment, and the percentage of change when comparing 2021 with 2020:

	Year Ended December 31,		Change
	2021	2020	
	(Millions of Pesos)		(%)
Net Sales			
Advertising	Ps. 19,162.0	Ps. 16,349.8	17.2 %
Network Subscription Revenue	5,390.8	5,466.2	(1.4)%
Licensing and Syndication	11,389.1	10,797.0	5.5 %
Total Net Sales	**Ps. 35,941.9**	**Ps. 32,613.0**	**10.2 %**
Operating Segment Income	**Ps. 13,779.0**	**Ps. 12,360.8**	**11.5 %**

Content net sales, representing 32.4% and 31.2% of our total segment net sales for the years ended December 31, 2021 and 2020, respectively, increased by Ps.3,328.9 million, or 10.2%, to Ps.35,941.9 million for the year ended December 31, 2021 from Ps.32,613.0 million for the year ended December 31, 2020.

Advertising revenue increased by 17.2%. The increase in sales is due to increased marketing activity and advertising spending across all major categories as a result of the recovery of the economy.

Network Subscription Revenue decreased by 1.4%. The marginal decrease is mainly related to the unfavorable impact of the appreciation of the Mexican peso on our dollar-denominated revenues.

Licensing and Syndication revenue increased by 5.5%. The increase was due to higher royalties from Univision by 10.1%, reaching U.S.$417.8 million dollars in 2021 from U.S.$379.6 million dollars in 2020.

Content operating segment income increased by Ps.1,418.2 million, or 11.5%, to Ps.13,779.0 million for the year ended December 31, 2021 compared with Ps.12,360.8 million for the year ended December 31, 2020. The margin was 38.3%. This increase was due to the increase in net sales, which was partially offset by an increase in production costs commission and personnel expenses.

Advertising Rates and Sales

Our sales force is organized into separate teams, each of which focuses on groups of clients, in order to provide multi-platform offers that include free-to-air television, pay television, local stations and digital services. In 2018, we began billing our clients on a cost-per-rating-point basis rather than on a fixed pricing scheme. Most of our sales were made through “Modular 2.0” or “packages” that have a pre-determined allocation through national channels and dayparts through which we optimize the use of our inventory while committing to deliver certain amounts of gross rating points. The majority of our sales were made through these mechanisms. This strategy remained largely unchanged in 2019.

In 2020, we began billing our clients on a cost-per-thousand, or CPM, basis rather than a cost-per-rating-point basis, while keeping the Modular 2.0 Strategy. In addition to this change, we also aligned prices and reduced the number of target audiences that could be requested by clients. In order to have additional time to explain these changes to advertisers, we also changed the closing period for the upfront option to the first quarter of 2020, instead of the end of 2019, as in previous years. As a result, it took us a longer time to close the up front negotiations and the advertising revenues for the first quarter of 2020 were also negatively impacted.

We sell commercial time in two ways: upfront and on a scatter basis. Advertisers that elected the upfront option locked in prices on a cost-per-rating-point basis in 2019, and in 2020 on a cost-per-thousand, or CPM, basis for most of our commercial inventory for the upcoming year, regardless of future price changes. Advertisers that choose the upfront option make annual prepayments, in cash or short-term notes, and are charged lower rates than those charged on a scatter basis for their commercial time, given the highest priority in schedule placement, and given a first option in advertising during special programs. Scatter advertisers, or advertisers who choose not to make upfront payments but rather advertise from time to time, risk both higher prices and limited access to choose commercial time slots.

We sold approximately 55%, 42% and 54% of total available national advertising time on our networks during prime time broadcasts in 2019, 2020 and 2021, respectively, and approximately 49%, 40% and 49% of total available national advertising time during all time periods in 2019, 2020 and 2021 respectively. Television broadcasting advertising time that is not sold to the public is primarily used to satisfy our legal obligation to the Mexican government to provide Official Television Broadcast Time and to promote, among other things, our products.

We moved the closing of the 2022 and 2021 up-front plans from the last quarter of 2021 and 2020 to the first months of 2022 and 2021, respectively. In light of this change, the results cannot be compared to those obtained in previous years. As of April 2022 and 2021, we and TelevisaUnivision had received Ps.15,068 million and Ps.14,525 million, respectively, of advertising deposits and advances for advertising time in all of our Content platforms and in other segments, and we are still in negotiations with some clients. As of April 2022 and 2021, we and TelevisaUnivision had collected 21% and 30%, respectively, of these amounts. The rest is in the form of short-term, non-interest bearing notes. The weighted average maturity of these notes as of April 2022 and 2021 was 4.0 months for both periods.

Other Businesses

Other Businesses net sales are primarily derived from the promotion of sports and special events in Mexico, the distribution of feature films, gaming, publishing and publishing distribution.

Other Businesses net sales, representing 4.5% and 4.1% of our segment net sales for the years ended December 31, 2021 and 2020, respectively, increased by Ps.753.1 million, or 17.6%, to Ps.5,029.1 million for the year ended December 31, 2021 from Ps.4,276.0 million for the year ended December 31, 2020. This increase was due mainly to our gaming and sports and special events businesses; and was partially offset by a decrease in our distribution of feature films business.

Other Businesses operating segment income increased by Ps.790.8 million, or 678.8%, to Ps.907.3 million for the year ended December 31, 2021 from Ps.116.5 million for the year ended December 31, 2020. This increase was primarily due to the increase in net sales as well as lower costs and expenses in our publishing and publishing distribution businesses.

The sale of the Company's Radio business was concluded on July 2, 2020. Accordingly, the net sales and the operating segment income associated with the Radio business, which was part of the Company's Other Businesses segment, are presented separately as disposed operations for the year ended December 31, 2020.

Depreciation and Amortization

Depreciation and amortization expense increased by Ps.157.5 million, or 0.7%, to Ps.21,418.3 million for the year ended December 31, 2021 from Ps.21,260.8 million for the year ended December 31, 2020. This change primarily reflected an increase in depreciation and amortization expense in our Sky and Cable segments.

Other Income or Expense, Net

Other income or expense, net, increased by Ps.2,154.3 million to other income, net of Ps.2,388.0 million for the year ended December 31, 2021, from other income, net of Ps.233.7 million for the year ended December 31, 2020. This increase reflected primarily by a Ps.4,547.0 million pre-tax gain on the disposition of our former 40% equity stake in Ocesa Entretenimiento, S.A. de C.V. This pre-tax gain was partially offset by: (i) increased expenses related to a legal and financial advisory and professional services; (ii) accrued expenses related to the TelevisaUnivision Transaction; (iii) surcharges resulting from payments made in 2021 by three companies in our Cable, Sky and Content segments for income taxes for prior years; (iv) an increase in impairment adjustments primarily in connection with goodwill, intangible assets and property and equipment in our Other Businesses segment; (v) a higher non-recurring severance expense in connection with dismissals of personnel in the Content and Cable segments; (vi) the absence in 2021 of a Ps.932.4 million pre-tax gain on disposition of our 50% equity stake in our former Radio business, which sale was concluded in July, 2020; and (vii) the absence in 2021 of a Ps.167.6 million one-time cash reimbursement in the second quarter of 2020, in connection with a legal outcome favorable to our former associate, Imagina Media Audiovisual, S.L.

Non-operating Results

Finance Income or Expense, Net

Finance income or expense, net, significantly impacts our consolidated financial statements in periods of currency fluctuations. Under IFRS, finance income or expense, net, reflects:

- interest expense;
- interest income;
- foreign exchange gain or loss attributable to monetary assets and liabilities denominated in foreign currencies; and
- other finance income or expense, net, including gains or losses from derivative instruments.

Our foreign exchange position is affected by our assets or liabilities denominated in foreign currencies, primarily U.S. dollars. We record a foreign exchange gain or loss if the exchange rate of the Peso to the other currencies in which our monetary assets or liabilities are denominated varies.

Finance expense, net, increased by Ps.5,493.6 million to Ps.11,748.6 million for the year ended December 31, 2021, from Ps.6,255.0 million for the year ended December 31, 2020. This increase reflected primarily: (i) a Ps.5,055.0 million unfavorable change in foreign exchange gain or loss, net, resulting primarily from a 2.8% depreciation of the Mexican peso against the U.S. dollar for the year ended December 31, 2021, on a higher U.S. dollar average net liability position in 2021, compared with an average appreciation of the Mexican peso against the U.S. dollar during the year ended December 31, 2020; (ii) a Ps.512.8 million decrease in interest income, primarily due to a lower average amount of cash equivalents; and (iii) a Ps.1,272.5 million unfavorable change in other finance income or expense, net, resulting primarily from changes in fair value of our derivative contracts. These unfavorable variances were partially offset by a Ps.1,346.7 million decrease in interest expense, primarily due to a lower average principal amount of long-term debt in 2021.

Share of Income or Loss of Associates and Joint Ventures, Net

This line item reflects our equity participation in the operating results and net assets of unconsolidated businesses in which we maintain an interest, but which we do not control. We recognize equity in losses of associates and joint ventures up to the amount of our initial investment, subsequent capital contributions and long-term loans, or beyond that amount when we have made guaranteed commitments in respect of obligations incurred by associates and joint ventures.

Share of income or loss of associates and joint ventures, net, changed by Ps.9,411.6 million, to a share of income of Ps.3,671.9 million in 2021, from a share of loss of Ps.5,739.7 million in 2020. This favorable change reflected mainly (i) the absence of a Ps.5,455.4 million impairment adjustment to the carrying value of our investment in shares of UHI as of March 31 of 2020; (ii) a reversal of a loss impairment made in the second half of 2021 in the amount of Ps.4,161.7 million, in connection with the impairment adjustment recognized in 2020 to the carrying amount of our investment in shares of Univision Holdings II, Inc. (“UH II”) (UHI through May 18, 2021); and (iii) a lower share of loss of OCEN, in which we maintained a 40% interest and disposed of in December, 2021.

Income Taxes

Income taxes increased by Ps.1,517.9 million, or 29.0%, to Ps.6,745.8 million in 2021, compared with Ps.5,227.9 million in 2020. This increase reflected mainly a higher effective income tax rate, primarily in connection with (i) an inflationary tax gain in some of our companies resulting primarily from a higher inflation in 2021 (7.4% in 2021 compared to 3.2% in 2020); (ii) additional income taxes from prior years paid by three of our companies, resulting from assessments made by the Mexican tax authority in the second and third quarters of 2021; (iii) a partial write-off of a deferred income tax asset recognized in 2014, as result of an assessment made by the Mexican tax authority in the first quarter of 2022; and (iv) income taxes paid in 2021 from gains on sales of shares and property among some of our companies in conjunction with reorganization activities contemplated by the 2021 Transaction Agreement.

The Mexican corporate income tax rate was 30% in each of 2021, 2020 and 2019, and will be 30% in 2022.

Net Income Attributable to Non-controlling Interests

Net income attributable to non-controlling interests reflects that portion of operating results attributable to interests held by third parties in businesses, which are not wholly-owned by us, including our Cable and Sky segments.

Net income attributable to non-controlling interests decreased by Ps.254.1 million, or 16.4%, to Ps.1,299.0 million in 2021, compared with Ps.1,553.1 million in 2020. This decrease reflected primarily a lower portion of net income attributable to non-controlling interests in our Sky and Cable segments.

Net Income or Loss Attributable to Stockholders of the Company

Net income or loss attributable to stockholders of the Company amounted to a net income of Ps.6,055.8 million for the year ended December 31, 2021, compared with a net loss of Ps.1,250.3 million for the year ended December 31, 2020. The favorable net change of Ps.7,306.1 million, reflected:

- a Ps.9,411.6 million favorable change in share of income or loss of associates and joint ventures, net;
- a Ps.2,655.1 million increase in income before depreciation and amortization;
- a Ps.2,154.3 million increase in other income, net; and
- a Ps.254.1 million decrease in net income attributable to non-controlling interests.

These changes were partially offset by:

- a Ps.5,493.6 million increase in finance expense, net;
- a Ps.1,517.9 million increase in income taxes; and
- a Ps.157.5 million increase in depreciation and amortization.

Results of Operations for the Year Ended December 31, 2020
Compared to the Year Ended December 31, 2019

Total Segment Results

Net Sales

Net sales decreased by Ps.4,395.6 million, or 4.3%, to Ps.97,361.6 million for the year ended December 31, 2020 from Ps.101,757.2 million for the year ended December 31, 2019. This decrease was due to revenue decline in the Other Businesses and Content segments.

Cost of Sales

Cost of sales decreased by Ps.2,968.3 million, or 6.8%, to Ps.40,595.3 million for the year ended December 31, 2020 from Ps.43,563.6 million for the year ended December 31, 2019. This decrease was due to lower costs in our Content and Other Businesses segments.

Selling Expenses

Selling expenses decreased by Ps.510.8 million, or 5.4%, to Ps.8,892.6 million for the year ended December 31, 2020 from Ps.9,403.4 million for the year ended December 31, 2019. This decrease was attributable to lower selling expenses in our Sky and Other Businesses segments.

Administrative and Corporate Expenses

Administrative and corporate expenses decreased by Ps.138.6 million, or 1.5%, to Ps.9,321.2 million for the year ended December 31, 2020 from Ps.9,459.8 million for the year ended December 31, 2019. The decrease reflects lower administrative expenses in our Content and Other Businesses segments.

Corporate expenses decreased by Ps.5.5 million, or 0.3%, to Ps.1,882.9 million in 2020, relatively flat when compared with Ps.1,888.4 million in 2019.

Share-based compensation expense in 2020 and 2019 amounted to Ps.984.4 million and Ps.1,129.6 million, respectively, and was accounted for as corporate expense. Share-based compensation expense is measured at fair value at the time the equity benefits are conditionally sold to officers and employees, and is recognized over the vesting period.

Cable

Cable net sales, representing 43.5% and 39.2% of our segment net sales for the years ended December 31, 2020 and 2019, respectively, increased by Ps.3,665.1 million, or 8.8%, to Ps.45,367.1 million for the year ended December 31, 2020 from Ps.41,702.0 million for the year ended December 31, 2019.

Total revenue generating units or RGUs reached 14.1 million. Total net additions for the year were more than 1.4 million.

Cable operating segment income increased by Ps.1,100.7 million, or 6.2%, to Ps.18,898.3 million for the year ended December 31, 2020 from Ps.17,797.6 million for the year ended December 31, 2019, and the margin reached 41.7%.

These favorable variances were partially offset by higher programming and personnel costs and expenses.

The following table sets forth the breakdown of RGUs per service type for our Cable segment as of December 31, 2020 and 2019.

	2020	2019
Video	**4,284,682**	**4,318,863**
Broadband (data)	**5,430,859**	**4,696,054**
Voice	**4,296,530**	**3,637,992**
Mobile	**75,515**	**—**
RGUs	**14,087,586**	**12,652,909**

Sky

Sky net sales, representing 21.2% and 20.1% of our segment net sales for the years ended December 31, 2020 and 2019, respectively, increased by Ps.787.6 million, or 3.7%, to Ps.22,134.7 million for the year ended December 31, 2020 from Ps.21,347.1 million for the year ended December 31, 2019. Total net additions for the year were approximately 327.5 thousand RGUs. This growth was mainly driven by 279.8 thousand broadband net additions. Sky continued growing its video business after adding 47.9 thousand RGUs. In addition, Sky closed the year with 197,175 video RGUs in Central America and the Dominican Republic.

The following table sets forth the breakdown of RGUs per service type for Sky as of December 31, 2020 and 2019.

	2020	2019
Video	**7,477,294**	**7,429,351**
Broadband (data)	**665,907**	**386,114**
Voice	**892**	**1,145**
RGUs	**8,144,093**	**7,816,610**

Sky operating segment income increased by Ps.14.1 million, or 0.2%, to Ps.9,135.3 million for the year ended December 31, 2020 from Ps.9,121.2 million for the year ended December 31, 2019, and the margin was 41.3%. The increase in operating segment income was due to the increase in revenues and was partially offset by an increase in programming and broadband costs.

Content

The following table presents net sales and operating segment income in our Content segment, and the percentage of change when comparing 2020 with 2019:

	Year Ended December 31,		Change
	2020	2019	
	(Millions of Pesos)		(%)
Net Sales			
Advertising	Ps. 16,349.8	Ps. 19,459.4	(16.0)%
Network Subscription Revenue	5,466.2	4,993.2	9.5 %
Licensing and Syndication	10,797.0	10,607.9	1.8 %
Total Net Sales	**Ps. 32,613.0**	**Ps. 35,060.5**	**(7.0)%**
Operating Segment Income	**Ps. 12,360.8**	**Ps. 12,649.1**	**(2.3)%**

Content net sales, representing 31.2% and 33.0% of our total segment net sales for the years ended December 31, 2020 and 2019, respectively, decreased by Ps.2,447.5 million, or 7.0%, to Ps.32,613.0 million for the year ended December 31, 2020 from Ps.35,060.5 million for the year ended December 31, 2019.

Advertising revenue decreased by 16.0%. The decrease in sales is explained by a significant deterioration in the Mexican economy due to COVID-19.

Network Subscription Revenue increased by 9.5%. The increase is mainly related to the increase in the price we charge our affiliated distributors for our pay TV networks and to the favorable impact of the depreciation of the Mexican peso on our dollar-denominated revenues.

Licensing and Syndication revenue increased by 1.8%. The increase was due to the favorable impact of the depreciation of the Mexican peso on our dollar-denominated revenues; and was partially offset by lower royalties from Univision by 2.4%, reaching U.S.$379.6 million dollars.

Content operating segment income decreased by Ps.288.3 million, or 2.3%, to Ps.12,360.8 million for the year ended December 31, 2020 compared with Ps.12,649.1 million for the year ended December 31, 2019. The margin was 37.9%.

Other Businesses

Other Businesses net sales, representing 4.1% and 7.7% of our segment net sales for the years ended December 31, 2020 and 2019, respectively, decreased by Ps.3,924.3 million, or 47.9%, to Ps.4,276.0 million for the year ended December 31, 2020 from Ps.8,200.3 million for the year ended December 31, 2019. Other Businesses were affected by the closing of the economy and measures taken in response to COVID-19, which included the suspension or limitation of activities in some businesses of this segment (primarily gaming and sports and special events businesses).

Other Businesses operating segment income decreased by Ps.1,347.7 million, or 92.0%, to Ps.116.5 million for the year ended December 31, 2020 from Ps.1,464.2 million for the year ended December 31, 2019. This decrease was due to the decrease in net sales in all our businesses.

The sale of the Company's Radio business was concluded on July 2, 2020. Accordingly, the net sales and the operating segment income associated with the Radio business, which was part of the Company's Other Businesses segment, are presented separately as disposed operations for the years ended December 31, 2020 and 2019.

Depreciation and Amortization

Depreciation and amortization expense increased by Ps.252.0 million, or 1.2%, to Ps.21,260.8 million for the year ended December 31, 2020 from Ps.21,008.8 million for the year ended December 31, 2019. This change primarily reflected an increase in depreciation and amortization expense in our Sky and Content segments.

Other Income or Expense, Net

Other income or expense, net, changed by Ps.1,550.3 million to other income, net of Ps.233.7 million for the year ended December 31, 2020, from other expense, net of Ps.1,316.6 million for the year ended December 31, 2019. This favorable change reflected primarily: (i) a pre-tax gain on disposition of our 50% equity stake in our former Radio business, the sale of which was concluded in July 2020; (ii) a non-recurring income related to the cancellation of a related-party provision in the fourth quarter of 2020; and (iii) a lower non-recurring severance expense in connection with the dismissal of personnel in our Content segment. These favorable variances were partially offset by: (i) a higher expense related to legal and financial advisory and professional services; and (ii) a loss on disposition of investment.

Non-operating Results

Finance Income or Expense, Net

Finance income or expense, net, significantly impacts our consolidated financial statements in periods of currency fluctuations. Under IFRS, finance income or expense, net, reflects:

- interest expense;
- interest income;
- foreign exchange gain or loss attributable to monetary assets and liabilities denominated in foreign currencies; and
- other finance income or expense, net, including gains or losses from derivative instruments.

Our foreign exchange position is affected by our assets or liabilities denominated in foreign currencies, primarily U.S. dollars. We record a foreign exchange gain or loss if the exchange rate of the Peso to the other currencies in which our monetary assets or liabilities are denominated varies.

Finance expense, net, decreased by Ps.2,555.8 million to Ps.6,255.0 million for the year ended December 31, 2020, from Ps. 8,810.8 million for the year ended December 31, 2019. This decrease reflected primarily: (i) a Ps.2,069.6 million increase in foreign exchange gain, net, resulting primarily from a higher U.S. dollar average net liability position beginning in March 31, 2020, in conjunction with a decrease in the carrying value of our hedged investments in shares and warrants of UHI, and a 16.4% appreciation of the Mexican peso against the U.S. dollar from that date through December 31, 2020, the effect of which was partially offset by a 5.6% depreciation of the Mexican peso against the U.S. dollar for the year ended December 31, 2020, in comparison with a 4.0% appreciation for the year ended December 31, 2019; and (ii) a Ps.962.5 million favorable change in other finance income or expense, net, resulting primarily from changes in fair value of our derivative contracts. These favorable variances were partially offset by: (i) a Ps.80.2 million increase in interest expense, primarily due to a higher average principal amount of long-term debt in 2020; and (ii) a Ps.396.1 million decrease in interest income, primarily explained by a lower average amount of cash equivalents as well as a reduction in interest rates.

Share of Income or Loss of Associates and Joint Ventures, Net

This line item reflects our equity participation in the operating results and net assets of unconsolidated businesses in which we maintain an interest, but which we do not control. We recognize equity in losses of associates and joint ventures up to the amount of our initial investment, subsequent capital contributions and long-term loans, or beyond that amount when we have made guaranteed commitments in respect of obligations incurred by associates and joint ventures.

Share of income or loss of associates and joint ventures, net, changed by Ps.6,320.8 million, to a share of loss of Ps.5,739.7 million in 2020, from a share of income of Ps.581.1 million in 2019. This unfavorable change reflected mainly: (i) a Ps.5,455.4 million impairment adjustment to the carrying value of our investment in shares of UHI during the first quarter of 2020; (ii) a lower share of income of UHI, and (iii) a share of loss of OCEN, a live entertainment company with operations primarily in Mexico, in which we maintain a 40% interest.

Income Taxes

Income taxes increased by Ps.2,559.4 million, or 95.9%, to Ps.5,227.9 million in 2020, compared with Ps.2,668.5 million in 2019. This increase reflected an increased tax base (income before share of loss of associates and joint ventures) as well as a higher effective income tax rate. The effective income tax rate increased primarily in connection with the cancellation of deferred tax assets related to unused tax losses, income tax adjustments from prior years, and an inflationary tax gain resulting from a higher net monetary liability position of our significant companies for the year ended December 31, 2020.

The Mexican corporate income tax rate was 30% in each of the years 2021, 2020 and 2019, and will be 30% in 2022.

Net Income Attributable to Non-controlling Interests

Net income attributable to non-controlling interests reflects that portion of operating results attributable to interests held by third parties in businesses, which are not wholly-owned by us, including our Cable and Sky segments.

Net income attributable to non-controlling interests increased by Ps.72.4 million, or 4.9%, to Ps.1,553.1 million in 2020, compared with Ps.1,480.7 million in 2019. This increase reflected primarily a higher portion of net income attributable to non-controlling interests in our Cable segment, which was partially offset by a lower portion of net income attributable to non-controlling interests in our Sky and Other Businesses segments.

Net Income or Loss Attributable to Stockholders of the Company

Net income or loss attributable to stockholders of the Company amounted to a loss of Ps.1,250.3 million for the year ended December 31, 2020, compared with a net income of Ps.4,626.1 million for the year ended December 31, 2019. The unfavorable net change of Ps.5,876.4 million, reflected:

- a Ps.6,320.8 million decrease in share of income or loss of associates and joint ventures, net;
- a Ps.2,559.4 million increase in income taxes;
- a Ps.777.9 million decrease in income before depreciation and amortization;
- a Ps.252.0 million increase in depreciation and amortization; and
- a Ps.72.4 million increase in net income attributable in non-controlling interests.

These changes were partially offset by:

- a Ps.2,555.8 million decrease in finance expense, net; and
- a Ps.1,550.3 million increase in operating in other income.

Effects of Depreciation and Inflation

The following table sets forth, for the periods indicated:

- the percentage that the Peso depreciated or appreciated against the U.S. Dollar;
- the Mexican inflation rate;
- the U.S. inflation rate; and
- the percentage change in Mexican GDP compared to the prior period.

	Year Ended December 31,		
	2021	2020	2019
Depreciation (appreciation) of the Peso as compared to the U.S. Dollar[1]	2.8 %	6.0 %	(4.0)%
Mexican inflation rate[2]	7.4	3.2	2.8
U.S. inflation rate	7.0	1.3	2.3
Increase (decrease) in Mexican GDP[3]	4.8	(8.2)	(0.1)

(1) Based on changes in the Interbank Rates, as reported by CitiBanamex, at the end of each period, which were as follows: Ps.18.8838 as of December 31, 2019, Ps.19.9493 as of December 31, 2020, and Ps.20.5031 as of December 31, 2021.

(2) Based on changes in the NCPI from the previous period, as reported by the Mexican Central Bank, which were as follows: 105.9 in 2019; 109.3 in 2020; and 117.3 in 2021.

(3) As estimated by the *Instituto Nacional de Estadística, Geografía e Informática*, or INEGI.

The general condition of the Mexican economy, the depreciation of the Peso as compared to the U.S. Dollar, inflation and high interest rates have in the past adversely affected, and may in the future adversely affect, our:

- Advertising and Other Revenues. Inflation in Mexico adversely affects consumers. As a result, our advertising customers may purchase less advertising, which would reduce our advertising revenues, and consumers may reduce expenditures for our other products and services, including pay-TV services.

- Foreign Currency-Denominated Revenues and Operating Costs and Expenses. We have substantial operating costs and expenses denominated in foreign currencies, primarily in U.S. Dollars. These costs are principally due to our activities in the United States, the costs of foreign-produced programming and publishing supplies and the leasing of satellite transponders. The following table sets forth our foreign currency-denominated revenues and operating costs and expenses stated in millions of U.S. Dollars for 2021, 2020 and 2019:

	Year Ended December 31,		
	2021	2020	2019
	(Millions of U.S. Dollars)		
Revenues	U.S.$ 701	U.S.$ 720	U.S.$ 823
Operating costs and expenses	570	567	677

On a consolidated basis, in 2021, 2020 and 2019, our foreign-currency-denominated costs and expenses did not exceed our foreign-currency-denominated revenues but there can be no assurance that they will continue not to do so in the future. As a result, we will continue to remain exposed to future depreciation of the Peso, which would increase the Peso equivalent of our foreign-currency-denominated costs and expenses.

- Finance Expense, Net. The depreciation of the Peso as compared to the U.S. Dollar generates foreign exchange losses relating to our net U.S. Dollar-denominated liabilities and increases the Peso equivalent of our interest expense on our U.S. Dollar-denominated indebtedness. Foreign exchange losses, derivatives used to hedge foreign exchange risk and increased interest expense increase our finance expense, net.

We have also entered into and will continue to consider entering into additional financial instruments to hedge against Peso depreciation and reduce our overall exposure to the depreciation of the Peso as compared to the U.S. Dollar, inflation and high interest rates. We cannot assure you that we will be able to enter into financial instruments to protect ourselves from the effects of the depreciation of the Peso as compared to the U.S. Dollar, inflation and increases in interest rates, or if so, on favorable terms. In the past, we have designated, and from time to time in the future we may designate, certain of our investments or other assets as effective hedges against Peso depreciations. See "Key Information—Risk Factors—Risk Factors Related to Mexico", "Quantitative and Qualitative Disclosures About Market Risk—Market Risk Disclosures" and Note 4 to our consolidated year-end financial statements.

IFRS

Our consolidated financial information as of December 31, 2021 and 2020 and for the years ended December 31, 2021, 2020 and 2019, was prepared in accordance with IFRS as issued by the IASB.

Below is a list of the new and amended standards that have been issued by the IASB and are effective for annual periods starting on or after January 1, 2022. Our management does not expect the pronouncements effective for annual periods beginning on January 1, 2022 to have a material impact on our consolidated financial statements. Our management is in the process of assessing the potential impact those pronouncements effective for annual periods beginning on or after January 1, 2022 will have on our consolidated financial statements. Some amendments and improvements to certain IFRS standards became effective on January 1, 2021, and they did not have any significant impact on our consolidated financial statements.

New or Amended IFRS Standard	Title of the IFRS Standard	Effective for Annual Periods Beginning On or After
Amendments to IFRS 10 and IAS 28[1]	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Postponed
IFRS 17 [2]	*Insurance Contracts*	January 1, 2023
Amendments to IAS 1 [1]	*Classification of Liabilities as Current or Non-current*	January 1, 2023
Annual Improvements [1]	*Annual Improvements to IFRS Standards 2018-2020*	January 1, 2022
Amendments to IAS 16 [1]	*Property, Plant and Equipment: Proceeds before Intended Use*	January 1, 2022
Amendments to IAS 37 [1]	*Onerous Contracts – Cost of Fulfilling a Contract*	January 1, 2022
Amendments to IFRS 3 [1]	*Reference to the Conceptual Framework*	January 1, 2022
Amendments to IAS 8 [1]	*Definition of Accounting Estimates*	January 1, 2023
Amendments to IAS 1 and IFRS Practice Statement 2 [1]	*Disclosure of Accounting Policies*	January 1, 2023
Amendment to IFRS 16 [1]	*Covid-19-Related Rent Concessions beyond 30 June 2021*	April 1, 2021
Amendments to IAS 12 [1]	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	January 1, 2023
Amendment to IFRS 17 [2]	*Initial Application of IFRS 17 and IFRS 9 – Comparative Information*	January 1, 2023

[1] This new or amended IFRS Standard is not expected to have a significant impact on our consolidated financial statements.

[2] This new or amended IFRS Standard is not expected to be applicable to our consolidated financial statements.

Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, were issued in September 2014, and addressed and acknowledged an inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements* and those in IAS 28 *Investments in Associates and Joint Ventures*, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015, the IASB decided to postpone the effective date of these amendments indefinitely. Entities are required to apply these amendments prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined by the IASB. Earlier application is permitted. If an entity applies these amendments earlier, it shall disclose that fact. These amendments are expected to be applicable to the our consolidated financial statements in connection with the closing of the transaction with UH II in the first quarter of 2022 (see Note 3 to our consolidated year-end financial statements). As permitted, we will apply these amendments in 2022 and disclose this fact in our consolidated financial statements.

IFRS 17 *Insurance Contracts* (“IFRS 17”) was issued in May 2017 and amended in June 2020. IFRS 17 supersedes IFRS 4 *Insurance Contracts* (“IFRS 4”), which has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosures of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts with discretionary participation features issued. IFRS 17 solves the comparison problems created by IFRS 4 by requiring all insurance

contracts to be accounted for in a consistent manner. Under the provisions of IFRS 17, insurance obligations will be accounted for using current values instead of historical cost. Amendments to IFRS 17 were issued in June 2020 aimed at helping companies implement the Standard and making it easier for them to explain their financial performance. The fundamental principles introduced when IFRS 17 was issued in May 2017 remained unaffected. IFRS 17 is effective on January 1, 2023, and earlier application is permitted.

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* were issued in January 2020, and clarify one of the criteria in IAS 1 for classifying a liability as non-current that is, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. An entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2023, retrospectively in accordance with IAS 8. Earlier application is permitted.

Annual Improvements to IFRS Standards 2018-2020, were issued in May 2020, and make minor amendments to certain IFRS Standards. The amendments are effective for annual periods beginning on or after January 1, 2022. Earlier application is permitted. The following table shows the IFRS Standards amended and the subject of the amendments.

Standard	Subject of Amendment
IFRS 1 *First-time Adoption of International Reporting Standards*	*Subsidiary as a First-time Adopter*
IFRS 9 *Financial Instruments*	*Fees in the "10 per cent" Test for Derecognition of Financial Liabilities*
Illustrative Examples accompanying IFRS 16 *Leases*	*Lease Incentives*
IAS 41 *Agriculture*	*Taxation in Fair Value Measurements*

Amendments to IAS 16 *Property, Plant and Equipment: Proceeds before Intended Use*, were issued in May 2020, and prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in income or loss.

Amendments to IAS 37 *Onerous Contracts – Cost of Fulfilling a Contract*, were issued in May 2020, and specify which costs a company includes when assessing whether a contract will be loss-making, under the guidelines of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37"). The amendments are effective for contracts for which an entity has not yet fulfilled all its obligations on or after 1 January 2022. Earlier application is permitted.

Amendments to IFRS 3 *Reference to the Conceptual Framework*, were issued in May 2020, and update a reference in IFRS 3 *Business Combinations* ("IFRS 3") to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. Also added to IFRS 3 is an exception to its requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37. The Board added this exception to avoid an unintended consequence of updating the reference. Without the exception, an entity would have recognized some liabilities on the acquisition of a business that it would not recognize in other circumstances. Immediately after the acquisition, the entity would have had to derecognize such liabilities and recognize a gain that did not depict an economic gain. The amendments to IFRS 3 are effective for business combinations occurring in reporting periods starting on or after January 1, 2022. Earlier application is permitted.

Amendments to IAS 8 *Definition of Accounting Estimates,* were issued in February 2021, the amendments introduced the definition of accounting estimates and included other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

Amendments to IAS 1 and IFRS Practice Statement 2 *Disclosure of Accounting Policies,* were issued in February 2021, the Board amended paragraphs 117–122 of IAS 1 *Presentation of Financial Statements* to require entities to disclose their material accounting policy information rather than their significant accounting policies. To support this amendment the Board also amended IFRS Practice Statement 2 *Making Materiality Judgements* (Materiality Practice Statement) to explain and demonstrate the application of the 'four-step materiality process' to accounting policy disclosures.

Amendment to IFRS 16 *Covid-19-Related Rent Concessions beyond 30 June 2021* was issued in March 2021 and extends by one year the application period of the practical expedient in IFRS 16. In response to calls from stakeholders and because the Covid-19 pandemic is still at its height, the amendment extends this relief by one year to cover rent concessions that reduce only lease payments due on or before June 30, 2022. The original amendment was issued in May 2020 and exempts lessees from having to consider individual

lease contracts to determine whether rent concessions, such as rent holidays and temporary rent reductions, occurring as a direct consequence of the Covid-19 pandemic are lease modifications, and allows lessees to account for such rent concessions as if they were not lease modifications. The amendment is effective for annual reporting periods beginning on or after April 1, 2021.

Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* were issued in May 2021 and specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. IAS 12 *Income Taxes* specifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets and liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations, transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations. The amendments will become effective for annual reporting periods beginning on or after January 1, 2023, with early application permitted.

Amendment to IFRS 17 Initial Application of IFRS 17 and IFRS 9 – Comparative Information, was issued in December 2021 and includes a narrow-scope amendment to the transition requirements in IFRS 17, providing insurers with an option aimed at improving the usefulness of information to investors on initial application of the new Standard. The amendment relates to insurers' transition to the new Standard only, and it does not affect any other requirements in IFRS 17. IFRS 17 and IFRS 9 have different transition requirements. For some insurers, these differences can cause temporary accounting mismatches between financial assets and insurance contract liabilities in the comparative information they present in their financial statements when applying IFRS 17 and IFRS 9 for the first time. IFRS 17, including this amendment, is effective for annual reporting periods beginning on or after January 1, 2023.

Critical Accounting Estimates and Assumptions

We have identified certain key accounting policies upon which our consolidated financial condition and results of operations are dependent. The application of these key accounting policies often involves complex considerations and assumptions and the making of subjective judgments or decisions on the part of our management. In the opinion of our management, our most critical accounting policies under IFRS are those related to the accounting for programming, goodwill and other indefinite-lived intangible assets, long-lived assets, deferred income taxes and financial assets measured at fair value. For a full description of these and other accounting policies, see Note 2 to our consolidated year-end financial statements.

(a) Accounting for Programming

We produce a significant portion of programming for initial broadcast over our television networks in Mexico, our primary market. Following the initial broadcast of this programming, we then licensed some of this programming for broadcast in secondary markets, such as Mexico, the United States, Latin America, Asia, Europe and Africa. Under IFRS, in order to properly capitalize and subsequently amortize production costs related to this programming, we must estimate the expected future benefit period over which a given program will generate revenues (generally, over a five-year period). We then amortize the production costs related to a given program over the expected future benefit period. Under this policy, we generally expense approximately 70% of the production costs related to a given program in our initial broadcast run and defers and expenses the remaining production costs over the remainder of the expected future benefit period (see Note 2 (g) to our consolidated year-end financial statements).

We estimate the expected future benefit periods based on past historical revenue patterns and usage for similar types of programming and any potential future events, such as new outlets through which we could exploit or distribute our programming, including our consolidated subsidiaries and equity investees. To the extent that a given future expected benefit period was shorter than the estimate, we may have accelerated capitalized production costs sooner than anticipated. Conversely, to the extent that a given future expected benefit period was longer than the estimate, we may have extended the amortization schedule for the remaining capitalized production costs.

We also enter into license arrangements with various third-party programming producers and providers, pursuant to which it received the rights to broadcast programming produced by third parties over our television networks in Mexico. For programming licensed from third parties, we estimated the expected future benefit period based upon the term of the license. In addition, we might have purchased programming from third parties, from time to time. In this case, we estimated the expected future benefit period based on the anticipated number of showings in Mexico. To the extent that a given future expected benefit period was shorter than the estimate, we might have accelerated the amortization of the purchase price or the license fee sooner than anticipated. Conversely, to the extent that a given future expected benefit period was longer than the estimate, we may have extended the amortization schedule for the remaining portion of the purchase price or the license fee.

Assuming a hypothetical 10% decrease in expected future revenue from our programming as of December 31, 2021, the balance of such programming would decrease in the amount of Ps.364,411, with a corresponding increase in programming amortization expense.

Beginning on January 31, 2022, we are no longer engaged in the Content business operations as a result of the closing of the TelevisaUnivision Transaction (see Notes 3 and 30 to our consolidated year-end financial statements).

(b) Goodwill and Other Indefinite-lived Intangible Assets

Goodwill and other intangible assets with indefinite useful lives are reviewed for impairment at least annually. When an impairment test is performed, the recoverable amount is assessed by reference to the higher of the net present value of the expected future cash flows (value in use) of the relevant CGU and the fair value less cost to sell.

The recoverable amount of CGUs has been determined based on the higher of value in use and fair value less costs to disposal calculations. These calculations require the use of estimates, which include management's expectations of future revenue growth, operating costs, profit margins and operating cash flows for each CGU, long-term growth rates and discount rates based on weighted average cost of capital, among others.

During 2021 and 2020, we recorded impairment adjustments for other indefinite-lived intangible assets (trademarks) related to its Publishing business. See Note 2 (b) and (l) to our consolidated year-end financial statements for disclosure regarding concession intangible assets.

(c) Long-lived Assets

We present certain long-lived assets other than goodwill and indefinite-lived intangible assets in our consolidated statement of financial position. Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may no longer be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Recoverability is analyzed based on projected cash flows. Estimates of future cash flows involve considerable management judgment. These estimates are based on historical data, future revenue growth, anticipated market conditions, management plans, and assumptions regarding projected rates of inflation and currency fluctuations, among other factors. If these assumptions are not correct, we would have to recognize a write-off or write-down or accelerate the amortization schedule related to the carrying amount of these assets (see Notes 2 (m), 13 and 22 to our consolidated year-end financial statements). We have not recorded any significant impairment charges during any of the years presented herein.

(d) Deferred Income Taxes

We record our deferred tax assets based on the likelihood that these assets are realized in the future. This likelihood is assessed by taking into consideration the future taxable income. In the event we were to determine that it would be able to realize its deferred tax assets in the future in excess of the net recorded amount, an adjustment to the deferred tax asset would increase income in the period such determination was made. Should we determine that it would not be able to realize all or part of its net deferred tax asset in the future, an adjustment to the deferred tax asset would be charged to income in the period such determination was made.

(e) Financial Assets Measured at Fair Value

We have a significant amount of financial assets that are measured at fair value on a recurring basis. The degree of management's judgment involved in determining the fair value of a financial asset varies depending upon the availability of quoted market prices. When observable quoted market prices exist, that is the fair value estimate we use. To the extent such quoted market prices do not exist, management uses other means to determine fair value (see Notes 4 and 15 to our consolidated year-end financial statements).

Financial assets and liabilities measured at fair value as of December 31, 2021, 2020 and 2019 (in thousands of Pesos):

	Balance as of December 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
At FVOCIL				
Open-Ended Fund	Ps. 945,176	Ps. —	Ps. 945,176	Ps. —
Publicly traded equity instruments	3,517,711	3,517,711	—	—
Derivative financial instruments	133,324	—	133,324	—
Total	Ps. 4,596,211	Ps. 3,517,711	Ps. 1,078,500	Ps. —
Liabilities:				
Derivative financial instruments	Ps. 172,885	Ps. —	Ps. 172,885	Ps. —
Total	Ps. 172,885	Ps. —	Ps. 172,885	Ps. —

	Balance as of December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
At FVOCIL				
Open-Ended Fund	Ps. 1,135,803	Ps. —	Ps. 1,135,803	Ps. —
Publicly traded equity instruments	5,397,504	5,397,504	—	—
Total	Ps. 6,533,307	Ps. 5,397,504	Ps. 1,135,803	Ps. —
Liabilities:				
Derivative financial instruments	Ps. 3,476,223	Ps. —	Ps. 3,476,223	Ps. —
Total	Ps. 3,476,223	Ps. —	Ps. 3,476,223	Ps. —

	Balance as of December 31, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
At FVOCIL				
Open-Ended Fund	Ps. 4,688,202	Ps. —	Ps. 4,688,202	Ps. —
Publicly traded equity instruments	5,751,001	5,751,001	—	—
Warrants issued by UHI	33,775,451	—	—	33,775,451
Derivative financial instruments	4,592	—	4,592	—
Total	Ps. 44,219,246	Ps. 5,751,001	Ps. 4,692,794	Ps. 33,775,451
Liabilities:				
Derivative financial instruments	Ps. 915,290	Ps. —	Ps. 915,290	Ps. —
Total	Ps. 915,290	Ps. —	Ps. 915,290	Ps. —

The table below presents the reconciliation for all assets and liabilities measured at fair value using internal models with significant unobservable inputs (Level 3) during the years ended December 31, 2021, 2020 and 2019.

	2021	2020	2019
Balance at beginning of year	Ps. —	Ps. 33,775,451	Ps. 34,921,530
Included in other comprehensive income	—	(16,387,752)	(1,146,079)
Warrants exercised for common stock of UHI	—	(17,387,699)	—
Balance at the end of year	Ps. —	Ps. —	Ps. 33,775,451

Non-current Financial Assets

Investments in debt securities or with readily determinable fair values, are classified as non-current investments in financial instruments, and are recorded at fair value with unrealized gains and losses included in consolidated stockholders' equity as accumulated other comprehensive result.

Non-current financial assets are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. Such instruments are classified in Level 1, Level 2, and Level 3, depending on the observability of the significant inputs.

Open-Ended Fund

We have an investment in an Open-Ended Fund that has as a primary objective to achieve capital appreciation by using a broad range of strategies through investments in securities, including without limitation stock, debt and other financial instruments, a principal portion of which are considered as Level 1 financial instruments, in telecom, media and other sectors across global markets, including Latin America and other emerging markets. Shares may be redeemed on a quarterly basis at the NAV per share as of such redemption date (see Notes 4 and 9 to our consolidated year-end financial statements).

UHI Warrants

On December 29, 2020, we exercised all of our remaining warrants for common shares of UHI to increase our equity stake in UHI from 10% to 35.9% on a fully diluted basis (see Notes 9 and 10 to our consolidated year-end financial statements).

We determined the fair value of our investment in warrants as of December 29, 2020 by using the income approach based on post-tax discounted cash flows. The income approach requires management to make judgments and involves the use of significant estimates and assumptions. These estimates and assumptions include long-term growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates based on weighted average cost of capital within a range of 8% to 9%, among others. Our estimates for market growth were based on historical data, various internal estimates and observable external sources when available, and are based on assumptions that are consistent with the strategic plans and estimates used to manage the underlying business. Since the described methodology is an internal model with significant unobservable inputs, the UHI warrants were classified as Level 3. Additionally, we determined the fair value of our investment in warrants by using the Black-Scholes model ("BSPM"). The BSPM involves the use of significant estimates and assumptions. The assumptions used as of December 29, 2020 , included UHI stock's spot price of U.S. $190 per share on a fully-diluted, as–converted basis and UHI stock's expected volatility of 64% .

Disclosures for Each Class of Assets and Liabilities Subject to Recurring Fair Value Measurements Categorized Within Level 3

The Corporate Finance Department of the Company has established rules for a proper portfolio asset classification according to the fair value hierarchy defined by IFRS Standards. On a monthly basis, any new assets recognized in the Company's portfolio are classified according to this criteria. Subsequently, there is a quarterly review of the portfolio in order to analyze whether there is a need to change the classification of any assets.

A sensitivity analysis is performed on the Group's investments with significant unobservable inputs (Level 3) in order to obtain a reasonable range of possible alternative valuations. This analysis is carried out by the Corporate Finance Department of the Company.

Derivative Financial Instruments

Derivative financial instruments include swaps, forwards and options (see Notes 2(w), 4 and 15 to our consolidated year-end financial statements).

Our derivative portfolio is entirely over-the-counter ("OTC"). Our derivatives are valued using industry standard valuation models; projecting future cash flows discounted to present value, using market-based observable inputs including interest rate curves, foreign exchange rates, and forward and spot prices for currencies.

When appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads and credit spreads considerations. Such adjustments are generally based on available market evidence. In the absence of such evidence, management's best estimate is used. All derivatives are classified in Level 2.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

The majority of our non-financial instruments, which include the investment in shares of UH II, goodwill, intangible assets, inventories, transmission rights and programming and property, plant and equipment, are not required to be carried at fair value on a recurring basis. However, if certain triggering events occur (or at least annually in the fourth quarter for goodwill and indefinite-lived intangible assets) such that a non-financial instrument is required to be evaluated for impairment, a resulting asset impairment would require that the non-financial instrument be recorded at the lower of carrying amount or its recoverable amount.

The impairment test for goodwill involves a comparison of the estimated fair value of each of our reporting units to its carrying amount, including goodwill. We determine the fair value of a reporting unit using the higher of the value in use and the fair value less costs to sell, which utilize significant unobservable inputs (Level 3) within the fair value hierarchy. The impairment test for intangible assets not subject to amortization involves a comparison of the estimated fair value of the intangible asset with its carrying value. We determine the fair value of the intangible asset using a discounted cash flow analysis, which utilizes significant unobservable inputs (Level 3) within the fair value hierarchy. Determining fair value requires the exercise of significant judgment, including judgment about appropriate discount rates, perpetual growth rates, the amount and timing of expected future cash flows for a period of time that comprises five years, as well as relevant comparable company earnings multiples for the market-based approach.

Once an asset has been impaired, it is not remeasured at fair value on a recurring basis; however, it is still subject to fair value measurements to test for recoverability of the carrying amount.

Liquidity, Foreign Exchange and Capital Resources

Liquidity. We generally rely on a combination of cash on hand, operating revenues, borrowings and net proceeds from dispositions to fund our working capital needs, capital expenditures, acquisitions and investments.

We moved the closing of the 2022 and 2021 up-front plans from the last quarter of 2021 and 2020 to the first months of 2022 and 2021, respectively. In light of this change, the results cannot be compared to those obtained in previous years. As of April, 2022 and 2021, we and TelevisaUnivision had received Ps.15,068 million and Ps.14,525 million, respectively, of advertising deposits and advances for advertising time in all of our Content platforms and in other segments, and we are still in negotiations with some clients. As of April, 2022 and 2021, we and TelevisaUnivision had collected 21% and 30%, respectively, of these amounts. The rest is in the form of short-term, non-interest bearing notes. The weighted average maturity of these notes as of April, 2022 and 2021 was 4.0 months for both periods.

During the year ended December 31, 2021, we had a net decrease in cash and cash equivalents of Ps.3,229.9 million, as compared to a net increase in cash and cash equivalents of Ps. 1,034.5 million during the year ended December 31, 2020.

Net cash provided by operating activities for the year ended December 31, 2021, amounted to Ps.29,324.2 million. Adjustments to reconcile income before income taxes to net cash provided by operating activities are overall due to depreciation and amortization of Ps.21,418.4 million, interest expense of Ps.9,135.5 million, unrealized foreign exchange loss of Ps.1,806.0 million, impairment loss on trade notes and accounts receivable, and other receivables of Ps.1,277.0 million, other finance loss, net of Ps.1,183.2 million, share-based compensation expense of Ps.1,088.4 million; and partially offset by a gain on disposition of investments, net of Ps.4,547.0 million and share of income of associates and joint ventures of Ps.3,671.9 million. Income taxes paid for the year ended December 31, 2021, amounted to Ps.9,166.6 million.

Net cash used in investing activities for the year ended December 31, 2021, amounted to Ps.18,845.2 million, and was primarily used for investments in property, plant and equipment of Ps.23,267.8 million, other investments in intangible assets of Ps.1,899.5 million and investment in other equity instruments of Ps.1,122.2 million; and partially offset by cash provided from disposition of OISE/OCEN of Ps.4,625.3 million; disposition of investments in financial instruments of Ps.2,014.4 million and disposition of property, plant and equipment of Ps.672.4 million.

Net cash used in financing activities for the year ended December 31, 2021, amounted to Ps.13,732.4. million, and was primarily used for interest payment of Ps.8,258.2 million; derivative financial instruments of Ps.2,692.2 million; prepayment of Mexican peso debt related to Sky of Ps.1,750.0 million; other payments of lease liabilities of Ps.1,082.2 million; dividends paid of Ps.1,053.4 million; repurchases of capital stock of Ps.774.1 million; and payments of lease liabilities of Ps.646.5 million, which effect was partially offset by cash provided by long-term loans from Mexican banks of Ps.2,650.0 million and sale of capital stock of Ps.774.1 million.

During the year ended December 31, 2020, we had a net increase in cash and cash equivalents of Ps.1,034.5 million, as compared to a net decrease in cash and cash equivalents of Ps.4,098.0 million during the year ended December 31, 2019.

Net cash provided by operating activities for the year ended December 31, 2020, amounted to Ps.33,160.9 million. Adjustments to reconcile income before income taxes to net cash provided by operating activities are overall due to depreciation and amortization of Ps.21,260.8 million, interest expense of Ps.10,482.2 million, share of loss of associates and joint ventures of Ps.5,739.7 million, cancellation of provision of Ps.691.2 million and other amortization of Ps.380.9 million; and partially offset by net unrealized foreign exchange gain of Ps.2,596.2 million, gain on disposition of investments of Ps.789.9 million, other finance income of Ps.89.3 million, income on disposition of property and equipment of Ps.74.2 million, interest income of Ps.72.9 million. Income taxes paid for the year ended December 31, 2020, amounted to Ps.8,681.5 million.

Net cash used in investing activities for the year ended December 31, 2020, amounted to Ps.15,919.7 million, and was primarily used for investments in property, plant and equipment of Ps.20,131.7 million; other investments in intangible assets of Ps.1,235.2 million and disposition of other investment of Ps.602.5 million; partially offset by cash provided from disposition of investments in financial instruments of Ps.3,155.6 million; disposition of property, plant and equipment of Ps.1,520.4 million, disposition of Radiópolis of Ps.1,248.0 million and investments in joint ventures of Ps.125.6 million.

Net cash used in financing activities for the year ended December 31, 2020, amounted to Ps.16,195.2 million, and was primarily used for interest payment of Ps.9,455.4 million; prepayment of Mexican peso debt related to Sky in the aggregate principal amount of Ps.2,750.0 million; dividends paid and reduction of capital of noncontrolling interest of Ps.1,420.5 million; repayment and prepayment of other notes payable of Ps.1,324.1 million; repayment of debt and lease payments of Ps.2,114.5 million; and repurchases of CPOs under a share repurchase program of Ps.195.6 million, which effect was partially offset by cash provided by derivative financial instruments of Ps.1,261.8 million.

Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity

During 2022, we:

- expect to make aggregate capital expenditures for property, plant and equipment totaling approximately U.S.$ 867.0 million, of which approximately U.S.$620.0 million and approximately U.S.$207.0 million are for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining amount is for our Content and Other Businesses segments; and

- expect to provide financing to GTAC in connection with long-term credit facilities and our 33.3% interest in GTAC in the aggregate principal amount of U.S.$8.9 million (Ps.182.5 million).

During 2021, we:

- made aggregate capital expenditures for property, plant and equipment totaling approximately U.S.$ 1,149.1 million, of which approximately U.S.$854.5 million and approximately U.S.$244.1 million are for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining amount was for our Content and Other Businesses segments; and

- provided financing to GTAC in connection with long-term credit facilities and our 33.3% interest in GTAC in the aggregate principal amount of Ps.131.6 million (U.S.$6.4 million).

During 2020, we:

- made aggregate capital expenditures for property, plant and equipment totaling approximately U.S.$ 939.4 million, of which approximately U.S.$662.5 million and approximately U.S.$250.2 million are for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining amount was for our Content and Other Businesses segments; and

- provided financing to GTAC in connection with long-term credit facilities and our 33.3% interest in GTAC in the aggregate principal amount of Ps.132.9 million (U.S. $6.3 million).

Refinancings. In October 2017, we concluded the offering of Ps.4,500 million aggregate principal amount of local bonds (*Certificados Bursátiles*) due 2027 with an interest rate of 8.79%. We used the net proceeds of the offering for general corporate purposes and working capital. In December 2017, we redeemed in full the U.S. $500 million aggregate principal amount of our 6.0% Senior Notes due 2018.

In March 2016, (i) our Sky segment entered into long-term debt agreements with two Mexican banks in the aggregate principal amount of Ps.5,500 million, with maturities between 2021 and 2023, and interest payable on a monthly basis at an annual rate in the range of 7.0% and 7.13%, and prepaid an intercompany long-term loan in the principal amount of Ps.3,500 million; and (ii) we prepaid a portion of our Mexican peso outstanding long-term loans with original maturities between 2016 and 2017 in the aggregate principal amount of Ps.3,532 million.

In November and December 2017, we entered into long-term debt agreements with three Mexican banks in the aggregate principal amount of Ps.6,000 million, with maturities between 2022 and 2023, and interest payable on a monthly basis at an annual rate of 28-day Equilibrium Interbank Interest Rate ("*Tasa de Interés Interbancaria de Equilibrio*" or "TIIE") plus a range between 125 and 130 basis points.

In May 2019, we concluded the offering of U.S. $750 million aggregate principal amount of 5.25% Senior Notes due 2049. The net proceeds of the offering were used for general corporate purposes, which may include repayment or repurchase of existing indebtedness.

In June 2019, we entered into a credit agreement for a five-year term loan with a syndicate of banks in the aggregate principal amount of Ps.10,000 million. The funds from this loan were used for general corporate purposes, including the refinancing of the Company's indebtedness. This loan bears interest at a floating rate based on a spread of 105 or 130 basis points over the 28-day TIIE rate depending on the Company's net leverage ratio.

In July 2019, we prepaid all of the outstanding local bonds (*Certificados Bursátiles*) due 2021 and 2022, in the aggregate principal amount of Ps.11,000 million.

In October 2019, we prepaid all of the outstanding local bonds (*Certificados Bursátiles*) due 2020, in the aggregate principal amount of Ps.10,000.0 million. Accordingly, we classified this debt as current as of September 30, 2019, net of related finance costs, in the amount of Ps.9,992.4 million.

On March 24, 2020, we drew down the U.S.$618 million under the Revolving Credit Facility and fully prepaid the facility on October 6, 2020. In February 2022, the Company's revolving credit facility with a syndicate of banks was increased by U.S.$32 million reaching a total amount of U.S.$650 million payable in Mexican pesos, and extended for a three-year term, with maturity in February 2025.

In March 2022, we made a partial redemption of U.S.$200 million aggregate principal amount of our U.S.$600 million 6.625% Senior Notes due 2025 in the aggregate amount of U.S.$221.3 million, including the applicable redemption price and accrued and unpaid interest on the redemption date.

In February and March 2022, we prepaid outstanding long-term loans with three Mexican banks, in the aggregate principal amount of Ps.6,000 million and related accrued interest for an aggregate amount of Ps.37.1 million. The original maturities of these loans were in the fourth quarter 2022 and first quarter of 2023.

Indebtedness. As of December 31, 2021, our consolidated long-term portion of debt amounted to Ps.121,685.7 million and our consolidated current portion of debt was Ps.6,141.0 million. As of December 31, 2020, our consolidated long-term portion of debt amounted to Ps.121,936.0 million and our consolidated current portion of debt was Ps.2,551.6 million. The consolidated debt is presented net of unamortized finance costs as of December 31, 2021 and 2020, in the aggregate amount of Ps.1,207.1 million and Ps.1,324.3 million, respectively, and interest payable in the aggregate amount of Ps.2,034.6 million and Ps.1,934.7 million in 2021 and 2020, respectively.

In March 2018, the Company entered into a Revolving Credit Facility ("RCF") with a syndicate of banks for U.S.$583.0 million payable in Mexican pesos, for a three-year term. In December 2018, this facility was increased by U.S.$35.0 million reaching a total amount of U.S.$618.0 million. The funds may be used for the repayment of existing indebtedness and other general corporate purposes as may be authorized by our Board of Directors. In August 2019, the Company extended the RCF for one more year to maintain the total 3-year term. This RCF was available as of December 31, 2019. In March 2020, the Company drew down the RCF as a prudent and precautionary measure in order to increase our cash position and preserve financial flexibility in light of current uncertainty in the global and local markets resulting from the COVID-19 outbreak; the aggregate principal amount was Ps.14,771.0 million, with maturity in the first quarter of 2022, this facility bears interest at a floating rate based on a spread of 87.5 or 112.5 basis points over the 28-day TIIE rate depending on our net leverage ratio, the Company may prepay such amount on the last day of any interest period. The Company prepaid the full amount drawn on October 6, 2020 without penalty. In February 2022, the Company's RCF with a syndicate of banks was increased by U.S. $32 million reaching a total amount of U.S $650 million payable in Mexican pesos and extended for a three-year term, with maturity in February 2025.

We may from time to time incur additional indebtedness or repurchase, redeem or repay outstanding indebtedness.

The following table sets forth a description of our outstanding indebtedness as of December 31, 2021, net of unamortized finance costs and interest payable (in millions of Pesos):

	2021[1]				
	Effective Interest Rate	Interest Payable	Principal	Finance Costs	Net
U.S. dollar Senior Notes:					
6.625% Senior Notes due 2025 [2]	7.60 %	Ps. 230.9	Ps. 12,301.9	Ps. (124.5)	Ps. 12,177.4
4.625% Senior Notes due 2026 [2]	5.03 %	142.3	6,150.9	(19.5)	6,131.4
8.50% Senior Notes due 2032 [2]	9.00 %	159.8	6,150.9	(18.1)	6,132.8
6.625% Senior Notes due 2040 [2]	7.05 %	443.7	12,301.9	(114.1)	12,187.8
5% Senior Notes due 2045 [2]	5.39 %	148.1	20,503.1	(396.1)	20,107.0
6.125% Senior Notes due 2046 [2]	6.47 %	565.1	18,452.8	(114.5)	18,338.3
5.25% Senior Notes due 2049 [2]	5.59 %	80.7	15,377.3	(283.8)	15,093.5
Total U.S. dollar debt		1,770.6	91,238.8	(1,070.6)	90,168.2
Mexican peso debt:					
8.79% Notes due 2027 [3]	8.84 %	96.7	4,500.0	(13.8)	4,486.2
8.49% Senior Notes due 2037 [2]	8.94 %	31.8	4,500.0	(11.2)	4,488.8
7.25% Senior Notes due 2043 [2]	7.92 %	58.9	6,500.0	(50.7)	6,449.3
Bank loans [4]	6.64 %	57.4	16,000.0	(60.5)	15,939.5
Bank loans (Sky) [5]	6.48 %	19.2	3,650.0	—	3,650.0
Bank loans (TVI) [6]	6.14 %	—	610.4	(0.3)	610.1
Total Mexican peso debt		264.0	35,760.4	(136.5)	35,623.9
Total debt		2,034.6	126,999.2	(1,207.1)	125,792.1
Less: Current portion of long-term debt		2,034.6	4,110.4	(4.0)	4,106.4
Long-term debt, net of current portion		Ps. —	Ps. 122,888.8	Ps. (1,203.1)	Ps. 121,685.7
Lease liabilities:					
Satellite transponder lease liabilities[7]					Ps. 3,457.5
Other lease liabilities [8]					689.5
Lease liabilities recognized beginning on January 1, 2019[8]					5,533.6
Total lease liabilities					9,680.6
Less: Current portion					1,478.4
Lease liabilities, net of current portion					Ps. 8,202.2

(1) U.S. Dollar-denominated debt is translated into Pesos at an exchange rate of Ps.20.5031 per U.S. Dollar, the Interbank Rate, as reported by CitiBanamex, as of December 31, 2021.

(2) The Senior Notes due between 2025 and 2049, in the aggregate outstanding principal amount of U.S.$4,450 million and Ps.11,000 million, are unsecured obligations of the Company, rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of the Company, and are junior in right of payment to all of the existing and future liabilities of the Company's subsidiaries. Interest rate on the Senior Notes due 2025, 2026, 2032, 2037, 2040, 2043, 2045, 2046 and 2049, including additional amounts payable in respect of certain Mexican withholding taxes, is 6.97%, 4.86%, 8.94%, 8.93%, 6.97%, 7.62%, 5.26%, 6.44% and 5.52% per annum, respectively, and is payable semi-annually. These Senior Notes may not be redeemed prior to maturity, except: (i) in the event of certain changes in law affecting the Mexican withholding tax treatment of certain payments on the securities, in which case the securities will be redeemable, in whole or in part, at the option of the Company; and (ii) in the event of a change of control, in which case the Company may be required to redeem the securities at 101% of their principal amount. Also, the Company may, at its own option, redeem the Senior Notes due 2025, 2026, 2037, 2040, 2043, 2046 and 2049, in whole or in part, at any time at a redemption price equal to the greater of the principal amount of these Senior Notes or the present value of future cash flows, at the redemption date, of principal and interest amounts of the Senior Notes discounted at a fixed rate of comparable U.S. or Mexican sovereign bonds. The Senior Notes due 2026, 2032, 2040, 2043, 2045, 2046 and 2049 were priced at 99.385%, 99.431%, 98.319%, 99.733%, 96.534%, 99.677% and 98.588%, respectively, for a yield to maturity of 4.70%, 8.553%, 6.755%, 7.27%, 5.227%, 6.147% and 5.345%, respectively. The Senior Notes due 2025 were issued in two aggregate principal amounts of U.S.$400 million and U.S.$200 million, and were priced at 98.081% and 98.632%, respectively, for a yield to maturity of 6.802% and 6.787%, respectively. In February 2022, we announced a partial redemption (the "Partial Redemption") of U.S.

$200 million aggregate principal amount of our U.S. $600 million 6.625% Senior Notes due 2025 (the "Redeemed Notes"), outstanding on March 30, 2022 (the "Redemption Date"), at a redemption price equal to the greater of: (i) 100% of the principal amount thereof; and (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the Redemption Date) discounted to the Redemption Date on a semiannual basis, at the Treasury Rate plus 40 basis points, plus accrued and unpaid interest on the principal amount of the Redeemed Notes to the Redemption Date, The Partial Redemption was completed on the Redemption Date. The agreement of these Senior Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions. The Senior Notes due 2025, 2026, 2032, 2037, 2040, 2045, 2046 and 2049, are registered with the U.S. Securities and Exchange Commission ("SEC"). The Senior Notes due 2043 are registered with both the SEC and the Mexican Banking and Securities Commission ("*Comisión Nacional Bancaria y de Valores*" or "CNBV").

(3) In 2017, we issued Notes (*Certificados Bursátiles*) due 2027, through the BMV in the aggregate principal amount of Ps.4,500 million, interest rate on the Notes due 2027 is 8.79% per annum and is payable semi-annually. We may, at its own option, redeem the Notes due 2027, in whole or in part, at any semi-annual interest payment date at a redemption price equal to the greater of the principal amount of the outstanding Notes and the present value of future cash flows, at the redemption date, of principal and interest amounts of the Notes discounted at a fixed rate of comparable Mexican sovereign bonds. The agreement of the Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries appointed by the Company's Board of Directors, and engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions.

(4) In 2017, we entered into long-term credit agreements with three Mexican banks, in the aggregate principal amount of Ps.6,000 million, with an annual interest rate payable on a monthly basis of 28-day TIIE plus a range between 125 and 130 basis points, and principal maturities between 2022 and 2023. Under the terms of these loan agreements, we required to: (a) maintain certain financial coverage ratios related to indebtedness and interest expense; and (b) comply with the restrictive covenant on certain spin-offs, mergers and similar transactions. In July 2019, we entered into a credit agreement for a five-year term loan with a syndicate of banks in the aggregate principal amount of Ps.10,000 million. The funds from this loan were used for general corporate purposes, including the refinancing of the Company's indebtedness. This loan bears interest at a floating rate based on a spread of 105 or 130 basis points over the 28-day TIIE rate depending on the Group's net leverage ratio. In February and March 2022, we prepaid outstanding long-term loans with three Mexican banks, in the aggregate principal amount of Ps.6,000 million, and related accrued interest for an aggregate amount of Ps.37.1 million. The original maturities of these loans were in the fourth quarter of 2022 and first quarter of 2023. The credit agreement of this loan requires the maintenance of financial ratios related to indebtedness and interest expense.

(5) In March 2016, Sky entered into long-term credit agreements with two Mexican banks in the aggregate principal amount of Ps.5,500 million, with maturities between 2021 and 2023, and interest payable on a monthly basis with an annual interest rate in the range of 7.0% and 7.13%. In July 2020, Sky prepaid a portion of these loans in the aggregate cash amount of Ps.2,818.1 million, which included principal amount prepayment of Ps.2,750 million, and related accrued interest and transaction costs in the amount of Ps.68.1 million. In December 2021, Sky prepaid a portion of these loans in the aggregate cash amount of Ps.1,750.4 million, which included principal amount prepayment of Ps.1,750 million, and related accrued interest in the amount of Ps.0.4 million. In December 2021, Sky entered into long-term credit agreement with a Mexican Bank in the aggregate principal amount of Ps.2,650 million, with maturity in December 2026, which included a Ps.1,325 million loan with an annual interest rate of 8.215% and a Ps.1.325 million loan with an annual interest rate payable on a monthly basis of 28-day TIIE plus 90 basis points. The funds from these loans will be used for general corporate purposes, including the prepayment of Sky´s indebtedness. Under the terms of these credit agreements, Sky is required to: (a) maintain certain financial coverage ratios related to indebtedness and interest expense; and (b) comply with a restrictive covenant on spin-offs, mergers and similar transactions.

(6) In 2021 included outstanding balances in the aggregate principal amount of Ps.610.4 million, in connection with credit agreements entered into by TVI with Mexican banks, with maturities between 2020 and 2022, bearing interest at an annual rate of TIIE plus a range between 100 and 125 basis points, which is payable on a monthly basis. This TVI long-term indebtedness is guaranteed by the Company. Under the terms of these credit agreements, TVI is required to comply with certain restrictive covenants and financial coverage ratios.

(7) Under a capital lease agreement entered into with Intelsat Global Sales & Marketing Ltd. ("Intelsat") in March 2010, Sky is obligated to pay at an annual interest rate of 7.30%, a monthly fee through 2027 of U.S.$3.0 million for satellite signal reception and retransmission service from 24 KU-band transponders on satellite IS-21, which became operational in October 2012. The service term for IS-21 will end at the earlier of: (a) the end of 15 years or; (b) the date IS-21 is taken out of service (see Note 12).

(8) Lease liabilities recognized beginning on January 1, 2019, under IFRS 16, in the aggregate amount of Ps.5,533.6 million and Ps.4,745.3 million, as of December 31, 2021 and 2020, respectively. These lease liabilities have terms which expired at various dates between 2021 and 2051. Lease liabilities also includes Ps.689.5 million and Ps.728.5 million, as of December 31, 2021 and 2020, respectively, in connection with a lease agreement entered into by a subsidiary of the Company and GTAC for the right to use certain capacity of a telecommunications network through 2030.

Interest Expense. Interest expense for the years ended December 31, 2021, 2020 and 2019 was Ps.9,135.5 million, Ps.10,482.2 million and Ps.10,402.0 million, respectively.

The following table sets forth our interest expense for the years indicated (in millions of U.S. Dollars and millions of Pesos):

	Year Ended December 31,[1]		
	2021	2020	2019
Interest payable in U.S. Dollars	U.S.$ 287.6	U.S.$ 275.7	U.S.$ 265.2
Amounts currently payable under Mexican withholding taxes[2]	13.4	13.4	12.8
Total interest payable in U.S. Dollars	U.S.$ 301.0	U.S.$ 289.1	U.S.$ 278.0
Peso equivalent of interest payable in U.S. Dollars	Ps. 6,162.5	Ps. 6,220.4	Ps. 5,396.5
Interest payable in Pesos	2,973.0	4,261.8	5,005.5
Total interest expense	Ps. 9,135.5	Ps. 10,482.2	Ps. 10,402.0

(1) U.S. Dollars are translated into Pesos at the rate prevailing when interest was recognized as an expense for each period.

(2) See "Additional Information — Taxation — Federal Mexican Taxation".

Contractual Obligations and Commercial Commitments

Our contractual obligations and commercial commitments consist primarily of the indebtedness, as described above, and transmission rights obligations.

Contractual Obligations on the Balance Sheet

The following table summarizes our contractual obligations on the balance sheet as of December 31, 2021 (these amounts do not include future interest payments):

	Payments Due by Period				
	Total	Less Than 12 Months January 1, 2022 to December 31, 2022	12-36 Months January 1. 2023 to December 31, 2024	36-60 Months January 1,2025 to December 31, 2026	Maturities Subsequent to December 31, 2026
	(Thousands of U.S. Dollars)				
6.625% Senior Notes due 2025	U.S.$ 600,000	U.S.$ —	U.S.$ —	U.S.$ 600,000	U.S.$ —
8.5% Senior Notes due 2032	300,000	—	—	—	300,000
8.49% Senior Notes due 2037	219,479	—	—	—	219,479
6.625% Senior Notes due 2040	600,000	—	—	—	600,000
8.79% Notes due 2027	219,479	—	—	—	219,479
7.25% Senior Notes due 2043	317,025	—	—	—	317,025
5% Senior Notes due 2045	1,000,000	—	—	—	1,000,000
4.625% Senior Notes due 2026	300,000	—	—	300,000	—
6.125% Senior Notes due 2046	900,000	—	—	—	900,000
5.250% Senior Notes due 2049	750,000	—	—	—	750,000
Syndicate loan due 2024	487,731	—	487,731	—	—
Scotiabank loan due 2023	121,933	—	121,933	—	—
HSBC loan due 2022	97,546	97,546	—	—	—
Santander loan due 2022	73,160	73,160	—	—	—
Banorte loan due 2022	29,771	29,771	—	—	—
HSBC loan due 2023	30,483	—	30,483	—	—
Scotiabank loan due 2023	18,290	—	18,290	—	—
Scotiabank loan due 2026	129,249	—	—	129,249	—
Long-term debt	6,194,146	200,477	658,437	1,029,249	4,305,983
Accrued interest payable	99,234	99,234	—	—	—
Satellite transponder lease liabilities	168,635	24,499	54,685	63,254	26,197
Other lease liabilities	33,629	12,563	8,105	6,207	6,754
Lease liabilities recognized as of January 1, 2019	269,889	35,044	57,644	51,423	125,778
Transmission rights[(1)]	384,950	157,848	127,526	56,610	42,966
Total contractual obligations	U.S.$ 7,150,483	U.S.$ 529,665	U.S.$ 906,397	U.S.$ 1,206,743	U.S.$ 4,507,678

(1) This liability reflects our transmission rights obligations related to programming acquired or licensed from third-party producers and suppliers, and special events, which are reflected in our consolidated balance sheet within trade accounts payable (current liabilities) and other long-term liabilities. Our Transmission rights contractual obligations as of December 31, 2021, are related to our Content business that was disposed of on January 31, 2022, as part of the TelevisaUnivision Transaction completed on that date.

Contractual Obligations off the Balance Sheet

The following table summarizes our contractual obligations off the balance sheet as of December 31, 2021:

	Payments Due by Period				
	Total	Less Than 12 Months January 1, 2022 to December 31, 2022	12-36 Months January 1, 2023 to December 31, 2024	36-60 Months January 1, 2025 to December 31, 2026	Maturities Subsequent to December 31, 2026
	(Thousands of U.S. Dollars)				
Interest on debt[1]	U.S.$ 5,866,649	U.S.$ 301,822	U.S.$ 743,188	U.S.$ 607,389	U.S.$ 4,214,250
Interest on lease liabilities	170,333	32,144	55,408	37,815	44,966
Programming[2]	69,716	35,990	27,711	3,970	2,045
Transmission rights[2]	1,198,134	68,830	270,242	190,216	668,846
Capital expenditures commitments	140,869	140,869	—	—	—
Satellite transponder commitments[3]	18,689	6,605	9,438	2,646	—
Committed financing to GTAC[4]	8,900	8,900	—	—	—
Total contractual obligations	U.S.$ 7,473,290	U.S.$ 595,160	U.S.$ 1,105,987	U.S.$ 842,036	U.S.$ 4,930,107

(1) Interest to be paid in future years on outstanding debt as of December 31, 2021, was estimated based on contractual interest rates and exchange rates as of that date.

(2) These line items reflect our obligations related to programming to be acquired or licensed from third party producers and suppliers, and transmission rights for special events to be acquired from a third party. Most of our Transmission rights and programming contractual obligations off the balance sheet as of December 31, 2021, are related to our Content business that was disposed of on January 31, 2022, as part of the TelevisaUnivision Transaction completed on that date.

(3) Reflects our minimum commitments for the use of satellite transponders under operating lease contracts.

(4) In connection with a long-term credit facility, we agreed to provide financing to GTAC in 2022 in the aggregate principal amount of Ps.191.9 million (U.S.$8.9 million).

Item 6. Directors, Senior Management and Employees

Board of Directors

The following table sets forth the names of our current directors and their alternates, their dates of birth, their principal occupation, their business experience, including other directorships, and their years of service as directors or alternate directors. The general annual stockholders' meeting takes place annually in order to, among other matters, elect and/or ratify the Company's directors. Our current Board of Directors is composed as follows:

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Emilio Fernando Azcárraga Jean (02/21/68)	Executive Chairman of the Board and Chairman of the Executive Committee of Grupo Televisa. Member and Chairman of the Board of Empresas Cablevisión (subsidiary of Grupo Televisa).	Former President and Chief Executive Officer of Grupo Televisa. Member of the Boards of Grupo Financiero Banamex and TelevisaUnivision. Member and Chairman of the Board of Managers of Innova (subsidiary of Grupo Televisa). Member of Consejo Mexicano de Negocios (formerly Consejo Mexicano de Hombres de Negocios) and Fundacion Teletón.	December 1990
In alphabetical order:			
Alfonso de Angoitia Noriega (01/17/62)	Co-Chief Executive Officer, Member of the Executive Committee of Grupo Televisa. Member of the Board of Empresas Cablevisión (subsidiary of Grupo Televisa). Co-Chief Executive Officer of TelevisaUnivision Mexico.	Executive Chairman of the Board of TelevisaUnivision. Member of the Boards of Liberty Latin America, Grupo Financiero Banorte and Innova (subsidiary of Grupo Televisa). Chairman of the Board of Trustees of Fundación Kardias. Member of the Boards of Trustees of Fundación Mexicana para la Salud, Fundación UNAM and The Paley Center for Media. Former Executive Vice President and Chief Financial Officer of Grupo Televisa.	April 1997
José Antonio Chedraui Eguía (10/06/66)	Member of the Board of Directors and Chief Executive Officer of Grupo Comercial Chedraui, S.A.B. de C.V.	Former Chief Executive Officer of the Galos division of Grupo Comercial Chedraui, S.A.B. de C.V.	April 2019

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Francisco José Chevez Robelo (07/03/29)	In-house advisor, co-founder and retired partner of Chevez, Ruiz, Zamarripa y Cía, S.C., Member of the Audit Committee of Grupo Televisa. Member of the Board of Directors and Member and Chairman of the Audit and Corporate Practices Committee of Empresas Cablevisión (subsidiary of Grupo Televisa).	Member of the Board of Directors of Apuestas Internacionales (subsidiary of Grupo Televisa). Former Managing Partner of Arthur Andersen & Co. (Mexico). Member of the Board of Directors and Chairman of the Audit Committees of Regiomontana de Perfiles y Tubos, S.A. de C.V., Quality Tube, S.A. de C.V. and Pytco, S.A. de C.V.	April 2003
Jon Feltheimer (09/02/51)	Chief Executive Officer of Lionsgate.	Former President of Columbia TriStar Television Group, former Executive Vice President of Sony Pictures Entertainment. Member of the Boards of Lionsgate, Celestial Tiger Entertainment and Pilgrim Media Group.	April 2015
José Luis Fernández Fernández (05/18/59)	Managing Partner of Chévez, Ruíz, Zamarripa y Cía., S.C., Member of the Audit Committee and Chairman of the Corporate Practices Committee of Grupo Televisa.	Member of the Boards of Directors of Unifin Financiera, Controladora Vuela Compañía de Aviación, Grupo Financiero Banamex, Banco Nacional de México and Apuestas Internacionales. Alternate member of the Board of Directors of Arca Continental Corporativo. Alternate Member of the Board of Directors and Alternate Member of the Audit and Corporate Practices Committee of Empresas Cablevisión (subsidiary of Grupo Televisa).	April 2002

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Salvi Rafael Folch Viadero (08/16/67)	Until April 30, 2021, served as Chief Executive Officer of Grupo Televisa's Cable Division.	Member of the Board of Consorcio Ara, S.A.B. Former Chief Financial Officer of Grupo Televisa. Former Vice President of Financial Planning of Grupo Televisa and former Vice Chairman of Banking Supervision of the National Banking and Securities Commission. Former Member of the Board of Directors and Former Alternate Member of the Executive Committee of Empresas Cablevisión (subsidiary of Grupo Televisa).	April 2002
Michael Thomas Fries (02/06/63)	President and Chief Executive Officer of Liberty Global, plc.	Vice Chairman of the Board of Liberty Global, Executive Chairman of the Board of Liberty Latin America, Member of the Boards of Directors of Lionsgate and Cable Television Labs, Trustee of the Board of The Paley Center for Media, Chairman of the Boards of Directors of Museum of Contemporary Art Denver and Biennial of the Americas, Digital Communications Governor and Steering Committee Member of the World Economic Forum. Member of Young Presidents' Organization.	April 2015

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Guillermo García Naranjo Álvarez (07/02/56)	Chairman of the Audit Committee and member of the Corporate Practices Committee of Grupo Televisa.	Former Chairman of the Board of Trustees of Consejo Mexicano de Normas de Información Financiera. Former Chief Executive Officer and Former Audit Partner of KPMG Cárdenas Dosal, S.C. Member of the Board and the Audit Committee of Banco Nacional de México, S.A. and Citibanamex, Casa de Bolsa, S.A., Member of the Board of Directors, Member of the Corporate Practices Committee and Chairman of the Audit Committee of Grupo Posadas. Statutory Auditor of Total Systems de México. Member of the Board and the Audit Commission of Fundación Pro-Empleo D.F., A.C. (a non-profit organization).	April 2018
Bernardo Gómez Martínez (07/24/67)	Co-Chief Executive Officer and Member of the Executive Committee of Grupo Televisa. Member of the Board of Empresas Cablevisión (subsidiary of Grupo Televisa).	Co-Chief Executive Officer of TelevisaUnivision Mexico. Member of the Boards of TelevisaUnivision and Innova (subsidiary of Grupo Televisa). Former Executive Vice President and Deputy Director of the President of Grupo Televisa and Former President of Cámara Nacional de la Industria de Radio y Televisión.	April 1999
Carlos Hank González (09/01/71)	Chairman of the Board of Directors of Grupo Financiero Banorte and Banco Mercantil del Norte. Vice-President of the Board of Directors of Gruma. Chief Executive Officer of Grupo Hermes.	Former Chief Executive Officer of Grupo Financiero Interacciones, Banco Interacciones and Interacciones Casa de Bolsa. Former Deputy General Manager of Grupo Financiero Banorte. Member of the Boards of Directors of Bolsa Mexicana de Valores and Grupo Hermes.	April 2017

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Enrique Krauze Kleinbort (09/16/47)	Chief Executive Officer, Chairman of the Board of Directors and Founder of Editorial Clío, Libros y Videos, S.A. de C.V. and Letras Libres, S.A. de C.V.	Member of Academia Mexicana de la Historia and Colegio Nacional.	April 1996
Denise Maerker Salmón (01/08/65)	Anchor at Televisa's flagship newscast "En punto con Denise Maerker"	Former Research Professor and Director of Communication at Centro de Investigación y Docencia Económicas (CIDE). Cast member on the debate program "Tercer Grado".	April 2022
Sebastian Mejía (08/24/84)	President and Co-Founder of Rappi.	Co-Founder of Grability.	April 2021

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Lorenzo Alejandro Mendoza Giménez (10/05/65)	Chief Executive Officer, Member of the Board of Directors and Chairman of the Executive Committee of Empresas Polar.	Former Member of the Boards of AES La Electricidad de Caracas, CANTV-Verizon and BBVA Banco Provincial. Member of the Board of Grupo GEPP. Member of the MIT Sloan Board, the Latin American Board of Georgetown University, Group of Fifty (G-50), the Latin America Conservation Council (LACC), the Latin American Business Council, the Board of Trustees of Universidad Metropolitana, the Board of Trustees of Instituto de Estudios Superiores de Administración (IESA), Ashoka Fellow and Member of the World Economic Forum (named a Global Young leader in 2005).	April 2009
Guadalupe Phillips Margain[1] (02/07/71)	Chief Executive Officer of ICA Tenedora, S.A. de C.V.	Former Chief Restructuring Officer of Empresas ICA, S.A.B. de C.V. Former Vice-President of Finance and Risk of Grupo Televisa (left more than five years ago). Member of the Board of Directors of Ica Tenedora, Innova (subsidiary of Grupo Televisa) and Grupo Aeroportuario del Centro Norte.	April 2012
Fernando Senderos Mestre (03/03/50)	Executive President and Chairman of the Boards of Directors of Grupo Kuo, S.A.B. de C.V. and Dine, S.A.B de C.V. Chairman of the Board of Directors of Grupo Desc, S.A. de C.V.	Member of the Boards of Kimberly-Clark de México, Industrias Peñoles and Grupo Nacional Provincial. Member of Consejo Mexicano de Negocios (formerly Consejo Mexicano de Hombres de Negocios) and Member of Fundación para las Letras Mexicanas.	April 1992
Enrique Francisco José Senior Hernández (08/03/43)	Managing Director of Allen & Company LLC.	Member of the Boards of Directors of Coca-Cola FEMSA, Cinemark and FEMSA.	April 2001

(1) Guadalupe Phillips Margain is the sister of Carlos Phillips Margain, the Company's Chief Financial Officer.

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Eduardo Tricio Haro (08/05/63)	Chairman of the Board of Directors of Grupo Lala. Chairman of the Executive Committee of Aeromexico and Member of the Corporate Practices Committee of Grupo Televisa.	Chairman of Grupo Industrial Nuplen, Fundación Lala and SER, A.C. Member of the Boards of Directors of Grupo Aeroméxico, Grupo Financiero Banamex, Orbia, Aura Solar, Hospital Infantil de México "Federico Gómez", el Instituto Tecnológico y de Estudios Superiores de Monterrey, el Consejo Mexicano de Negocios, el Instituto Nacional de Ciencias Médicas y Nutrición "Salvador Zubirán", the Latin America Conservation Council of the Nature Conservancy (LACC).	April 2012
David M. Zaslav (01/15/60)	President, Chief Executive Officer and Director of Discovery, Inc.	Member of the Boards of Sirius XM Radio, Inc., Lionsgate Entertainment Corp., the National Cable & Telecommunications Association, The Cable Center, Mt. Sinai Medical Center, the USC Shoah Foundation, the Partnership for New York City and the Paley Center for Media.	April 2015
Alternate Directors:			
In alphabetical order:			
Herbert A. Allen III[(2)] (06/08/67)	President of Allen & Company LLC.	Former Executive Vice-President and Managing Director of Allen & Company Incorporated.	April 2002
Félix José Araujo Ramírez (03/20/51)	Vice President of Digital and Broadcast Television and Televisa Regional.	Former Chief Executive Officer of Telesistema Mexicano. Chairman of the Board of Directors of Televisión Independiente de México and Televimex.	April 2002
Joaquín Balcárcel Santa Cruz (01/04/69)	Chief of Staff of the Executive Chairman of the Board of Directors of Grupo Televisa.	Former Vice-President - Legal and General Counsel of Grupo Televisa. Former Vice-President and General Counsel of Television Division. Former Legal Director of Grupo Televisa.	April 2000

(2) Alternate of Mr. Enrique Francisco José Senior Hernández.

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Julio Barba Hurtado (05/20/33)	Legal Advisor of Grupo Televisa and Secretary of the Audit and Corporate Practices Committee of Empresas Cablevisión (subsidiary of Grupo Televisa).	Former Legal Advisor to the Board of Grupo Televisa. Alternate member of the Board of Directors of Editorial Televisa Colombia.	December 1990
Luis Alejandro Bustos Olivares (01/01/64)	Legal Vice-President and General Counsel of Grupo Televisa.	Former Legal and Regulatory on Telecommunications Vice-President, former Legal General Director of Special Affairs, former Corporate Legal General Director, former Legal Director of Litigation of Grupo Televisa. Former General Counsel of The Pepsi Bottling Group Mexico. Former litigation lawyer at Mr. Ramón Sánchez Medal's law firm.	April 2021
Jorge Agustín Lutteroth Echegoyen (01/24/53)	Vice-President and Corporate Controller of Grupo Televisa.	Former Senior Partner of Coopers & Lybrand, Despacho Roberto Casas Alatriste, S.C. and former Controller of Televisa Corporación. Alternate Member of the Board of Empresas Cablevisión (subsidiary of Grupo Televisa). Alternate Member of the Board of Managers and the Executive Committee of Innova (subsidiary of Grupo Televisa).	April 2000
Raúl Morales Medrano (05/12/70)	Partner of Chévez, Ruiz, Zamarripa y Cia., S.C.	Member of the Board of Directors and of the Audit and Corporate Practices Committee of Empresas Cablevisión (subsidiary of Grupo Televisa).	April 2002

Our Board of Directors

General. The management of our business is entrusted to our Board of Directors. Our bylaws currently provide for a Board of Directors of 20 members, at least 25% of which must be "independent directors" under Mexican law (as described below). The Mexican Securities Market Law provides that the following persons, among others, do not qualify as independent:

- our key executives or employees, as well as the statutory auditors, or *comisarios*, of our subsidiaries, including those individuals who have occupied any of the described positions within a period of 12 months preceding the appointment;
- individuals who have significant influence over our decision making processes;
- controlling stockholders, in our case, the beneficiary of the Azcárraga Trust;

- partners or employees of any company which provides advisory services to us or any company that is part of our same economic group and that receives 10% or more of its income from us;

- significant clients, suppliers, debtors or creditors, or members of the Board or executive officers of any such entities; or

- spouses, family relatives up to the fourth degree, or cohabitants of any of the aforementioned individuals.

Our bylaws prohibit the appointment of individuals to our Board of Directors who: (i) are members of the board of directors or other management boards of a company (other than the Company or its subsidiaries) that has one or more concessions to operate telecommunications networks in Mexico; or (ii) directly or indirectly, are shareholders or partners of companies (other than the Company or its subsidiaries), that have one or more concessions to operate telecommunications networks in Mexico, with the exception of ownership stakes that do not allow such individuals to appoint one or more members of the management board or any other operation or decision making board.

Election of Directors. A majority of the members of our Board of Directors must be Mexican nationals and must be elected by Mexican stockholders. All of our current directors and alternate directors were appointed and/or ratified in their positions by our 2022 annual stockholders' special and general meetings, which were held on April 27, 2022. A majority of the holders of the Series "A" Shares voting together elected eleven of our directors and corresponding alternates and a majority of the holders of the Series "B" Shares voting together elected five of our directors and corresponding alternates. At our special stockholders' meetings, a majority of the holders of the Series "L" and Series "D" Shares each elected two of our directors and alternate directors, each of which must be an independent director. Each alternate director may vote in the absence of a corresponding director. Our stockholders' meetings held on April 27, 2022 resolved that our directors and alternate directors be elected annually for a term that will expire when new appointments are approved by our stockholders as provided by our bylaws and applicable law. In addition, if any director is elected for a specific term and such term expires or any director resigns from his or her position, any such director will continue to serve in his or her position for up to a 30-day term; in this case, the Board of Directors is entitled to appoint provisional directors without the approval of the stockholders' meeting.

Quorum; Voting. In order to have a quorum for a meeting of the Board of Directors, generally at least 50% of the directors or their corresponding alternates must be present. However, in the case of a meeting of the Board of Directors to consider certain proposed acquisitions of our capital stock, at least 75% of the directors or their corresponding alternates must be present. In the event of a deadlock of our Board, our Chairman will have the deciding vote.

Meetings; Actions Requiring Board Approval. Our bylaws provide that our Board must meet at least quarterly, and that our Chairman, 25% of the Board members, our Secretary, alternate Secretary, the Chairman of the Audit Committee or the Chairman of the Corporate Practices Committee may call for a Board meeting.

Pursuant to the Mexican Securities Market Law and our bylaws, our Board of Directors must approve, among other matters:

- our general strategy;

- with input from the Audit Committee, on an individual basis: (i) our financial statements; (ii) unusual or non-recurrent transactions and any transactions or series of related transactions during any calendar year that involve (a) the acquisition or sale of assets with a value equal to or exceeding 5% of our consolidated assets, or (b) the giving of collateral or guarantees or the assumption of liabilities, equal to or exceeding 5% of our consolidated assets; (iii) agreements with our external auditors; and (iv) accounting policies within IFRS;

- with input from the Corporate Practices Committee, on an individual basis: (i) any material transactions with related parties, in accordance with the criteria set forth in the Mexican Securities Market Law, subject to certain limited exceptions; and (ii) the appointment of our Chief Executive Officer (position currently held by our Co-Chief Executive Officers) and his or her compensation;

- creation of special committees and granting them the power and authority, provided that the committees will not have the authority, which by law or under our bylaws is expressly reserved for the stockholders or the Board;

- matters related to antitakeover provisions provided for in our bylaws; and

- the exercise of our general powers in order to comply with our corporate purpose.

Duty of Care and Duty of Loyalty. The Mexican Securities Market Law imposes a duty of care and a duty of loyalty on directors. The duty of care requires our directors to act in good faith and in the best interests of the Company. In carrying out this duty, our directors are required to obtain the necessary information from the Co-Chief Executive Officers, the executive officers, the external auditors or any other person to act in the best interests of the Company. Our directors are liable for damages and losses caused to us and our subsidiaries as a result of violating their duty of care.

The duty of loyalty requires our directors to preserve the confidentiality of information received in connection with the performance of their duties and to abstain from discussing or voting on matters in which they have a conflict of interest. In addition, the duty of loyalty is breached if a stockholder or group of stockholders is knowingly favored or if, without the express approval of the Board of Directors, a director takes advantage of a corporate opportunity. The duty of loyalty is also breached, among other things, by (i) failing to disclose to the Audit Committee or the external auditors any irregularities that the director encounters in the performance of his or her duties; or (ii) disclosing information that is false or misleading or omitting to record any transaction in our records that could affect our financial statements. Directors are liable for damages and losses caused to us and our subsidiaries for violations of this duty of loyalty. This liability also extends to damages and losses caused as a result of benefits obtained by the director or directors or third parties, as a result of actions of such directors.

Our directors may be subject to criminal penalties of up to 12 years imprisonment for certain illegal acts involving willful misconduct that result in losses to us. Such acts include the alteration of financial statements and records.

Liability actions for damages and losses resulting from the violation of the duty of care or the duty of loyalty may be exercised solely for our benefit and may be brought by us, or by stockholders representing 5% or more of our capital stock, and criminal actions only may be brought by the Mexican Ministry of Finance, after consulting with the Mexican National Banking and Securities Commission. As a safe harbor for directors, the liabilities specified above (including criminal liability) will not be applicable if the director acting in good faith: (i) complied with applicable law, (ii) made the decision based upon information provided by our executive officers or third-party experts, the capacity and credibility of which could not be subject to reasonable doubt, (iii) selected the most adequate alternative in good faith or if the negative effects of such decision could not have been foreseeable, and (iv) complied with stockholders' resolutions provided the resolutions do not violate applicable law.

The members of the board are liable to our stockholders only for the loss of net worth suffered as a consequence of disloyal acts carried out in excess of their authority or in violation of our bylaws.

In accordance with the Mexican Securities Market Law, supervision of our management is entrusted to our Board of Directors, which shall act through the Audit and the Corporate Practices Committees for such purposes, and to our external auditor.

Audit Committee. The Audit Committee is currently composed of three independent members: Guillermo García Naranjo Álvarez, the Chairman, José Luis Fernández Fernández and Francisco José Chevez Robelo. The Chairman of the Audit Committee was elected at our annual stockholders' meeting held on April 27, 2022, and our Board of Directors appointed the remaining members.

The Audit Committee is responsible for, among other things: (i) submit to the Board of Director's approval, the annual designation and/or ratification of the firm engaged to perform the external audit, as well as the engagement of services other than those related to the external audit to be performed by the external auditors; (ii) evaluating the performance of our external auditors and analyzing their reports, (iii) discussing our financial statements with the persons in charge of their preparation, and based on such discussions, recommending their approval to the Board of Directors, (iv) informing the Board of Directors of the status of our internal controls and their adequacy, (v) requesting reports of executive officers whenever it deems appropriate, (vi) informing the Board of any irregularities that it may encounter as part of the performance of its duties, (vii) receiving and analyzing recommendations and observations made by the stockholders, directors, executive officers, our external auditors or any third party and taking the necessary actions, (viii) review and approve, if applicable, certain related party transactions that are not considered material in accordance with the Mexican Securities Market Law; (ix) calling stockholders' meetings when requested, (x) providing opinions to our Board of Directors with respect to specific matters required under the Mexican Securities Market Law, (xi) requesting and obtaining opinions from independent third parties, as it deems convenient, in connection with the performance of its duties; and (xii) assisting the Board in the preparation of annual reports rendered by the Board to the shareholders and other reporting obligations.

The Chairman of the Audit Committee shall prepare an annual report to our Board of Directors with respect to the activities of the Audit Committee, which shall include, among other things: (i) the status of the internal controls and internal audits and any deviations and deficiencies thereof, taking into consideration the reports of external auditors and independent experts, (ii) the results of any preventive and corrective measures taken based on results of investigations in respect of non-compliance of operating and accounting policies, (iii) the evaluation of external auditors, (iv) the main results from the review of our financial statements and those of our subsidiaries, (v) the description and effects of changes to accounting policies, (vi) the measures adopted as result of observations of stockholders, directors, executive officers and third parties relating to accounting, internal controls, and internal or external audits, and (vii) compliance with stockholders' and directors' resolutions.

Corporate Practices Committee. The Corporate Practices Committee is currently composed of the following independent members: José Luis Fernández Fernández, the Chairman, Guillermo García Naranjo Álvarez and Eduardo Tricio Haro. The Chairman of the Corporate Practices Committee was ratified at our annual stockholders' meeting held on April 27, 2022, and our Board of Directors appointed the remaining members.

The Corporate Practices Committee is responsible for, among other things: (i) reviewing and approving corporate goals and objectives relevant to the compensation of the Co-Chief Executive Officers, and reviewing the evaluations of the Co-Chief Executive Officers' performance in light of those goals and objectives, (ii) reviewing and approving the annual base salaries and annual incentive opportunities of the relevant executive, reviewing the parameters evaluating the executive officers' performance and recommending executive officer compensation policies and guidelines to our Board of Directors, (iii) reviewing all other incentive awards and opportunities (cash-based and equity-based), any employment agreements, any change in control agreements and change in control provisions affecting compensation and benefits and any special or supplemental compensation and benefits for the relevant executive and individuals who formerly served as executive officers, and (iv) reviewing and recommending certain material transactions entered into with related parties, in accordance with the Mexican Securities Market Law.

The Chairman of the Corporate Practices Committee shall prepare an annual report to the Board of Directors with respect to the activities of the Corporate Practices Committee, which shall include, among other things: (i) observations with respect to the performance of the relevant executives, (ii) material related party transactions entered into during the course of the fiscal year, and (iii) the compensation packages of the relevant executives.

Executive Committee of Our Board of Directors. Our Board of Directors has an Executive Committee. Each member is appointed for a one-year term at each annual general stockholders' meeting. Our bylaws provide that the Executive Committee may generally exercise the powers of the Board of Directors, except those expressly reserved for the Board in our bylaws or by applicable law. The Executive Committee is currently composed by Emilio Azcárraga Jean, Alfonso de Angoitia Noriega and Bernardo Gómez Martínez.

Executive Officers

The following table sets forth the names of our executive officers, their dates of birth, their current position, their prior business experience and the years in which they were appointed to their current positions:

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Emilio Fernando Azcárraga Jean (02/21/68)	Executive Chairman of the Board and Chairman of the Executive Committee of Grupo Televisa. Member and Chairman of the Board of Empresas Cablevisión (subsidiary of Grupo Televisa).	Former President and Chief Executive Officer of Grupo Televisa. Member of the Boards of Grupo Financiero Banamex and TelevisaUnivision. Member and Chairman of the Board of Managers of Innova (subsidiary of Grupo Televisa). Member of Consejo Mexicano de Negocios (formerly Consejo Mexicano de Hombres de Negocios) and Fundacion Teletón.	December 1990

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
In alphabetical order:			
Alfonso de Angoitia Noriega (01/17/62)	Co-Chief Executive Officer, Member of the Executive Committee of Grupo Televisa. Member of the Board of Empresas Cablevisión (subsidiary of Grupo Televisa). Co-Chief Executive Officer of TelevisaUnivision Mexico.	Executive Chairman of the Board of TelevisaUnivision. Member of the Boards of Liberty Latin America, Grupo Financiero Banorte and Innova (subsidiary of Grupo Televisa). Chairman of the Board of Trustees of Fundación Kardias. Member of the Boards of Trustees of Fundación Mexicana para la Salud, Fundación UNAM and The Paley Center for Media. Former Executive Vice President and Chief Financial Officer of Grupo Televisa.	April 1997
Bernardo Gómez Martínez (07/24/67)	Co-Chief Executive Officer and Member of the Executive Committee of Grupo Televisa. Member of the Board of Empresas Cablevisión (subsidiary of Grupo Televisa). Co-Chief Executive Officer of TelevisaUnivision Mexico.	Member of the Boards of TelevisaUnivision and Innova (subsidiary of Grupo Televisa). Former Executive Vice President and Deputy Director of the President of Grupo Televisa and Former President of Cámara Nacional de la Industria de Radio y Televisión.	April 1999
Carlos Phillips Margain[(1)] (05/15/74)	Chief Financial Officer of Grupo Televisa.	Former Managing Director of Finance of Grupo Televisa. Former Investment Banker at J.P. Morgan, Goldman Sachs, BBVA, and Itaú.	October 2021

(1) Carlos Phillips Margain is the brother of Guadalupe Phillips Margain, a member of the Company's Board of Directors.

Compensation of Directors and Officers

For the year ended December 31, 2021, we paid our directors, alternate directors and officers for services in all capacities aggregate compensation of approximately Ps. 1,115.3 million (U.S.$ 54.4 million using the Interbank Rate, as reported by CitiBanamex, as of December 31, 2021). This compensation included certain amounts related to the use of assets and services of the Company, as well as travel expenses reimbursed to directors and officers. See "— Use of Certain Assets and Services" below.

On April 27, 2022, at our general stockholders' meeting, our stockholders approved the compensation plan for our Board of Directors and the Secretary of the Board of Directors under which our Directors and the Secretary of the Board may elect to receive (i) U.S. $15,000 for each meeting of the Board to which they attend (or U.S.$25,000 in the case of Board members traveling from outside of Mexico to attend Board meetings), or (ii) an annual award in the form of CPOs (or in its case, other instrument issued based on shares of the Company), in an amount equivalent to U.S. $150,000, which would be released on the first anniversary of such award, in exchange for the payment of Ps. 1.60 for each such CPO or equivalent instrument. In our April 27, 2022 general stockholders' meeting, our stockholders also ratified the remuneration of U.S. $15,000 to be paid to alternate members of the Board and members of the Audit and Corporate Practices Committees, for each meeting of the Board and/or the Audit and Corporate Practices Committees to which they attend.

As of December 31, 2021, we have made Ps. 212.3 million in contributions to our pension and seniority premium plans on behalf of our directors, alternate directors and officers. Projected benefit obligations as of December 31, 2021 were approximately Ps.76.2 million.

Certain of our officers are entitled to receive performance bonuses. The amount and rules applicable vary among the different divisions and/or officers. The amounts payable under the performance bonus depend on the results achieved, and include certain qualitative and/or quantitative objectives that can be related to revenues and/or EBITDA, budgets, market share and others.

We have entered into certain Compensation and Retention Agreements with several executive officers. Such agreements were originally signed in late 2014 and substituted before their original termination with new agreements that will expire in December 2022. The conditions applicable to such contracts were approved by the Board of Directors and include, among other conditions, salary, an annual retention bonus and a performance bonus. In order to be entitled to the performance bonus, certain qualitative and quantitative targets must be met, including parameters related to the growth of revenues and EBITDA. If targets are not met, the amounts to be paid decline, and if targets are exceeded, the bonus can reach up to 120% of the target bonus. The target bonus is set at approximately two times the fixed component established in the relevant agreements.

We have a deferred compensation plan for certain officers of our Cable Division, payable in the event that certain revenue and EBITDA targets of a five-year plan are met. Twenty percent of such deferred compensation was paid in 2020, and since the targets for such plan were below the maximum amount established, only a portion of the remainder was paid in March 2021.

A new deferred compensation plan for certain officers of our Cable division, payable in the event that certain annual revenue and EBITDA targets of a five-year plan are met, was approved by the Board of Directors in February, 2021. In the event that the established targets in the plan are fully met, the annual cost during the five years of the deferred compensation plan will amount to approximately U.S. $20 million.

In addition, we have granted our executive officers and directors rights to purchase CPOs under the Stock Purchase Plan and the Long-Term Retention Plan. See "— Stock Purchase Plan and Long-Term Retention Plan" below.

Use of Certain Assets and Services

We maintain an overall security program for Mr. Azcárraga and for certain executive officers, as well as, in some cases, for their families, and for other specific employees and service providers, as permitted under our "*Política de Seguridad*", or Security Policy, due to business-related security concerns. We refer to the individuals described above as Key Personnel. Our security program includes the use of our personnel, assets and services to accomplish security objectives.

In accordance with this program, we require, under certain circumstances, that certain authorized Key Personnel use aircrafts, either owned or leased by us, for non-business, as well as business travel for our benefit rather than as a personal benefit. The use of such aircrafts is carried out in accordance with, among others, our "*Política de Seguridad*" policy, which establishes guidelines under which authorized Key Personnel may use such aircrafts for personal purposes. If the use of such aircrafts for personal purposes exceeds the specified number of hours, the relevant Key Personnel must reimburse us for the cost of operating the aircrafts during the excess time of use. The aggregate amount of compensation set forth in "— Compensation of Directors and Officers" does include the cost to us of providing this service.

In addition, certain Key Personnel are provided with security systems and equipment for their residences and/or automobiles and with security advice and personal protection services at their residences. The use of these security services is provided in accordance with our "*Política de Seguridad*" policy. The cost of these systems and services are incurred as a result of business-related concerns and are not considered for their personal benefit. As a result, the Company has not included such cost in "— Compensation of Directors and Officers".

Further, certain Key Personnel are provided with advisory services, including legal, tax and accounting services, through approved company providers.

Stock Purchase Plan and Long-Term Retention Plan

The stock purchase plan has been implemented in several stages since 1999, through a series of conditional sales to plan participants of CPOs. At our general extraordinary and ordinary stockholders' meeting held on April 30, 2002, our stockholders authorized the creation and implementation of a Long-Term Retention Plan, as well as the creation of one or more special purpose trusts to implement the Long-Term Retention Plan. Pursuant to our Long-Term Retention Plan, we have granted eligible participants, who consist of unionized and non-unionized employees, including key personnel ("Plan Participants"), awards as conditional sales. As of October 2010, our stock purchase plan and our Long-Term Retention Plan were consolidated under a single special purpose trust. Pursuant to the resolutions adopted by our stockholders, we have not, and do not intend to, register shares under the Securities Act that are allocated to the Long-Term Retention Plan.

The CPOs, CPO equivalents and underlying shares that are part of the stock purchase plan will be held by the special purpose trust and will be voted with the majority of the CPOs, CPO equivalents and underlying shares are represented at the relevant meeting until these securities are transferred to Plan Participants or otherwise sold in the open market. Our Executive President of the Board, the Board of Directors, the Corporate Practices Committee and the technical committee of the special purpose trust have authority to make decisions related to, and amendments to, the stock purchase plan, including the ability to accelerate vesting terms, to modify the purchase price, to grant, release or transfer CPOs and/or CPO equivalents, subject to conditional sale agreements, to Plan Participants in connection with sales for purposes of making the payment of the related purchase price.

Historically, the price at which the conditional sales of the awards were made to beneficiaries was based on the lowest of (i) the closing price of the CPO on March 31 of the year of the relevant award, and (ii) the average price of the CPO during the first three months of the year of the relevant award. The resulting price would be reduced by dividends, a liquidity discount and by the growth of the consolidated or relevant segment Operating Income Before Depreciation and Amortization, or OIBDA, (including OIBDA affected by acquisitions) between the date of award and the vesting date, among others.

Beginning with the grants to be awarded in respect of fiscal year 2020 under the Long-Term Retention Plan, as approved by the Board of Directors of the Company, a portion of such awards is granted at the sale price described in the preceding paragraph, and the remaining part of the relevant awards at a sale price equal to the nominal value of the CPO, which was determined at Ps.1.60. This is intended to further align the incentives of Plan Participants with our shareholders and the Company, and the Company believes this reflects current market practices. Unless modified in accordance with the Long-Term Retention Plan and the stockholder resolutions granted in connection therewith, we intend to continue providing awards at both prices described in this paragraph and the preceding paragraph.

In April 2007, the Board of Directors, with input from the then Audit and Corporate Practices Committee, reviewed the compensation of our former Chief Executive Officer and decided to include our former Chief Executive Officer in our Long-Term Retention Plan as well as in any other plan granted to our employees in the future. See "— Compensation of Directors and Officers".

At our annual general ordinary stockholders' meeting held on April 2, 2013, our stockholders approved that the number of CPOs that may be granted annually under the Long-Term Retention Plan shall be up to 1.5% of the capital of the Company. As of December 31, 2021, approximately 11.7 million CPOs or CPO equivalents that were transferred to Plan Participants were sold in the open market from 2019 to 2021. Additional sales will continue to take place during or after 2022.

Following the completion of the TelevisaUnivision Transaction, in the first quarter of 2022 the Board of Directors of the Company approved: (i) the cancellation of certain sale contracts for 10.6 million CPOs, corresponding to conditional sales previously executed under the Long-Term Retention Plan to certain officers and employees of the Company in 2019, 2020 and 2021; and (ii) the release of 8.0 million CPOs under the grants referred to above to such individuals. The CPOs released under (ii) above were sold at a price of Ps.1.60 per CPO.

The Company also entered into conditional sale contracts with certain officers of the Group, primarily in February 2022, for 24.7 million CPOs.

As of March 31, 2022, the special purpose trust created to implement the Long-Term Retention Plan owned approximately 181.1 million CPOs or CPO equivalents. This figure is net of approximately 32.3 million, 4.4 million and 52.9 million CPOs or CPO equivalents vested in 2019, 2020 and 2021, respectively and the return of CPOs or CPO equivalents as a result of awards terminated in previous years. Of such 181.1 million CPOs or CPO equivalents, approximately 73.2% are in the form of CPOs and the remaining 26.8% are in the form of "A", "B", "D" and/or Series "L" Shares. As of March 31, 2022, approximately 101.2 million CPOs or CPO equivalents have been reserved and will become vested between 2022 and 2024 at prices ranging from Ps.38.69 to Ps.1.60 per CPO or CPO equivalent which may be reduced, when applicable, by dividends, a liquidity discount and the growth of the consolidated or relevant segment OIBDA (including OIBDA affected by acquisitions) between the date of award and the vesting date, among others.

As we have done in the past, we may consider further capital increases, among other alternatives, to continue replenishing the Long-Term Retention Plan. Any such capital increases would be subject to the appropriate corporate approvals, including stockholders' preemptive rights as well as the authorization by our stockholders at the stockholders' meeting.

Share Ownership of Directors and Officers

Share ownership of our directors, alternate directors and executive officers is set forth in the table under "Major Stockholders and Related Party Transactions". Except as set forth in such table, none of our directors, alternate directors or executive officers is currently the beneficial owner of more than 1% of any class of our capital stock or conditional sale agreements or options representing the right to purchase more than 1% of any class of our capital stock.

Employees and Labor Relations

The following table sets forth the number of employees and a breakdown of employees by main category of activity and geographic location as of the end of each year in the three-year period ended December 31, 2021:

	Year Ended December 31,		
	2021	2020	2019
Employees excluding held-for-sale operations	46,786	43,287	42,702
Total number of employees	46,786	43,287	42,948
Category of activity:			
Employees	46,717	43,215	42,875
Executives	69	72	73
Geographic location:			
Mexico	46,731	43,223	42,884
Latin America (other than Mexico)	2	2	3
U.S.	44	53	52
Europe	9	9	9

As of December 31, 2021, 2020 and 2019, approximately 38%, 39%, and 41% of our employees, respectively, were represented by unions. We believe that our relations with our employees are good. Under Mexican law, the agreements between us and most of our television and cable television union employees are subject to renegotiation on an annual basis in January of each year. We also have union contracts with artists, musicians and other employees, which are also renegotiated on an annual basis.

As part of the TelevisaUnivision Transaction, approximately 9,300 employees were transferred from the Company to certain subsidiaries of TelevisaUnivision.

Item 7. Major Stockholders and Related Party Transactions

The following table sets forth information about the beneficial ownership of our capital stock by our directors, alternate directors, executive officers and each person who is known by us to own more than 5% of the currently outstanding Series "A" Shares, Series "B" Shares, Series "L" Shares or Series "D" Shares as of April 29, 2022. Except as set forth below, we are not aware of any holder of more than 5% of any class of our Shares.

	Shares Beneficially Owned(1)(2)								Aggregate Percentage of Outstanding Shares Beneficially Owned
	Series "A" Shares		Series "B" Shares		Series "D" Shares		Series "L" Shares		
Identity of Owner	Number	Percentage of Class	Number	Percentage of Class	Number	Percentage of Class	Number	Percentage of Class	
Azcárraga Trust(3)	52,991,825,705	43.8 %	67,814,604	0.1 %	107,886,870	0.1 %	107,886,870	0.1 %	15.1 %
Harris Associates, L.P. (4)	8,232,529,875	6.8 %	7,244,626,290	12.7 %	11,525,541,825	13.2 %	11,525,541,825	13.2 %	10.9 %
Dodge & Cox (5)	8,128,387,500	6.7 %	7,152,981,000	12.5 %	11,379,742,500	13.1 %	11,379,742,500	13.1 %	10.8 %
Melinda French Gates (6)	4,311,413,000	3.6 %	3,794,043,440	6.7 %	6,035,978,200	6.9 %	6,035,978,200	6.9 %	5.7 %
BlackRock, Inc.(7)	4,780,109,950	3.9 %	4,206,496,756	7.4 %	6,692,153,930	7.7 %	6,692,153,930	7.7 %	6.4 %
FPR Partners, LLC(8)	3,782,188,875	3.1 %	3,328,326,210	5.8 %	5,295,064,425	6.1 %	5,295,064,425	6.1 %	5.0 %

(1) Unless otherwise indicated, the information presented in this section is based on the number of shares authorized, issued and outstanding as of March 31, 2022. The number of shares issued and outstanding for legal purposes as of March 31, 2022 was 62,147,379,825 Series A Shares, 54,689,694,246 Series B Shares, 87,006,331,755 Series D Shares and 87,006,331,755 Series L Shares, in the form of CPOs, and an additional 58,926,613,375 Series A Shares, 2,357,207,692 Series B Shares, 238,595 Series D Shares and 238,595 Series L Shares not in the form of CPOs. For financial reporting purposes under IFRS only, the number of shares authorized, issued and outstanding as of March 31, 2022 was 58,804,552,050 Series A Shares, 51,748,005,804 Series B Shares, 82,326,372,870 Series D Shares and 82,326,372,870 Series L Shares in the form of CPOs, and an additional 55,604,075,597 Series A Shares, 186,537 Series B Shares, 238,541 Series D Shares and 238,541 Series L Shares not in the form of CPOs. The number of shares authorized, issued and outstanding for financial reporting purposes under IFRS as of March 31, 2022 does not include 133,713,111 CPOs and an additional 3,322,537,778 Series A Shares, 2,357,021,155 Series B Shares, 54 Series D Shares and 54 Series L Shares not in the form of CPOs acquired primarily by the special purpose trust we created to implement our long-term retention plan. See Note 17 to our consolidated year-end financial statements.

(2) Except through the Azcárraga Trust, none of our directors and executive officers currently beneficially owns more than 1% of our outstanding Series "A" Shares, Series "B" Shares, Series "D" Shares or Series "L" Shares. See "Directors, Senior Management and Employees — Share Ownership of Directors and Officers". This information is based on information provided by directors and executive officers.

(3) For a description of the Azcárraga Trust, see "— The Major Stockholders" below.

(4) Based solely on information included in the report on Schedule 13G by Harris Associates L.P. as of February 11, 2022.

(5) Based solely on information included in the report on Schedule 13G by Dodge & Cox, as of February 14, 2022.

(6) Based solely on information included in the report on Schedule 13G by Melinda Gates French, as of February 14, 2022.

(7) Based solely on information included in the report on Schedule 13G by Blackrock, Inc. as of February 1, 2022.

(8) Based solely on information included in the report on Schedule 13G by FPR Partners LLC as of February 14, 2022.

The Major Stockholders

The Azcárraga Trust, a trust for the benefit of Emilio Azcárraga Jean, currently holds 43.8% of the outstanding Series "A" Shares, 0.1% of the outstanding Series "B" shares, 0.1% of the outstanding Series "D" Shares and 0.1% of the outstanding Series "L" Shares of the Company. As a result, Emilio Azcárraga Jean currently controls the vote of such shares through the Azcárraga Trust. The Series "A" Shares held through the Azcárraga Trust constitute a majority of the Series "A" Shares whose holders are entitled to vote because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series "A" Shares in accordance with the trust agreement governing the CPOs and the Company's bylaws. Accordingly, and so long as non-Mexicans own more than a minimal number of Series "A" Shares, Emilio Azcárraga Jean will have the ability to direct the election of 11 out of 20 members of our Board of Directors, as well as prevent certain actions by the stockholders, including dividend payments, mergers, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws.

Pursuant to our bylaws, holders of Series "B" Shares are entitled to elect five out of 20 members of our Board of Directors.

Because the Azcárraga Trust only holds a limited number of Series "B" Shares, there can be no assurance that individuals nominated by the Azcárraga Trust appointees will be elected to our Board.

We believe that as of March 31, 2022, approximately 285.0 million of GDSs were held of record by 69 persons with U.S. addresses. Those GDSs represent 29.4% of the outstanding Series "A" Shares, 55.0% of the outstanding Series "B" Shares, 57.3% of the outstanding Series "D" Shares and 57.3% of the outstanding Series "L" Shares of the Company. Before giving effect to the 2004 recapitalization, substantially all of the outstanding Series "A" Shares not held through CPOs were owned by Televicentro and a special purpose trust created for our Long-Term Retention Plan, as described under "Major Stockholders and Related Party Transactions" and "Directors, Senior Management and Employees—Stock Purchase Plan and Long-Term Retention Plan". For more information regarding our 2004 recapitalization, please refer to our Form 6-K filed with the SEC on March 25, 2004.

Related Party Transactions

Transactions and Arrangements with Univision. We have in the past entered into, and on an ongoing basis continue to enter into, transactions with Univision in the ordinary course of business. In December 2010, the Company and Univision announced the completion of certain agreements by which, among other transactions, the Company made an investment in BMP (now known as Univision Holdings, Inc., or UHI), the parent company of Univision, and the PLA between the Company and Univision was amended and extended through the later of 2025 or 90 months after the Company voluntarily sells two-thirds of its equity interests in UHI. Univision became a related party to the Company as of December 2010 as a result of these transactions. On January 31, 2022, we completed the TelevisaUnivision Transaction pursuant to which, among other things, we contributed our Content business (other than the main real estate associated with the production facilities and Mexican over-the-air broadcast concessions and transmission infrastructure, as well as certain assets relating to our former news business which was transferred at closing to an entity controlled by Emilio Fernando Azcárraga Jean) to UHI. After the closing of the TelevisaUnivision Transaction, news programs are owned by the News Company and licensed to TelevisaUnivision. In consideration for the contribution of our Content business, we received U.S. $4.5 billion in a combination of cash (U.S. $3.0 billion) and U.S. $1.5 billion of common and preferred shares of TelevisaUnivision, excluding closing consideration adjustments. In addition, the Company and Univision have entered into commercial arrangements pursuant to which the Company will receive additional consideration valued at approximately U.S.$300 million in the aggregate. The TelevisaUnivision Transaction was partially financed by UHI through a new Series C preferred equity investment in TelevisaUnivision of U.S. $1.0 billion in the aggregate led by the SoftBank Latin American Fund, along with ForgeLight, with participation from Google and The Raine Group, as well as debt financing. Following the completion of the TelevisaUnivision Transaction, we currently own an approximately 45% equity interest on an as-converted basis (excluding unvested and/or unsettled stock, restricted stock units and options) in TelevisaUnivision and have certain governance arrangements in connection therewith. As part of the TelevisaUnivision Transaction, the PLA and the MLA were assigned to an affiliate of UHI, and we will no longer receive any royalties from Univision under the PLA. For a description of our arrangements with Univision, see "Information on the Company—Business Overview—Univision".

Transactions and Agreements With Our Directors and Officers. During 2021, we entered into contracts leasing office space directly or indirectly from certain of our directors and officers. These leases have aggregate annual lease payments for 2022 equal to approximately Ps. 34.5 million. We believe that the terms of these leases are comparable to terms that we would have entered into with third parties for similar leases.

Certain of our executive officers have in the past, and from time to time in the future may, purchase debt securities issued by us and/or our subsidiaries from third parties in negotiated transactions. Certain of our executive officers and directors participate in our stock purchase plan and Long-Term Retention Plan. See "Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan".

Transactions and Arrangements With Affiliates and Related Parties of Our Directors, Officers and Major Stockholders

Consulting Services. Instituto de Investigaciones Sociales, S.C., a consulting firm which is controlled by Ariana Azcárraga De Surmont, the sister of Emilio Azcárraga Jean, has from time to time during 2021 provided consulting services and research in connection with the effects of our programming, especially dramas, on our viewing audience. Instituto de Investigaciones Sociales, S.C. provided us with such services in 2021, and we expect to continue these arrangements through 2022.

Citibanamex participation in Syndicated Loan and Revolving Credit Facility. In June 2019, the Company entered into a long-term credit agreement with a syndicate of banks, including Citibanamex with maturity in 2024. An affiliate of Citibanamex also acted as joint lead arranger and joint book runner with other banks. In February 2022, the Company renewed its revolving credit facility with several lenders and other financial institutions, including CitiBanamex with maturity in 2025. These loans were made on terms substantially similar to those offered by Citibanamex to third parties. Emilio Azcárraga Jean, our Executive Chairman of the Board, is a member of the Board of Citibanamex. One of our former directors, Roberto Hernández Ramírez, is the Honorary Chairman of the Board of Citibanamex. Mr. Hernández was also a member of the Board of, and the beneficial owner of less than 1% of the outstanding capital stock of, Citigroup, Inc., the entity that indirectly controls Citibanamex. For a description of amounts outstanding under, and the terms of, our existing credit facilities with Citibanamex, see "Operating and Financial Review and Prospects—Results of Operations—Liquidity, Foreign Exchange and Capital Resources—Indebtedness".

Loans from Banorte. In 2015, Banorte and TVI entered into a loan agreement with a maturity date of 2022. This loan was made on terms substantially similar to those offered by Banorte to third parties. Alfonso de Angoitia Noriega, our Executive Vice President, Guadalupe Phillips Margain and Carlos Hank González, Members of the Board of the Company, are members and Carlos Hank González is President of the Board of Banorte. As of December 31, 2021, U.S. $29.8 million was outstanding under the loan.

Advertising Services. Several members of our current Board serve as members of the Boards and/or are stockholders of other companies. See "Directors, Senior Management and Employees". Some of these companies, including Grupo Comercial Chedraui, Grupo Financiero Banorte, Grupo Lala, Kimberly-Clark de México, CitiBanamex and Grupo Axo, among others, purchased advertising services from us in connection with the promotion of their respective products and services from time to time in 2021, and we expect that this will continue to be the case in the future.

In 2020 and 2021, a USA subsidiary of Grupo Televisa acquired certain preferred shares and convertible rights of the capital stock of Rappi, Inc., and in exchange Grupo Televisa rendered certain advertising services to a Mexican subsidiary of Rappi, Inc.

Legal and Advisory Services. During 2021, Mijares, Angoitia, Cortés y Fuentes, S.C., a Mexican law firm, provided us with legal and advisory services, and we expect that this will continue to be the case in the future. Ricardo Maldonado Yáñez, a partner from the law firm of Mijares, Angoitia, Cortés y Fuentes, S.C., serves also as Secretary of our Board of Directors and Secretary to the Executive Committee of our Board of Directors. We believe that the fees we paid for these services were comparable to those that we would have paid another law firm for similar services.

We have engaged Allen & Company for several years to provide the Company with advisory services related to strategic transactions, and we plan to continue to engage Allen & Company for advisory services related to strategic transactions of the Company. Two of our directors are directors of Allen & Company as well. These agreements were entered into on an arm's length basis. We believe that the amounts paid and to be paid under these agreements to Allen & Company are comparable to those paid to third parties for these types of services.

For further information about our related party transactions, see Note 20 to our consolidated year-end financial statements.

Item 8. Financial Information

See “Financial Statements” and pages F-1 through F-95, which are incorporated in this Item 8 by reference.

Item 9. The Offer and Listing

Trading Information

Since December 1993, the GDSs have been traded on the New York Stock Exchange, or NYSE, under the symbol “TV” and the CPOs have been traded on the Mexican Stock Exchange under the symbol “TLEVISACPO”. In September 2007, we removed JPMorgan Chase Bank, N.A. as the depository for the GDSs and appointed The Bank of New York Mellon pursuant to a new deposit agreement.

Trading prices of the CPOs and the GDSs are influenced by our results of operations, financial condition, cash requirements, future prospects and by economic, financial and other factors and market conditions. See “Key Information—Risk Factors—Risk Factors Related to Mexico—Economic and Political Developments in Mexico May Adversely Affect Our Business”. We believe that as of March 31, 2022, approximately 285.0 million GDSs were held of record by 69 persons with U.S. addresses.

Trading on the Mexican Stock Exchange

Overview

The Mexican Stock Exchange, located in Mexico City, operating continuously since 1907, is one of the two stock exchanges in Mexico. The other stock exchange in Mexico is the *Bolsa Institucional de Valores S.A. de C.V.*, which began operations in July 2018 (the “Institutional Stock Exchange” and together with the Mexican Stock Exchange, the “Stock Exchanges in Mexico”). The Mexican Stock Exchange is organized as a *sociedad anónima bursátil de capital variable*, or publicly-traded corporation with variable capital. Securities trading on the Mexican Stock Exchange occurs from 8:30 a.m. to 3:00 p.m., Mexico City time, each business day. All trading on the Mexican Stock Exchange is effected electronically. The Mexican Stock Exchange may impose a number of measures to promote an orderly and transparent trading price of securities, including the operation of a system of automatic suspension of trading in shares of a particular issuer when price fluctuation exceeds certain limits. The Mexican Stock Exchange may also suspend trading in shares of a particular issuer as a result of the disclosure of a material event, or when the changes in the volume traded or share price are not consistent with either the historic performance or information publicly available. The Mexican Stock Exchange may resume trading in the shares when it deems that the material events have been adequately disclosed to public investors or when it deems that the issuer has adequately explained the reasons for the changes in the volume traded or prevailing share price. Under current regulations, in certain cases when the relevant securities are simultaneously traded on a stock exchange outside of Mexico, the Mexican Stock Exchange or the Institutional Stock Exchange, as the case may be, may consider the measures adopted by the other stock exchange in order to suspend and/or resume trading in the issuer’s shares. Furthermore, now that the Institutional Stock Exchange has also begun operations, the suspension of trading of a series of a company’s securities on one exchange will automatically trigger the suspension of its trading on the other exchange.

Settlement is effected in two business days after a share transaction on both Stock Exchanges in Mexico. Deferred settlement, even by mutual agreement, is not permitted without the approval of the CNBV. Most securities traded on the Mexican Stock Exchange or the Institutional Stock Exchange, including the CPOs, are on deposit with *S.D. Indeval, Institución para el Depósito de Valores, S.A. de C.V.*, or Indeval, a privately owned securities depositary that acts as a clearinghouse, depositary and custodian, as well as a settlement, transfer and registration agent for transactions of the Stock Exchanges in Mexico, eliminating the need for physical transfer of securities.

Although the Mexican Securities Market Law provides for the existence of an over-the-counter market, no such market for securities in Mexico has been developed.

Market Regulation and Registration Standards

To offer securities to the public in Mexico, an issuer must meet specific qualitative and quantitative requirements, and generally only securities for which an application for registration in the National Registry of Securities, or NRS, maintained by the CNBV has been approved by the CNBV may be listed on the Mexican Stock Exchange or on the Institutional Stock Exchange. As of the date of this report, we are only listed on the Mexican Stock Exchange, and therefore we must only comply with the CNBV's and the Mexican Stock Exchange's rules and regulations for approval. This approval does not imply any kind of certification or assurance related to the merits or the quality of the securities or the solvency of the issuer.

The CNBV has also issued general rules, or General CNBV Rules, applicable to issuers and other securities market participants that govern issuers and issuer activity, among other things.

The General CNBV Rules have mandated that the Stock Exchanges in Mexico adopt minimum requirements for issuers to be registered with the CNBV and have their securities listed on the Mexican Stock Exchange or on the Institutional Stock Exchange. Pursuant to the internal rules of the Stock Exchanges in Mexico, in order to be registered, issuers will be required to have, among other things:

- a minimum number of years of operating history;
- a minimum financial condition;
- a minimum number of shares or CPOs to be publicly offered to public investors;
- a minimum price for the securities to be offered;
- a minimum of 15% of the capital stock placed among public investors (which percentage may be lowered under certain circumstances);
- a minimum of 100 holders of shares or of shares represented by CPOs, who are deemed to be public investors under the General CNBV Rules, upon the completion of the offering; and
- complied with certain corporate governance requirements.

To maintain its registration, an issuer will be required to have, among other things:

- a minimum of 12% of the capital stock held by public investors;
- a minimum of 100 holders of shares or of shares represented by CPOs who are deemed to be public investors under the General CNBV Rules; and
- complied with certain corporate governance requirements.

The CNBV has the authority to waive some of these requirements in some circumstances. Also, some of these requirements are applicable for each series of shares of the relevant issuer.

The Stock Exchanges in Mexico must review annually compliance with the foregoing and other requirements, some of which may be further reviewed on a quarterly or semi-annual basis. The Stock Exchanges in Mexico must inform the CNBV of the results of its review and this information must, in turn, be disclosed to investors. If an issuer fails to comply with any of the foregoing requirements, the Stock Exchange in Mexico on which it is listed will request that the issuer propose a plan to cure the violation. If the issuer fails to propose such plan, if the plan is not satisfactory to the relevant Stock Exchange in Mexico or if the issuer does not make substantial progress with respect to the corrective measures, trading of the relevant series of shares on the relevant Stock Exchange in Mexico will be temporarily suspended until the situation is corrected. In addition, if the issuer fails to propose the plan or ceases to follow such plan once proposed, the CNBV may suspend or cancel the registration of the shares. In such event, the issuer must evidence the mechanisms to protect the rights of public investors and market in general.

Issuers of listed securities are required to file unaudited quarterly financial statements and audited annual financial statements as well as various periodic reports with the CNBV and the Stock Exchange in Mexico on which it is listed. Issuers of listed securities must prepare and disclose their financial information by an approved system for each Stock Exchange in Mexico known as *Sistema Electrónico de Envío y Difusión de Información* or SEDI and to the CNBV through the *Sistema de Transferencia de Información sobre Valores*, or STIV-2. Immediately upon its receipt, the relevant Stock Exchange in Mexico makes that information available to the public.

The General CNBV Rules and the internal regulations of the Stock Exchanges in Mexico require issuers of listed securities to file through EMISNET for the BMV, through DIV for the Institutional Stock Exchange and through and STIV-2 the information on the occurrence of material events affecting the relevant issuer. Material events include, but are not limited to, as long as they have, or could potentially have, an effect on the price of the issuer's securities:

- the entering into or termination of joint venture agreements or agreements with key suppliers;
- the creation of new lines of businesses or services;
- significant deviations in expected or projected operating performance;
- the restructuring or payment of significant indebtedness;
- material litigation or labor conflicts;
- changes in dividend policy;
- the commencement of any insolvency, suspension or bankruptcy proceedings;
- changes in the directors; and
- any other event that may have a material adverse effect on the results, financial condition or operations of the relevant issuer.

If there is unusual price volatility of the securities listed, the issuer would be obliged to immediately inform the CNBV and the corresponding Stock Exchange in Mexico of the causes of such volatility or, if the issuer is unaware of such causes, make a statement to that effect, in order for the corresponding Stock Exchange in Mexico to immediately convey that information to the public. In addition, the corresponding Stock Exchange in Mexico must immediately request that issuers disclose any information relating to relevant material events, when it deems the information currently disclosed to be insufficient, as well as instruct issuers to clarify such information when it deems the information to be confusing. The corresponding Stock Exchange in Mexico may request issuers to confirm or deny any material events that have been disclosed to the public by third parties when it deems that the material event may affect or influence the securities being traded. The corresponding Stock Exchange in Mexico must immediately inform the CNBV of any requests made to issuers. The CNBV may also make any of these requests directly to issuers. An issuer may delay the disclosure of material events under some circumstances, including where the information being offered is not related to transactions that have been completed.

The CNBV and any of the Stock Exchanges in Mexico may suspend the dealing in securities of an issuer:

- if the issuer does not adequately disclose a material event; or
- upon price or volume volatility or changes in the offer or demand in respect of the relevant securities, which are not consistent with the historic performance of the securities and could not be explained solely by the information made publicly available under the General CNBV Rules.

The Stock Exchanges in Mexico must immediately inform the CNBV and the general public of any such suspension. An issuer may request that the CNBV or the relevant Stock Exchange in Mexico resume trading, provided it demonstrates that the causes triggering the suspension have been resolved and that it is in full compliance with the periodic reporting requirements under the applicable law. If its request has been granted, the corresponding Stock Exchange in Mexico will determine the appropriate mechanism to resume trading in its securities. If trading of an issuer is suspended for more than 20 business days and the issuer is authorized to resume trading without conducting a public offering, the issuer must disclose through EMISNET or DIV, as the case may be, and STIV-2, before trading resumes, a description of the causes that resulted in the suspension and reasons why it is now authorized to resume trading.

Likewise, if the securities of an issuer are traded on any of the Stock Exchanges in Mexico and additionally on a foreign securities market, then that issuer must generally file with the CNBV and the corresponding Stock Exchange in Mexico on a simultaneous basis the information that it is required to file pursuant to the laws and regulations of the relevant other jurisdiction.

Pursuant to the Mexican Securities Market Law, stockholders of issuers listed on any of the Stock Exchanges in Mexico must disclose any transactions, through or outside of any of the Stock Exchanges in Mexico that result in a 10% or more ownership stake of an issuer's capital stock. These stockholders must also inform the CNBV of the results of these transactions the day after their completion. See "Additional Information—Mexican Securities Market Law".

Additionally, related parties of an issuer who increase or decrease their ownership stake, in one or more transactions, by 5% or more, shall disclose such transactions. The Mexican Securities Market Law also requires stockholders holding 10% or more of the capital stock of companies listed in the registry to notify the CNBV of certain ownership changes in shares of the company. Moreover, the CNBV regulations for issuers, require issuers to disclose to the CNBV on an annual basis on or before June 30 of each year: (i) the name and ownership percentage of any Board members and relevant officers that maintain 1% or more of the capital stock of an issuer, (ii) the names and ownership percentage of any other individual or entity that maintains 5% or more of the capital stock of an issuer (regardless of whether such stockholder is an officer or director) and (iii) the names and ownership percentage of the 10 (ten) stockholders with the largest direct ownership stake in an issuer (regardless of the ownership percentage or whether such stockholder is an officer, director, related party or private investor with no relationship to the issuer). Based on the foregoing, Mexican Securities Regulations require that (i) Board members and relevant officers that own 1% or more of the capital stock of an issuer, (ii) any other individual or entity that owns 5% or more of the capital stock of an entity, and (iii) individuals that own 1% of the capital stock of an entity, provide this information to the relevant issuer on or before May 15 of each year.

In addition, in April 2018, the CNBV issued general rules applicable to entities and issuers supervised by the CNBV that use external auditors in connection with the preparation of their basic financial statements (*Disposiciones de carácter general aplicables a las entidades y emisoras supervisadas por la Comisión Nacional Bancaria y de Valores que contraten servicios de auditoría externa de estados financieros básicos*) (as amended from time to time, the "Mexican Auditors Regulations"). The Mexican Auditors Regulations establish certain rules for external auditors and set forth obligations owed among issuers, their Board of Directors and Audit Committees and the external auditors for their services.

Item 10. Additional Information

Mexican Securities Market Law

Under the Mexican Securities Market Law insiders must abstain from purchasing or selling securities of the issuer within 90 days from the last sale or purchase, respectively.

In addition, under the Mexican Securities Market Law, tender offers may be voluntary or mandatory. All tender offers must be open for at least 20 business days and purchases thereunder are required to be made pro-rata to all tendering stockholders. Any intended purchase resulting in a 30% or greater holding requires the tender to be made for the greater of 10% of the company's capital stock or the share capital intended to be acquired; if the purchase is aimed at obtaining control, the tender must be made for 100% of the outstanding shares. In calculating the intended purchase amount, convertible securities, warrants and derivatives the underlying security of which are such shares must be considered. The law also permits the payment of certain amounts to controlling stockholders over and above the offering price if these amounts are fully disclosed, approved by the board of directors and paid in connection with non-compete or similar obligations. The law also contemplates exceptions to the mandatory tender offer requirements and specifically provides for the consequences, to a purchaser, of not complying with these tender offer rules (lack of voting rights, possible annulment of purchases, etc.) and other rights available to prior stockholders of the issuer.

The Mexican Securities Market Law permits public companies to insert provisions in their bylaws pursuant to which the acquisition of control of the company, by the company's stockholders or third parties, may be prevented, if such provisions (i) are approved by stockholders without the negative vote of stockholders representing 5% or more of the outstanding shares, (ii) do not exclude any stockholder or group of stockholders, and (iii) do not restrict, in an absolute manner, the change of control.

Bylaws

Set forth below is a brief summary of some relevant provisions of our bylaws and Mexican law. This description does not purport to be complete, and is qualified by reference in its entirety to our bylaws, which have been filed as an exhibit to this annual report, and Mexican law. For a description of the provisions of our bylaws relating to our Board of Directors, Executive Committee, Audit Committee and Corporate Practices Committee, see "Directors, Senior Management and Employees".

Organization and Register

Grupo Televisa , S.A.B. was originally incorporated as a *sociedad anónima*, or limited liability corporation under the laws of Mexico in accordance with the Mexican Companies Law and later adopted the form of *sociedad anónima bursátil*, or limited liability stock corporation in accordance with the *Ley del Mercado de Valores*, or the Mexican Securities Market Law. It was incorporated under Public Deed Number 30,200, dated December 19, 1990, granted before Notary Public Number 73 of Mexico City, and registered with the Public Registry of Commerce of Mexico City, under Commercial Page (*folio mercantil*) number 142,164. We have a general corporate purpose, the specifics of which can be found in Article Four of our bylaws.

Our stock registry is maintained by Indeval, and in accordance with Mexican law, we only recognize those holders listed in our stock registry as our stockholders. Our stockholders may hold their share in the form of physical certificates or through book-entries with institutions that have accounts with Indeval. The CPO Trustee is the holder of record for Shares represented by CPOs. Accounts may be maintained at Indeval by brokers, banks and other entities approved by the CNBV.

Voting Rights and Stockholders' Meetings

Holders of Series "A" Shares. Holders of Series "A" Shares have the right to vote on all matters subject to stockholder approval at any general stockholders' meeting and have the right, voting as a class, to appoint eleven members of our Board of Directors and the corresponding alternate directors. In addition to requiring approval by a majority of all Shares entitled to vote together on a particular corporate matter, certain corporate matters must be approved by a majority of the holders of Series "A" Shares voting separately. These matters include mergers, dividend payments, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws.

Holders of Series "B" Shares. Holders of Series "B" Shares have the right to vote on all matters subject to stockholder approval at any general stockholders' meeting and have the right, voting as a class, to appoint five members of our Board of Directors and the corresponding alternate directors. The five directors and corresponding alternate directors elected by the holders of the Series "B" Shares are elected at a stockholders' meeting that must be held within the first four months after the end of each year.

Holders of Series "D" Shares and Series "L" Shares. Holders of Series "D" Shares, voting as a class, are entitled to vote at special meetings to elect two of the members of our Board of Directors and the corresponding alternate directors, each of which must be an independent director. In addition, holders of Series "D" Shares are entitled to vote on the following matters at extraordinary general meetings:

- our transformation from one type of company to another;
- any merger (even if we are the surviving entity);
- extension of our existence beyond our prescribed duration;
- our dissolution before our prescribed duration (which is currently 99 years from January 30, 2007);
- a change in our corporate purpose;
- a change in our nationality; and
- the cancellation from registration of the Series "D" Shares or the securities which represent the Series "D" Shares with the securities or special section of the NRS and with any other Mexican or foreign stock exchange in which such shares or securities are registered.

Holders of Series "L" Shares, voting as a class, are entitled to vote at special meetings to elect two of the members of our Board of Directors and the corresponding alternate directors, each of which must be an independent director. Holders of Series "L" Shares are also entitled to vote at extraordinary general meetings on the following matters:

- our transformation from one type of company to another;
- any merger in which we are not the surviving entity; and
- the cancellation from registration of the Series "L" Shares or the securities that represent the Series "L" Shares with the special section of the NRS.

The two directors and corresponding alternate directors elected by each of the holders of the Series "D" Shares and the Series "L" Shares are elected at a special meeting of those holders which takes place annually. Special meetings of holders of Series "D" Shares and Series "L" Shares must also be held to approve the cancellation from registration of the Series "D" Shares or Series "L" Shares or the securities representing any of such shares with the NRS, as the case may be, and in the case of Series "D" Shares, with any other Mexican or foreign stock exchange in which such shares or securities are registered. Except as otherwise required by law, all other matters on which holders of Series "L" Shares or Series "D" Shares are entitled to vote must be considered at an extraordinary general meeting. Holders of Series "L" Shares and Series "D" Shares are not entitled to attend or to address meetings of stockholders at which they are not entitled to vote. Under Mexican law, holders of Series "L" Shares and Series "D" Shares are entitled to exercise certain minority protections. See "—Other Provisions—Appraisal Rights and Other Minority Protections".

Minority shareholders holding at least ten percent of the capital stock represented by Series "A" Shares, will be entitled to appoint one director and its corresponding alternate for each such ten percent. Minority shareholders holding at least ten percent of the capital stock represented by Series "B" Shares, will be entitled to appoint one director and its corresponding alternate for each such ten percent. Minority shareholders holding at least ten percent of the capital stock represented by Series "D" Shares or Series "L" Shares, will be entitled to appoint one director and its corresponding alternate for each such ten percent. Any such appointments by minority shareholders will be counted towards the number of directors that the holders of each such Series is entitled to appoint.

Other Rights of Stockholders. Under Mexican law, holders of shares of any series are also entitled to vote as a class in a special meeting governed by the same rules that apply to extraordinary general meetings, as described below, on any action that would prejudice the rights of holders of shares of such series, but not rights of holders of shares of other series, and a holder of shares of such series would be entitled to judicial relief against any such action taken without such a vote. Generally, the determination of whether a particular stockholder action requires a class vote on these grounds could initially be made by the Board of Directors or other party calling for stockholder action. In some cases, under the Mexican Securities Market Law and the Mexican Companies Law, the Board of Directors, the Audit Committee, the Corporate Practices Committee, or a Mexican court on behalf of those stockholders representing 10% of our capital stock can call a special meeting. A negative determination would be subject to judicial challenge by an affected stockholder, and the necessity for a class vote would ultimately be determined by a court. There are no other procedures for determining whether a particular proposed stockholder action requires a class vote, and Mexican law does not provide extensive guidance on the criteria to be applied in making such a determination.

General stockholders' meetings may be ordinary general meetings or extraordinary general meetings. Extraordinary general meetings are those called to consider specific matters specified in Article 182 of the Mexican Companies Law and our bylaws, including, among others, amendments to our bylaws, our dissolution, liquidation or split-up, our merger and transformation from one form of company to another, increases and reductions in our capital stock, the approval of certain acquisitions of shares, including a change of control, as set forth in the antitakeover provisions in our bylaws and any action for civil liabilities against the members of our Board of Directors, its Secretary, or members of our Audit Committee or Corporate Practices Committee. In addition, our bylaws require an extraordinary general meeting to consider the cancellation of registration of the Series "D" Shares or Series "L" Shares or the securities representing these Shares with the NRS, as the case may be, and in the case of Series "D" Shares, with any other Mexican or foreign stock exchange in which such Shares or securities are registered. General meetings called to consider all other matters are ordinary meetings which are held at least once each year within four months following the end of each fiscal year. Stockholders may be represented at any stockholders' meeting by completing a form of proxy provided by us, which proxy is available within fifteen days prior to such meeting, and designating a representative to vote on their behalf. The form of proxy must comply with certain content requirements as set forth in the Mexican Securities Market Law and in our bylaws.

Holders of CPOs. Holders of CPOs who are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their shares are entitled to exercise voting rights with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares underlying their CPOs. The CPO Trustee will vote such shares as directed by Mexican holders of CPOs, which must provide evidence of Mexican nationality. Non-Mexican holders of CPOs may only vote the Series "L" Shares held in the CPO Trust and are not entitled to exercise any voting rights with respect to the Series "A" Shares, Series "B" Shares and Series "D" Shares held in the CPO Trust. Voting rights in respect of these Series "A" Shares, Series "B" Shares and Series "D" Shares may only be exercised by the CPO Trustee. Series "A" Shares, Series "B" Shares and Series "D" Shares underlying the CPOs of non-Mexican holders or holders that do not give timely instructions as to voting of such Shares, will be voted by the individuals designated by the CPO Trust's Technical Committee (which consists of members of the Board of Directors and/or Executive Committee, who must be Mexican nationals), and at any general shareholders meeting where such series has the right to vote in the same manner as the majority of the outstanding Series "A" Shares held by Mexican nationals or Mexican corporations (directly, or through the CPO Trust, as the case may be) are voted at the relevant meeting. Series "L" Shares underlying the CPOs of any holders that do not give timely instructions as to the voting of such Shares will be voted by the individuals designated by the CPO Trust's Technical Committee (which consists of members of the Board of Directors and/or Executive Committee, who must be Mexican nationals), as instructed by such Technical Committee of the CPO Trust. The CPO Trustee must receive voting instructions five business days prior to the stockholders' meeting. Holders of CPOs that are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their Shares also must provide evidence of nationality, such as a copy of a valid Mexican passport or birth certificate, for individuals, or a copy of the bylaws, for corporations.

As described in "Major Stockholders and Related Party Transactions," Series "A" Shares held through the Azcárraga Trust constitute a majority of the Series "A" Shares whose holders are entitled to vote, because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series "A" Shares. Accordingly, the vote of Series "A" Shares held through the Azcárraga Trust generally will determine how the Series "A" Shares underlying our CPOs are voted.

Holders of GDRs. Global Depositary Receipts, or GDRs, evidencing GDSs are issued by The Bank of New York Mellon, the Depositary, pursuant to the Deposit Agreement we entered into with the Depositary and all holders from time to time of GDSs. A GDR may represent any number of GDSs. Only persons in whose names GDRs are registered on the books of the Depositary will be treated by us and the Depositary as owners and holders of GDRs. Each GDS represents the right to receive five CPOs which will be credited to the account of BBVA Bancomer, S.A., Institución de Banca Múltiple Grupo Financiero BBVA Bancomer, the Custodian, maintained with Indeval for such purpose. Each CPO represents financial interests in, and limited voting rights with respect to, 25 Series "A" Shares, 22 Series "B" Shares, 35 Series "D" Shares and 35 Series "L" Shares held pursuant to the CPO Trust.

The Depositary will mail information on stockholders' meetings to all holders of GDRs. At least six business days prior to the relevant stockholders' meeting, GDR holders may instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the CPOs represented by their GDSs, and the underlying Shares. Since the CPO Trustee must also receive voting instructions five business days prior to the stockholders' meeting, the Depositary may be unable to vote the CPOs and underlying Shares in accordance with any written instructions. Holders of GDSs that are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their Shares are entitled to exercise voting rights with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares underlying the CPOs represented by their GDSs. Such Mexican holders also must provide evidence of nationality, such as a copy of a valid Mexican passport or birth certificate, for individuals, or a copy of the bylaws, for corporations.

Non-Mexican holders may exercise voting rights only with respect to Series "L" Shares underlying the CPOs represented by their GDSs. They may not direct the CPO Trustee as to how to vote the Series "A" Shares, Series "B" Shares or Series "D" Shares represented by CPOs or attend stockholders' meetings. Under the terms of the CPO Trust Agreement, the CPO Trustee will vote the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares represented by CPOs held by non-Mexican holders (including holders of GDRs) as described under "— Holders of CPOs". If the Depositary does not timely receive instructions from a Mexican or non-Mexican holder of GDRs as to the exercise of voting rights relating to the Series "A" Shares, Series "B" Shares, Series "D" Shares or Series "L" Shares underlying the CPOs, as the case may be, in the relevant stockholders' meeting then, if requested in writing by us, the Depositary will give a discretionary proxy to a person designated by us to vote the Shares. If no such written request is made by us, the Depositary will not represent or vote, attempt to represent or vote any right that attaches to, or instruct the CPO Trustee to represent or vote, the Shares underlying the CPOs in the relevant stockholders' meeting and, as a result, the underlying shares will be voted in the same manner described under "— Holders of CPOs" with respect to shares for which timely instructions as to voting are not given.

If the Depositary does not timely receive instructions from a Mexican or non-Mexican holder of GDRs as to the exercise of voting rights relating to the underlying CPOs in the relevant CPO holders' meeting, the Depositary and the Custodian will take such actions as are necessary to cause such CPOs to be counted for purposes of satisfying applicable quorum requirements and, unless we in our sole discretion have given prior written notice to the Depositary and the Custodian to the contrary, vote them in the same manner as the majority of the CPOs are voted at the relevant CPOs holders' meeting.

Under the terms of the CPO Trust, beginning in December 2008, a non-Mexican holder of CPOs or GDSs may instruct the CPO Trustee to request that we issue and deliver certificates representing each of the Shares underlying its CPOs so that the CPO Trustee may sell, to a third party entitled to hold the Shares, all of those Shares and deliver to the holder any proceeds derived from the sale.

Limitation on Appointment of Directors. Our bylaws prohibit the appointment of individuals to our Board of Directors: who (i) are members of the board of directors or other management boards of a company (other than the Company or its subsidiaries) that has one or more concessions to operate telecommunication networks in Mexico; or (ii) directly or indirectly, are shareholders or partners of companies (other than the Company or its subsidiaries), that have one or more concessions to operate telecommunication networks in Mexico, with the exception of ownership stakes that do not allow such individuals to appoint one or more members of the management board or any other operation or decision making board.

Dividend Rights

At our annual ordinary general stockholders' meeting, our Board of Directors is required to submit our financial statements from the previous fiscal year to the holders of our Series "A" Shares and Series "B" Shares. Once our stockholders approve these financial statements, they must then allocate our net profits for the previous fiscal year. Under Mexican law, at least 5% of our net profits must be allocated to a legal reserve, until the amount of this reserve equals 20% of our paid-in capital stock. Thereafter, our stockholders may allocate our net profits to any special reserve, including a reserve for share repurchases. After this allocation, the remainder of our net profits will be available for distribution as dividends. The vote of the majority of the Series "A" Shares and Series "B" Shares is necessary to approve dividend payments. As described below, in the event that dividends are declared, holders of Series "D" Shares will have preferential rights to dividends as compared to holders of Series "A" Shares, Series "B" Shares and Series "L" Shares. Holders of Series "A" Shares, Series "B" Shares and Series "L" Shares have the same financial or economic rights, including the participation in any of our profits.

Preferential Rights of Series "D" Shares

Holders of Series "D" Shares are entitled to receive a preferred annual dividend in the amount of Ps.0.00034412306528 per Series "D" Share before any dividends are payable in respect of Series "A" Shares, Series "B" Shares and Series "L" Shares. If we pay any dividends in addition to the Series "D" Share fixed preferred dividend, then such dividends shall be allocated as follows:

- first, to the payment of dividends with respect to the Series "A" Shares, the Series "B" Shares and the Series "L" Shares, in an equal amount per share, up to the amount of the Series "D" Share fixed preferred dividend; and

- second, to the payment of dividends with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, such that the dividend per share is equal.

Upon any dissolution or liquidation of our company, holders of Series "D" Shares are entitled to a liquidation preference equal to:

- accrued but unpaid dividends in respect of their Series "D" Shares; plus

- the theoretical value of their Series "D" Shares as set forth in our bylaws. See "— Other Provisions — Dissolution or Liquidation".

Limitation on Capital Increases

Our bylaws provide that, in the event shares of a given series are issued as a result of a capital increase (in respect of a cash capital contribution), each holder of shares of that series will have a preferential right to subscribe to new shares of that series, in proportion to the number of such holder's existing Shares of that series. In addition, primary issuances of Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares in the form of CPOs may be limited under the Mexican Securities Market Law. However, in the case of primary issuances of additional Series "A" Shares, Series "B" Shares, Series "L" Shares and Series "D" Shares in the form of CPOs, any new Series "L" Shares and Series "D" Shares may be required to be converted into Series "A" Shares or other voting stock within a term specified by the CNBV, which in no event shall exceed five years. Moreover, under the Mexican Securities Market Law, the aggregate amount of shares of an issuer with limited or non-voting rights may not exceed 25% of the total shares held by public investors. The vote of the holders of a majority of the Series "A" Shares is necessary to approve capital increases. As a result of grandfathering provisions, our existing CPO structure will not be affected by such limitations.

Preemptive Rights

In the event of a capital increase, a holder of existing shares of a given series has a preferential right to subscribe to a sufficient number of shares of the same series in order to maintain the holder's existing proportionate holdings of shares of that series. Stockholders must exercise their preemptive rights within the time period fixed by our stockholders at the meeting approving the issuance of additional shares. This period must continue for at least fifteen days following the publication of notice of the issuance in the Official Gazette of the Federation and in a newspaper of general circulation in Mexico City. Under Mexican law, stockholders cannot waive their preemptive rights in advance or be represented by an instrument that is negotiable separately from the corresponding share.

U.S. Holders of GDSs may exercise preemptive rights only if we register any newly issued shares under the Securities Act, as amended, or qualify for an exemption from registration. We intend to evaluate at the time of any offering of preemptive rights the costs and potential liabilities associated with registering additional shares. In addition, if our stockholders' meeting approves the issuance of shares of a particular series, holders of shares of other series may be offered shares of that particular series.

Limitations on Share Ownership

Through our bylaws and the trust governing the CPOs, we have limited the ownership of our Series "A" Shares and Series "B" Shares to Mexican individuals, Mexican companies whose charters contain a foreign exclusion clause, credit institutions acting as trustees (such as the CPO Trustee) in accordance with the Foreign Investment Law and the Foreign Investment Law Regulations, and trusts or stock purchase, investment and retirement plans for Mexican employees. A holder that acquires Series "A" Shares or Series "B" Shares in violation of the restrictions in our bylaws regarding non-Mexican ownership will have none of the rights of a stockholder with respect to those Series "A" Shares or Series "B" Shares. The Series "D" Shares are subject to the same restrictions on ownership as the Series "A" Shares and Series "B" Shares. However, the foregoing limitations do not affect the ability of non-Mexican investors to hold Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares through CPOs, or Series "L" Shares directly. The sum of the total outstanding number of Series "A" Shares and Series "B" Shares is required to exceed at all times the sum of the total outstanding Series "L" Shares and Series "D" Shares.

Non-Mexican states and governments are prohibited under our bylaws and the LFTR from owning Shares of the Company and are, therefore, prohibited from being the beneficial or record owners of Series "A" Shares, Series "B" Shares, Series "D" Shares, Series "L" Shares, CPOs and GDSs. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortés y Fuentes, S.C., that ownership of Series "A" Shares, Series "B" Shares, Series "D" Shares, Series "L" Shares, CPOs and GDSs by pension or retirement funds organized for the benefit of employees of non-Mexican state, municipal or other governmental agencies will not be considered as ownership by non-Mexican states or governments for the purpose of our bylaws or the LFTR.

The LFTR eliminated the restrictions on foreign investment in telecommunications services and satellite communication and increased the maximum permitted foreign-ownership in broadcasting (television and radio) to 49% subject to reciprocity.

We may restrict transfers or, to the extent permitted under applicable law, cause the mandatory sale or disposition of CPOs and GDRs where such transfer or ownership, as the case may be, might result in ownership of CPOs or GDRs exceeding the limits under applicable law or our bylaws, the CPO Trust Agreement or the CPO indenture. Non-Mexican states and governments are prohibited under our bylaws and the LFTR from owning our Shares and are, therefore, prohibited from being beneficial or record owners of GDRs.

Other Provisions

Forfeiture of Shares. As required by Mexican law, our bylaws provide that for Series "L" Shares and CPOs, our non-Mexican stockholders formally agree with the Foreign Affairs Ministry:

- to be considered as Mexicans with respect to the Series "L" Shares and CPOs that they acquire or hold, as well as to the property, rights, concessions, participations or interests owned by us or to the rights and obligations derived from any agreements we have with the Mexican government; and

- not to invoke the protection of their own governments with respect to their ownership of Series "L" Shares and CPOs.

Failure to comply is subject to a penalty of forfeiture of such a stockholder's capital interests in favor of Mexico. In the opinion of Mijares, Angoitia, Cortés y Fuentes, S.C., our Mexican counsel, under this provision a non-Mexican stockholder is deemed to have agreed not to invoke the protection of its own government by asking such government to interpose a diplomatic claim against the Mexican government with respect to the stockholder's rights as a stockholder, but is not deemed to have waived any other rights it may have, including any rights under the U.S. securities laws, with respect to its investment in the Company. If the stockholder should invoke governmental protection in violation of this agreement, its shares could be forfeited to the Mexican government.

Exclusive Jurisdiction. Our bylaws provide that legal action relating to the execution, interpretation or performance of the bylaws shall be brought only in federal courts located in Mexico City.

Duration. Our corporate existence under our bylaws continues until 2106.

Dissolution or Liquidation. Upon any dissolution or liquidation of our company, our stockholders will appoint one or more liquidators at an extraordinary general stockholders' meeting to wind up our affairs. The approval of holders of the majority of the Series "A" Shares is necessary to appoint or remove any liquidator. Upon a dissolution or liquidation, holders of Series "D" Shares will be entitled to both accrued but unpaid dividends in respect of their Series "D" Shares, plus the theoretical value of their Series "D" Shares (as set forth in our bylaws). The theoretical value of our Series "D" Shares is Ps.0.00688246130560 per share. Thereafter, a payment per share will be made to each of the holders of Series "A" Shares, Series "B" Shares and Series "L" Shares equivalent to the payment received by each of the holders of Series "D" Shares. The remainder will be distributed equally among all stockholders in proportion to their number of Shares and amount paid.

Redemption. Our bylaws provide that we may redeem our Shares with distributable profits without reducing our capital stock by way of a stockholder resolution at an extraordinary stockholders' meeting. In accordance with Mexican law and our bylaws:

- any redemption shall be made on a pro-rata basis among all of our stockholders;

- to the extent that a redemption is effected through a public tender offer on the Mexican Stock Exchange, the stockholders' resolution approving the redemption may empower our Board to specify the number of shares to be redeemed and appoint the related intermediary or purchase agent; and

- any redeemed shares must be cancelled.

Share Repurchases. As provided by Mexican law, our bylaws allow us to repurchase our Shares on the Mexican Stock Exchange at then prevailing market prices. The amount of capital stock allocated to share repurchases and the amount of the corresponding reserve created for this purpose is determined annually by our stockholders at an ordinary general stockholders' meeting. The aggregate amount of resources allocated to share repurchases in any given year cannot exceed the total amount of our net profits in any given year, including retained earnings. Share repurchases must be charged to either our net worth if the repurchased Shares remain in our possession or our capital stock if the repurchased Shares are converted into treasury shares, in which case our capital stock is reduced automatically in an amount equal to the theoretical value of any repurchased Shares, if any. Any surplus is charged to the reserve for share repurchases. If the purchase price of the Shares is less than the theoretical value of the repurchased Shares, our capital stock account will be affected by an amount equal to the theoretical value of the repurchased Shares. Under Mexican law, we are not required to create a special reserve for the repurchase of shares, nor do we need the approval of our Board to effect share repurchases. In addition, any repurchased Shares cannot be represented at any stockholders' meeting.

Conflicts of Interest. Under Mexican Law, any stockholder that votes on a transaction in which his, her or its interests conflict with our interests may be liable for damages, but only if the transaction would not have been approved without his, her or its vote. In addition, any member of the Board of Directors that votes on a transaction in which his, her or its interests conflict with our interests may be liable for damages. The Securities Market Law also imposes a duty of care and a duty of loyalty on directors as described in "Directors, Senior Management and Employees — Our Board of Directors — Duty of Care and Duty of Loyalty". In addition, pursuant to the Mexican Securities Market Law, the Board of Directors, with input from the Corporate Practices Committee, must review and approve certain transactions and arrangements with related parties that meet certain thresholds. See "Directors, Senior Management and Employees — Our Board of Directors — Meetings; Actions Requiring Board Approval".

Appraisal Rights and Other Minority Protections. Whenever our stockholders approve a change in our corporate purpose or jurisdiction of organization or our transformation from one type of company to another, any stockholder entitled to vote that did not vote in favor of these matters has the right to receive payment for its Series "A" Shares, Series "B" Shares, Series "D" Shares or Series "L" Shares in an amount calculated in accordance with Mexican law. However, stockholders must exercise their appraisal rights within fifteen days after the stockholders' meeting at which the matter was approved. Because the holders of Series "L" Shares and Series "D" Shares may only vote in limited circumstances, appraisal rights are generally not available to them. See "— Voting Rights and Stockholders' Meetings".

Because the CPO Trustee must vote at a general stockholders' meeting, the Series "A" Shares, Series "B" Shares and Series "D" Shares held by non-Mexicans through the CPO Trust will be voted by the individuals appointed by the Technical Committee of the CPO Trust, in the same manner as the majority of the Series "A" Shares held by Mexican nationals (directly, or through the CPO Trust, as the case may be). As a result, the Series "A" Shares, Series "B" Shares and Series "D" Shares underlying CPOs held by non-Mexicans will not be voted against any change that triggers the appraisal rights of the holders of these Shares. Therefore, these appraisal rights will not be available to holders of CPOs (or GDRs) with respect to Series "A" Shares, Series "B" Shares or Series "D" Shares.

The Mexican Securities Market Law and our bylaws include provisions that permit:

- holders of at least 10% of our outstanding capital stock to request our Chairman of the Board or of the Audit Committee or Corporate Practices Committee to call a stockholders' meeting in which they are entitled to vote;

- subject to the satisfaction of certain requirements under Mexican law, holders of at least 5% of our outstanding capital stock to bring an action for civil liabilities against our directors;

- holders of at least 10% of our Shares that are entitled to vote and are represented at a stockholders' meeting to request postponement of resolutions with respect to any matter on which they were not sufficiently informed; and

- subject to the satisfaction of certain requirements under Mexican law, holders of at least 20% of our outstanding capital stock to contest and suspend any stockholder resolution.

See "Key Information—Risk Factors—Risk Factors Related to Our Securities—The Protections Afforded to Minority Stockholders in Mexico Are Different From Those in the U.S." In addition, in accordance with the Mexican Securities Market Law, we are also subject to certain corporate governance requirements, including the requirement to maintain an audit committee and a corporate practices committee, and to elect independent directors. The protections afforded to minority stockholders under Mexican law are generally different from those in the U.S. and many other jurisdictions. Substantive Mexican law concerning fiduciary duties of directors has not been the subject of extensive judicial interpretation in Mexico, unlike many states in the U.S. where duties of care and loyalty elaborated by judicial decisions help to shape the rights of minority stockholders. Furthermore, despite the fact that recent amendments to the Mexican Federal Code of Civil Procedures have provided for certain types of class actions, these actions are limited to subject matters related to the use of goods or the provision of public or private services, as well as environmental matters. Therefore, Mexican civil procedure does not contemplate class actions or stockholder derivative actions, which permit stockholders in U.S. courts to bring actions on behalf of other stockholders or to enforce rights of the corporation itself. Stockholders in Mexico also cannot challenge corporate actions taken at stockholders' meetings unless they meet stringent procedural requirements. See "— Voting Rights and Stockholders' Meetings". As a result of these factors, it is generally more difficult for our minority stockholders to enforce rights against us or our directors or Major Stockholders than it is for stockholders of a corporation established under the laws of a state of the U.S. In addition, under U.S. securities laws, as a foreign private issuer we are exempt from certain rules that apply to domestic U.S. issuers with equity securities registered under the Securities Exchange Act of 1934, as amended, or the Exchange Act, including the proxy solicitation rules. We are also exempt from many of the corporate governance requirements of the New York Stock Exchange.

Antitakeover Protections

General. Our bylaws provide that, subject to certain exceptions: (i) any person, entity or group of persons and/or entities that intends to acquire beneficial ownership of ordinary Shares (as defined below) which, when coupled with ordinary Shares previously beneficially owned by such persons or their affiliates, represent 10% or more of our outstanding ordinary Shares; (ii) any competitor, or group including one or more competitors, that intends to acquire beneficial ownership of ordinary Shares which, when coupled with Shares previously beneficially owned by such competitor, group or their affiliates, represent 5% or more of our outstanding capital stock; (iii) any person, entity or group of persons and/or entities that wishes to acquire beneficial ownership of ordinary Shares representing 10% or more of our outstanding ordinary Shares; and (iv) any competitor, or group including one or more competitors, that intends to acquire beneficial ownership of ordinary Shares representing 5% or more of our capital stock, must obtain the prior approval of our Board of Directors and/or of our stockholders, as the case may be, subject to certain exceptions summarized below. Holders that acquire Shares in violation of these requirements will not be registered in our stock registry. Accordingly, these holders will not be able to vote such Shares or receive any dividends, distributions or other rights in respect of these Shares. In addition, pursuant to our bylaws, these holders will be obligated to pay us a penalty in an amount equal to the market value of the Shares so acquired. Pursuant to our bylaws, "Shares" are defined as the shares (of any class or series) representing our capital stock, and any instruments or securities that represent such shares or that grant any right with respect to or are convertible into those shares, expressly including CPOs; our Series "A" Shares and Series "B" Shares are our ordinary Shares.

Pursuant to our bylaws, a "competitor" is generally defined as any person or entity dedicated, directly or indirectly, to any of the following businesses or activities: television production and broadcasting, pay-TV production, program licensing, DTH satellite services, publishing (newspaper and/or magazine), publishing distribution, music recording, cable television, the transmission of programming and/or other content by any other means known or to be known, radio broadcasting and production, the promotion of professional sports and other entertainment events, paging services, production, feature film/motion picture production and distribution, dubbing and/or the operation of an Internet portal. A "competitor" is also defined to include any person, entity and/or group that is engaged in any type of business or activity in which we may be engaged from time to time and from which we derive 5% or more of our consolidated income.

Board Notices, Meetings, Quorum Requirements and Approvals. To obtain the prior approval of our Board, a potential acquiror must properly deliver a written notice that states, among other things: (i) the number and class/type of our Shares it beneficially owns; (ii) the percentage of Shares it beneficially owns with respect to both our outstanding capital stock and the respective class/type of our Shares; (iii) the number and class/type of Shares it intends to acquire; (iv) the number and class/type of Shares it intends to grant or share a common interest or right; (v) its identity, or in the case of an acquiror which is a corporation, trust or legal entity, its stockholders or beneficiaries as well as the identity and nationality of each person effectively controlling such corporation, trust or legal entity; (vi) its ability to acquire our Shares in accordance with our bylaws and Mexican law, (vii) its source of financing the intended acquisition; (viii) if it has obtained any financing from one of its related parties for the payment of the Shares; (ix) the purpose of the intended acquisition; (x) if it intends to acquire additional common Shares in the future; which coupled with the current intended acquisition of common Shares and the common Shares previously beneficially owned by the potential acquiror, would result in ownership of 20% or more of our common Shares; (xi) if it intends to acquire control of us in the future; (xii) if the acquiror is our competitor or if it has any direct or indirect economic interest in or family relationship with one of our competitors; and (xiii) the identity of the financial institution, if any, that will act as the underwriter or broker in connection with any tender offer.

Either the Chairman, the Secretary or the Alternate Secretary of our Board of Directors must call a Board meeting within 10 calendar days following the receipt of the written notice and the Board meeting must be held within 45 calendar days following the call. Action by written consent is not permitted. With the exception of acquisitions that must be approved by the general extraordinary stockholders' meeting as described below in "— Stockholder Notices, Meetings, Quorum Requirements and Approvals" in order to proceed with any acquisition of Shares that require Board authorization as set forth in our bylaws, such acquisition must be approved by at least the majority of the members of our Board present at a meeting at which at least 75% of the members of our Board are present. Such acquisitions must be acted upon by our Board within 60 calendar days following the receipt of the written notice described above, unless the Board determines that it does not have sufficient information upon which to base its decision. In such case, the Board shall deliver a written request to the potential acquiror for any additional information that it deems necessary to make its determination. The 60 calendar days referred to above will commence following the receipt of the additional information from the potential acquiror to render its decision.

Stockholder Notices, Meetings, Quorum Requirements and Approvals. In the event: (i) of a proposed acquisition of Shares that would result in a "change of control"; (ii) that our Board cannot hold a Board meeting for any reason; (iii) of a proposed acquisition by a competitor and having certain characteristics; or (iv) that the Board determines that the proposed acquisition must be approved by our stockholders at a general extraordinary stockholders' meeting, among others, then the proposed acquisition must be approved by the holders of at least 75% of our outstanding common Shares at a general extraordinary stockholders' meeting (both in the case of first and subsequent calls) at which the holders of at least 85% of our outstanding common Shares are present. In addition, any proposed merger, spin-off, or capital increase or decrease which results in a change of control must also be approved by the holders of at least 75% of our outstanding common Shares at a general extraordinary stockholders' meeting (both in the case of first and subsequent calls) at which the holders of at least 85% of our outstanding common Shares are present. Pursuant to our bylaws, a "change of control" is defined as the occurrence of any of the following: (i) the acquisition or transfer of ownership of a majority of our outstanding common Shares; (ii) the ability of a person, entity or group, other than the person who currently has the ability to, directly or indirectly, elect a majority of the members of our Board of Directors, to elect a majority of the members of our Board of Directors; or (iii) the ability of a person, entity or group, other than the person who currently has the ability to, directly or indirectly, determine our administrative decisions or policies, to determine our administrative decisions or policies. In the event that the general extraordinary stockholders' meeting must approve the proposed acquisition, either the Chairman, the Secretary or the Alternate Secretary of our Board of Directors must publish a call for a general extraordinary stockholders' meeting in the Official Gazette of the Federation and two other newspapers of general circulation in Mexico City at least 30 calendar days prior to such meeting (both in the case of first and subsequent calls). Once the call for the general extraordinary stockholders' meeting has been published, all information related to the agenda for the meeting must be available for review by the holders of common Shares at the offices of our Secretary.

Mandatory Tender Offers in the Case of Certain Acquisitions. If either our Board of Directors or our stockholders at a general extraordinary stockholders' meeting, as the case may be, authorize an acquisition of common Shares which increases the acquiror's ownership to 20% or more, but not more than 50%, of our outstanding common Shares, without such acquisition resulting in a change of control, then the acquiror must effect its acquisition by way of a cash tender offer for a specified number of Shares equal to the greater of (x) the percentage of common Shares intended to be acquired or (y) 10% of our outstanding capital stock. In the event that our stockholders approve an acquisition that would result in a change of control, the acquiror must effect its acquisition by way of a cash tender offer for 100% of our total outstanding capital stock at a price which cannot be lower than the highest of the following: (i) the book value of the common Shares and CPOs as reported on the last quarterly income statement approved by the Board of Directors, (ii) the highest closing price of the common Shares, on any stock exchange during any of the three hundred-sixty-five (365) days preceding the date of the stockholders' resolution approving the acquisition; or (iii) the highest price paid for any Shares, at any time by the acquiror. All tender offers must be made in Mexico and the U.S. within 60 days following the date on which the acquisition was approved by our Board of Directors or stockholders' meeting, as the case may be. All holders must be paid the same price for their common Shares. The provisions of our bylaws summarized above regarding mandatory tender offers in the case of certain acquisitions are generally more stringent than those provided for under the Mexican Securities Market Law. In accordance with the Mexican Securities Market Law, bylaw provisions regarding mandatory tender offers in the case of certain acquisitions may differ from the requirements set forth in such law, provided that those provisions are more protective to minority stockholders than those afforded by law. In these cases, the relevant bylaw provisions, and not the relevant provisions of the Mexican Securities Market Law, will apply to certain acquisitions specified therein.

Exceptions. The provisions of our bylaws summarized above will not apply to (i) transfers of common Shares and/or CPOs by operation of the laws of inheritance, (ii) acquisitions of common Shares and/or CPOs by any person who, directly or indirectly, is entitled to appoint the greatest number of members to our Board of Directors, as well as by (A) entities controlled by such person, (B) affiliates of such person, (C) the estate of such person, (D) certain family members of such person, and (E) such person, when such person acquires any common Shares and/or CPOs from any entity, affiliate, person or family member referred to in (A), (B) and (D) above, and (iii) acquisitions or transfers of common Shares and/or CPOs by us, our subsidiaries or affiliates, or any trust created by us or any of our subsidiaries.

Amendments to the Antitakeover Provisions. Any amendments to these antitakeover provisions must be authorized by the CNBV and registered before the Public Registry of Commerce at our corporate domicile.

Enforceability of Civil Liabilities

We are a publicly traded corporation (*sociedad anónima bursátil*) organized under the laws of Mexico. Substantially all of our directors, executive officers and controlling persons reside outside of the United States, all or a significant portion of the assets of our directors, executive officers and controlling persons, and substantially all of our assets, are located outside of the U.S. and some of the experts named in this annual report also reside outside of the U.S. As a result, it may not be possible for investors to effect service of process within the U.S. upon these persons or to enforce against them or us in U.S. courts judgments predicated upon the civil liability provisions of the federal securities laws of the United States. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortés y Fuentes, S.C., that there is doubt as to the enforceability, in original actions in Mexican courts, of liabilities predicated solely on U.S. federal securities laws and as to the enforceability in Mexican courts of judgments of U.S. courts obtained in actions predicated upon the civil liability provisions of U.S. federal securities laws. In the past, Mexican courts have enforced judgments rendered in the U.S. by virtue of the legal principles of reciprocity and comity, consisting of the review in Mexico of the U.S. judgment in order to ascertain whether Mexican legal principles of due process and public policy (*orden público*) have been complied with, without reviewing the merits of the subject matter of the case. See "Key Information—Risk Factors—Risks Factors Related to Our Securities—It May Be Difficult to Enforce Civil Liabilities Against Us or Our Directors, Executive Officers and Controlling Persons".

Material Contracts

We have been granted a number of concessions by the Mexican government that authorizes us to broadcast our programming over our television stations and our cable and DTH systems. These concessions are described under "Information on the Company—Business Overview—Regulation". If we are unable to renew, or if the Mexican government revokes, any of the concessions for our significant television stations, our business would be materially adversely affected. See "Key Information—Risk Factors—Risk Factors Related to Our Business—The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions".

We operate our DTH satellite service in Mexico, Central America and the Dominican Republic through a partnership with DIRECTV. See "Information on the Company—Business Overview—Our Operations—Sky".

In October 2017, we issued Ps.4,500 million aggregate principal amount of 8.79% local bonds (*Certificados Bursátiles*) due 2027. In November and December 2017, we entered into long-term debt bilateral agreements, with Scotiabank, HSBC and Santander in the aggregate principal amount of Ps.2,500, Ps.2,000 and Ps.1,500 million, respectively, with maturities between 2022 and 2023 bearing interest at an annual rate of TIIE plus a range between 125 and 130 basis points. In March 2018, the Company entered into a RCF with a syndicate of banks for up to an amount equivalent to U.S.$583 million payable in Mexican pesos, for a three-year term. The RCF was subsequently upsized to U.S.$618 million payable in Mexican pesos, and extended by a year. This facility bears interest at a floating rate based on a spread of 87.5 or 112.5 basis points over the 28-day TIIE rate depending on our net leverage ratio. In March 2020, the Company drew down the RCF as a prudent and precautionary measure in order to increase our cash position and preserve financial flexibility in light of current uncertainty in the global and local markets resulting from the COVID-19 outbreak. The aggregate principal amount was Ps.14,770.7 million, with maturity in the first quarter of 2022. In October 2020, the Company prepaid the RCF in full. In February 2022, we renewed the RCF for three years with the same financial conditions and increased the committed amount to U.S.$650 million. In May 2019, we issued U.S.$750 million aggregate principal amount of 5.25% Senior Notes due 2049. In June 2019, we entered into a credit agreement for a five-year term loan with a syndicate of banks in an amount of Ps.10,000 million. For a description of the material terms of the amended indentures related to our 6.625% Senior Notes due 2025, our 4.625% Senior Notes due 2026, our 8.5% Senior Notes due 2032, our 8.49% Senior Notes due 2037, our 6.625% Senior Notes due 2040, our 7.38% local bonds (*Certificados Bursátiles*) due 2020, our 7.25% Senior Notes due 2043, our 28-day TIIE plus 0.35% local bonds (*Certificados Bursátiles*) due 2021 and 2022, our 5.0% Senior Notes due 2045, our 6.125% Senior Notes due 2046 and our 8.79% local bonds due 2027, as well as the description of the material terms for the Company's subsidiaries debt and lease liabilities see "Operating and Financial Review and Prospects—Results of Operations—Liquidity, Foreign Exchange and Capital Resources—Refinancings" and "Operating and Financial Review and Prospects—Results of Operations—Liquidity, Foreign Exchange and Capital Resources—Indebtedness".

On February 23, 2022, we prepaid the full amount of our bank loans with HSBC and Santander for Ps.2,000 million and Ps.1,500 million respectively.

On March 7, 2022, we prepaid the full amount of our bank loan with Scotiabank for Ps.2,500 million.

On March 30, 2022, we redeemed U.S.$200 million of the U.S.$600 million aggregate amount of our 6.625% Senior Notes due 2025.

Our transactions and arrangements with related parties are described under "Major Stockholders and Related Party Transactions—Related Party Transactions".

For a description of our material transactions and arrangements with Univision, see "Information on the Company—Business Overview—Univision".

Legal Proceedings

On March 5, 2018, a purported stockholder class action lawsuit was filed in the United States District Court for the Southern District of New York (the "District Court"), alleging securities law violations in connection with allegedly misleading statements and/or omissions in the Company's public disclosures. The lawsuit alleges that the Company and two of its executives failed to disclose alleged involvement in bribery activities relating to certain executives of Fédération Internationale de Football Association ("FIFA"), and wrongfully failed to disclose weaknesses in the Company's internal control over its financial reporting as of December 31, 2016.

On May 17, 2018, the District Court appointed a lead plaintiff for the putative stockholder class. On August 6, 2018, the lead plaintiff filed an amended complaint. The Company thereupon filed a motion to dismiss the amended complaint. On March 25, 2019, the District Court issued a decision denying the Company's motion to dismiss, holding that plaintiff's allegations, if true, were sufficient to support a claim. The parties began to exchange discovery materials, and the discovery process continued into 2022. On June 8, 2020, the District Court issued a decision denying class certification based on the inadequacy of the proposed class representative. On June 29, 2020, the District Court issued a decision granting class certification to a new class representative. The Company sought permission for leave to appeal the District Court's order.

On October 6, 2020, the United States Court of Appeals for the Second Circuit (the "Court of Appeals") denied the Company's request for leave to appeal the District Court's class certification order.

On May 19, 2021, the District Court issued an order disqualifying class counsel and stayed the case for thirty days so the class representative could identify replacement counsel. On June 17, 2021, the District Court granted a request from the class representative and disqualified counsel to extend the stay for an additional sixty days. On June 18, 2021, a petition for a writ of mandamus was filed in the Court of Appeals, seeking reinstatement of disqualified counsel. On June 23, 2021, the Court of Appeals granted a request from the petitioners to stay proceedings in the District Court pending the Court of Appeals' decision on the petition. On August 24, 2021, the Court of Appeals denied the petition. On September 14, 2021, the case was returned to the District Court. On October 8, 2021, the District Court appointed new class counsel. On March 31, 2022, the discovery period concluded, with exceptions. The District Court has set a deadline of June 22, 2022 for the parties to file any motions for summary judgment, and the Company expects to file a motion for summary judgment on or before that date.

The Company continues to believe that the lawsuit, and the material allegations and claims therein, are without merit and intends to vigorously defend against the lawsuit. With regard to plaintiff's allegations regarding FIFA, outside counsel long previously investigated the circumstances surrounding the Company's acquisition of the Latin American media rights for the Canada, Mexico and USA 2026 FIFA World Cup and 2030 FIFA World Cup and uncovered no credible evidence that would form the basis for liability for the Company or for any executive, employee, agent or subsidiary thereof. In particular, the Company itself made no payment to any FIFA person and in no way knew of, or condoned, any payment by any third party to any FIFA person. The Company also notes that no proceedings have been initiated against it by any governmental agency.

There are several legal actions and claims pending against us which are filed in the ordinary course of business. In our opinion, none of these actions and claims are expected to have a material adverse effect on our financial statements as a whole; however, we are unable to predict the outcome of any of these legal actions and claims.

Exchange Controls

For a description of exchange controls and exchange rate information, see "Key Information — Exchange Rate Information".

Taxation

U.S. Taxes

General. The following is a summary of the anticipated material U.S. federal income tax consequences of the purchase, ownership and disposition of GDSs, CPOs and the Series "A" Shares, Series "B" Shares, Series "L" Shares and Series "D" Shares underlying the CPOs (referred to herein as the "Underlying Shares"), in each case, except as otherwise noted, by U.S. Holders (as defined below). This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular beneficial owner of GDSs, CPOs or Underlying Shares based on the beneficial owner's particular circumstances. For example, with respect to U.S. Holders, the following discussion does not address the U.S. federal income tax consequences to a U.S. Holder:

- that owns, directly, indirectly or through attribution, 2% or more of the total voting power or value of our outstanding Underlying Shares (including through ownership of GDSs and CPOs);
- that is a dealer in securities, insurance company, financial institution, tax-exempt organization, U.S. expatriate, broker-dealer or trader in securities; or
- whose functional currency is not the U.S. Dollar.

Also, this discussion does not consider:

- the tax consequences to the stockholders, partners or beneficiaries of a U.S. Holder; or
- special tax rules that may apply to a U.S. Holder that holds GDSs, CPOs or Underlying Shares as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or other integrated investment.

U.S. Holders that use an accrual method of accounting for U.S. federal income tax purposes generally are required to include certain amounts in income no later than the time such amounts are reflected on certain applicable financial statements. The application of this rule may require the accrual of income earlier than would be the case under the general U.S. federal income tax rules described below. U.S. Holders that use an accrual method of accounting for U.S. federal income tax purposes should consult with their tax advisors regarding the potential applicability of this rule to their particular situation.

In addition, the following discussion does not address any aspect of state, local or non-U.S. tax laws other than Mexican tax laws. Further, this discussion generally applies only to U.S. Holders that hold the CPOs, GDSs or Underlying Shares as capital assets within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (referred to herein as the "Code").

The discussion set forth below is based on the U.S. federal income tax laws as in force on the date of this annual report, including:

- the Code, applicable U.S. Treasury regulations and judicial and administrative interpretations; and
- the convention between the Government of the United States of America and the Government of the United Mexican States for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, including the applicable protocols, collectively referred to herein as the "U.S.-Mexico Tax Treaty."

The discussion is subject to changes to those laws and the U.S.-Mexico Tax Treaty subsequent to the date of this annual report, which changes could be made on a retroactive basis, and is also based, in part, on the representations of the Depositary with respect to the GDSs and on the assumption that each obligation in the Deposit Agreement relating to the GDSs and any related agreements will be performed in accordance with their terms.

As used in this section, the term "U.S. Holder" means a beneficial owner of CPOs, GDSs or Underlying Shares that is, for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;

- a corporation (or entity treated as a corporation for such purposes) created or organized in or under the laws of the United States, or any State thereof or the District of Columbia;

- an estate the income of which is included in gross income for U.S. federal income tax purposes regardless of source; or

- a trust, if either (x) it is subject to the primary supervision of a court within the United States and one or more "United States persons" has the authority to control all substantial decisions of the trust or (y) it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a "United States person".

If a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) holds CPOs, GDSs or Underlying Shares, the U.S. federal income tax treatment of a partner in the partnership generally will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Partnerships holding CPOs, GDSs or Underlying Shares, and partners in such partnerships, should consult their own tax advisors regarding the U.S. federal income tax consequences of purchasing, owning and disposing of CPOs, GDSs or Underlying Shares.

An individual may be treated as a resident of the United States in any calendar year for U.S. federal income tax purposes by being present in the United States on at least 31 days in that calendar year and for an aggregate of at least 183 days during a three-year period ending at the close of that year. For purposes of this calculation, all of the days present in the current year, one-third of the days present in the immediately preceding year and one-sixth of the days present in the second preceding year would be counted. Residents are taxed for U.S. federal income purposes as if they were U.S. citizens.

The application of the U.S.-Mexico Tax Treaty to U.S. Holders is conditioned upon, among other things, the assumptions that the U.S. Holder:

- is not a resident of Mexico for purposes of the U.S.-Mexico Tax Treaty;

- is an individual who has a "substantial presence" (within the meaning of the U.S.-Mexico Tax Treaty) in the United States;

- is entitled to the benefits of the U.S.-Mexico Tax Treaty under the limitation on benefits provision contained in Article 17 of the U.S.-Mexico Tax Treaty; and

- does not have a fixed place of business or a permanent establishment in Mexico with which its ownership of CPOs, GDSs or Underlying Shares is effectively connected.

For U.S. federal income tax purposes, U.S. Holders of GDSs and CPOs will be treated as the beneficial owners of the Underlying Shares represented by the GDSs and CPOs.

Dividends. The U.S. Dollar value of any distribution paid by us, including the amount of any Mexican taxes withheld from such distribution, will be included in the gross income of a U.S. Holder as a dividend, treated as ordinary income, to the extent that the distribution is paid out of our current and/or accumulated earnings and profits, as determined under U.S. federal income tax principles. U.S. Holders will not be entitled to claim a dividends received deduction for dividends received from us. Distributions that are treated as dividends received from us by a non-corporate U.S. Holder who meets certain eligibility requirements will qualify for U.S. federal income taxation at a preferential rate of 20% (or lower) if we are a "qualified foreign corporation". We generally will be a "qualified foreign corporation" if either (i) we are eligible for benefits under the U.S.-Mexico Tax Treaty or (ii) the Underlying Shares or GDSs are listed on an established securities market in the United States. As we are eligible for benefits under the U.S.-Mexico Tax Treaty and the GDSs are listed on the New York Stock Exchange, we presently are a "qualified foreign corporation," and we generally expect to be a "qualified foreign corporation" in future taxable years, but no assurance can be given that a change in circumstances will not affect our treatment as a "qualified foreign corporation" in any future taxable years. A non-corporate U.S. Holder will not be eligible for the reduced rate (a) if the U.S. Holder has not held the Underlying Shares, CPOs or GDSs for at least 61 days of the 121-day period beginning on the date which is 60 days before the ex-dividend date, (b) to the extent the U.S. Holder is under an obligation to make related payments on substantially similar or related property or (c) with respect to any portion of a dividend that is taken into account as investment income under Section 163(d)(4)(B) of the Code. Any days during which a U.S. Holder has diminished the U.S. Holder's risk of loss with respect to the Underlying Shares, CPOs or GDSs (for example, by holding an option to sell such Underlying Shares, CPOs or GDSs) are not counted towards meeting the 61-day holding period. Special rules apply in determining the foreign tax credit limitation with respect to dividends subject to U.S. federal income taxation at the reduced rate. U.S. Holders should consult their own tax advisors concerning whether dividends received by them qualify for the reduced rate. In addition, a 3.8% tax may apply to certain investment income recognized by a U.S. Holder. See "— Medicare Tax" below.

To the extent, if any, that the amount of a distribution exceeds our current and/or accumulated earnings and profits, the distribution will first reduce the U.S. Holder's adjusted tax basis in its Underlying Shares, CPOs or GDSs and, to the extent the distribution exceeds the U.S. Holder's adjusted tax basis, it will be treated as gain from the sale of the U.S. Holder's Underlying Shares, CPOs or GDSs. We do not maintain calculations of our earnings and profits under U.S. federal income tax principles. Therefore, a U.S. Holder should expect that a distribution paid by us will be treated as a dividend, even if that distribution would otherwise be treated as reducing such U.S. Holder's adjusted tax basis in its Underlying Shares, CPOs or GDSs or as gain from the sale of the U.S. Holder's Underlying Shares, CPOs or GDSs under the rules described above.

The U.S. Dollar value of any distributions paid in Pesos, including the amount of any Mexican taxes withheld, will be calculated by reference to the interbank exchange rate in effect on the date of receipt by the U.S. Holder or, with respect to the GDSs, The Bank of New York Mellon, in its capacity as Depositary, regardless of whether the payment is in fact converted into U.S. Dollars. U.S. Holders should consult their own tax advisors regarding the treatment of any foreign currency gain or loss on any distributions paid in Pesos that are not converted into U.S. Dollars on the day the Pesos are received. For U.S. foreign tax credit purposes, dividends distributed by us on CPOs, GDSs or Underlying Shares generally will constitute foreign source "passive income" or, in the case of some U.S. Holders, foreign source "general category income".

In general, pro rata distributions of additional shares with respect to the Underlying Shares that are part of a pro rata distribution to all of our stockholders generally (including U.S. Holders of GDSs) will not be subject to U.S. federal income tax.

A beneficial owner of CPOs, GDSs or Underlying Shares that is not a U.S. Holder and is not a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) will not be subject to U.S. federal income or withholding tax on a dividend paid with respect to the CPOs, GDSs or the Underlying Shares, unless the dividend is effectively connected with the conduct by the beneficial owner of a trade or business in the United States.

Capital Gains. Gain or loss recognized by a U.S. Holder on a taxable sale or exchange of CPOs, GDSs or Underlying Shares will be subject to U.S. federal income taxation as capital gain or loss in an amount equal to the difference between the amount realized on the sale or exchange and the U.S. Holder's adjusted tax basis in the CPOs, GDSs or Underlying Shares. Such capital gain or loss generally will be long-term capital gain or loss if the CPOs, GDSs or Underlying Shares have been held for more than one year at the time of disposition. Long-term capital gain of non-corporate U.S. Holders, including individual U.S. Holders, is subject to U.S. federal income tax at a preferential rate of 20% (or lower). In addition, a 3.8% tax may apply to certain investment income recognized by a U.S. Holder on a sale or exchange of CPOs, GDSs or Underlying Shares. See "— Medicare Tax" below. The deductibility of capital losses is subject to significant limitations.

Such capital gains generally will be U.S. source income, unless the gains are subject to Mexican taxation, in which case such gains generally will be treated as arising in Mexico under the U.S.-Mexico Tax Treaty. If capital gains are subject to Mexican taxation under the U.S.-Mexico Tax Treaty, a U.S. Holder generally may elect to treat such gains as foreign source income for U.S. foreign tax credit limitation purposes. However, any such Mexican taxes may not be used to offset U.S. federal income tax on any other item of income, and foreign taxes on any other item of income cannot be used to offset U.S. federal income tax on such gains. U.S. Holders should consult their tax advisors regarding the potential applicability of this rule to their particular situation.

Capital losses recognized on the sale or exchange of CPOs, GDSs or Underlying Shares generally will offset U.S. source income. Deposits and withdrawals of CPOs for GDSs and of Underlying Shares for CPOs by U.S. Holders will not be subject to U.S. federal income tax.

A beneficial owner of CPOs, GDSs or Underlying Shares that is not a U.S. Holder and is not a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) generally will not be subject to U.S. federal income tax on gain recognized on a sale or exchange of CPOs, GDSs or Underlying Shares unless:

- the gain is effectively connected with the beneficial owner's conduct of a trade or business in the United States; or

- the beneficial owner is an individual who holds CPOs, GDSs or Underlying Shares as a capital asset, is present in the United States for 183 days or more in the taxable year of the sale or exchange and meets other requirements.

Medicare Tax. A U.S. Holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will generally be subject to a 3.8% tax on the lesser of (i) the U.S. Holder's "net investment income" for a taxable year and (ii) the excess of the U.S. Holder's modified adjusted gross income for such taxable year over U.S.$200,000 (U.S.$250,000 in the case of joint filers). For these purposes, "net investment income" will generally include dividends paid with respect to CPOs, GDSs or Underlying Shares and net gain attributable to the disposition of CPOs, GDSs or Underlying Shares (in each case, unless such CPOs, GDSs or Underlying Shares are held in connection with certain trades or businesses), but will be reduced by any deductions properly allocable to such income or net gain.

U.S. Backup Withholding. A U.S. Holder may be subject to U.S. information reporting and U.S. backup withholding on dividends paid on Underlying Shares, and on proceeds from the sale or other disposition of CPOs, GDSs or Underlying Shares, unless the U.S. Holder:

- comes within an exempt category and, if required, certifies its exempt status; or

- provides the applicable withholding agent with the U.S. Holder's taxpayer identification number, certifies as to no loss of exemption from backup withholding tax and otherwise complies with the applicable requirements of the backup withholding rules.

The amount of any backup withholding will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle such holder to a refund, provided, however, that certain required information is timely furnished to the U.S. Internal Revenue Service ("IRS"). A beneficial owner of CPOs, GDSs or Underlying Shares that is not a U.S. Holder may be required to comply with certification and identification procedures in order to establish its exemption from backup withholding.

Certain Reporting Requirements. U.S. Holders that are individuals (and to the extent specified in applicable U.S. Treasury regulations, certain U.S. Holders that are entities and certain individuals that are not U.S. Holders) and hold "specified foreign financial assets" (as defined in section 6038D of the Code) are required to file a report on IRS Form 8938 with information relating to such assets for each taxable year in which the aggregate value of all such assets exceeds U.S.$75,000 at any time during the taxable year or U.S.$50,000 on the last day of the taxable year (or such higher dollar amount as prescribed by applicable U.S. Treasury regulations). Specified foreign financial assets would include, among other assets, GDSs, CPOs and Underlying Shares that are not held through an account maintained with a U.S. "financial institution" (as defined). Substantial penalties apply to any failure to timely file IRS Form 8938, unless the failure is shown to be due to reasonable cause and not due to willful neglect. Additionally, in the event a U.S. Holder that is required to file IRS Form 8938 does not file such form, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Holder for the related tax year may not close until three years after the date that the required information is filed. Beneficial owners of GDSs, CPOs or Underlying Shares should consult their own tax advisors regarding their reporting obligations with respect to "specified foreign financial assets".

Federal Mexican Taxation

General. The following is a general summary of the main tax consequences under the Mexican Income Tax Law, Federal Tax Code and rules as currently in effect (the "Mexican Tax Legislation"), all of which are subject to change or interpretation, and under the U.S.-Mexico Tax Treaty, of the purchase, ownership and disposition of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares by a person that is not a resident of Mexico for tax purposes, as defined below.

U.S. Holders should consult with their own tax advisors as to their entitlement to benefits afforded by the U.S.-Mexico Tax Treaty. Mexico has also entered into and is negotiating with various countries regarding other tax treaties that may have an effect on the tax treatment of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares. Holders should consult with their tax advisors as to their entitlement to the benefits afforded by these treaties.

This discussion does not constitute, and shall not be considered as, legal or tax advice to holders.

According to the Mexican Tax Legislation:

- an individual is a Mexican tax resident if the individual has established his permanent home in Mexico. When an individual, in addition to his permanent home in Mexico, has a permanent home in another country, the individual will be a Mexican tax resident if his center of vital interests is located in Mexico. This will be deemed to occur if, among other circumstances, either (i) more than 50% of the total income obtained by the individual in the calendar year is Mexican source or (ii) when the individual's center of professional activities is located in Mexico. Unless otherwise proven, a Mexican national is considered a Mexican tax resident;

- a legal entity is considered a Mexican tax resident if it maintains the main administration of its head office, business, or the effective location of its management in Mexico.

- a foreign person with a permanent establishment in Mexico will be required to pay taxes in Mexico in accordance with the Mexican Tax Legislation for income attributable to such permanent establishment; and

- a foreign person without a permanent establishment in Mexico will be required to pay taxes in Mexico in respect of revenues proceeding from sources of wealth located in national territory.

Mexican nationals and legal entities who filed a change of tax residence to a country or jurisdiction that does not have a comprehensive exchange of information agreement with Mexico and an International Treaty that Enables Mutual Administrative Assistance in the Notification, Payment and Collection of Contributions, in which the income of the relevant person is subject to a preferred tax regime pursuant to the provisions of the Mexican Income Tax Law, will be considered as Mexican residents for tax purposes during the year of filing of the notice of such residence change and during the following five years. If the notice is not filed, the nationals or legal entities will continue be considered as Mexican tax residents.

Dividends. Beginning in 2014, dividends, either in cash or in any other form, coming from our "previously taxed net earnings account", or "*cuenta de utilidad fiscal neta*", generated up to 2013 and paid with respect to the shares underlying the CPOs, including those CPOs represented by GDSs, will not be subject to Mexican withholding tax. On the other hand, the dividends coming from our previously taxed net earnings account generated during or after 2014 will be subject to a 10% Mexican withholding tax. We must first utilize the previously taxed net earnings account generated up to 2013 and when this account no longer has a balance, we must utilize the previously taxed net earnings account generated during or after 2014. The latter dividends will be subject to the 10% Mexican withholding tax.

However, under the U.S.-Mexico Tax Treaty, any U.S. Holder that is eligible to claim the benefits of the U.S.-Mexico Tax Treaty may be exempt from or subject to a lower withholding tax rate on dividends paid with respect to the shares underlying the CPOs, including those CPOs represented by GDSs. The U.S. Holder may be subject to a lower withholding tax rate (5%) under the U.S.-Mexico Tax Treaty if the U.S. Holder is a company that owns directly at least 10% of our voting outstanding shares.

On the other hand, the U.S. Holder may be exempt from withholding tax under the U.S.-Mexico Tax Treaty if the U.S. Holder is either (a) a company that has owned shares representing 80 percent or more of our voting outstanding shares for a 12-month period ending on the date the dividend is declared and that (1) prior to October 1, 1998 owned, directly or indirectly, shares representing 80 percent or more of our voting outstanding shares; or (2) is entitled to the benefits of the U.S.-Mexico Tax Treaty under clauses (i) or (ii) of subparagraph d) of paragraph 1 of Article 17 (Limitation on Benefits); or (3) is entitled to the benefits of the U.S.-Mexico Tax Treaty with respect to the dividends under subparagraph g) of paragraph 1 of Article 17; or (4) has received a determination from the relevant competent authority pursuant to paragraph 2 of Article 17; or (b) a trust, company, or other organization constituted and operated exclusively to administer or provide benefits under one or more plans established to provide pension, retirement or other employee benefits and its income is generally exempt from tax in the United States, provided that such dividends are not derived from the carrying on of a business, directly or indirectly, by such trust, company or organization.

Dividends paid to other Holders that are eligible to receive benefits pursuant to other income tax treaties to which Mexico is a party may be exempt from or subject to a lower withholding tax rate in whole or in part. Non-U.S. Holders should consult their own tax advisors as to their possible eligibility under such other income tax treaties. Appropriate tax residence certifications must be obtained by Holders eligible for tax treaty benefits.

When dividends are paid from our previously taxed net earnings account we will not be required to pay any Mexican corporate income tax on the dividends. During 2022, if dividends are not paid from our previously taxed net earnings account we will be required to pay a 30% Mexican corporate income tax ("CIT") on the grossed-up dividends with the factor 1.4286.

Sales or Other Dispositions. Deposits and withdrawals of CPOs for GDSs and of underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares for CPOs will not give rise to Mexican tax or transfer duties.

Beginning on January 1, 2014, the gains on the sale or other disposition of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares will be subject to a 10% Mexican withholding tax if the sale is carried out through the Mexican Stock Exchange. This withholding tax will not apply if the Holder is a tax resident of a country that has in effect a Tax Treaty with Mexico, as is the case with the United States; in order to obtain this benefit the Holder must deliver to the withholding agent a letter stating, under oath, (i) that the Holder is resident for purposes of the specific Tax Treaty and (ii) the Holder's tax identification number.

Sales or other dispositions of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares made in other circumstances also would be subject to Mexican income tax. However, under the U.S.-Mexico Tax Treaty, any U.S. Holder that is eligible to claim the benefits of the U.S.-Mexico Tax Treaty may be exempt from Mexican tax on gains realized on a sale or other disposition of CPOs and shares underlying the CPOs in a transaction that is not carried out through the Mexican Stock Exchange. The U.S. Holder will be exempt under the U.S.-Mexico Tax Treaty if the U.S. Holder did not own directly or indirectly 25% or more of the our outstanding shares within the 12-month period preceding such sale or disposition. Gains realized by other Holders that are eligible to receive benefits pursuant to other income tax treaties to which Mexico is a party may be exempt from Mexican income tax in whole or in part. Non-U.S. Holders should consult their own tax advisors as to their possible eligibility under such other income tax treaties. Appropriate tax residence certifications must be obtained by Holders eligible for tax treaty benefits.

Other Mexican Taxes. There are no estate, gift, or succession taxes applicable to the ownership, transfer or disposition of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares. However, a gratuitous transfer of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares may, in some circumstances, result in the imposition of a Mexican federal tax upon the recipient. There are no Mexican stamp, issuer, registration or similar taxes or duties payable by holders of GDSs, CPOs, or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares.

Documents on Display

For further information with respect to us and our CPOs and GDSs, we refer you to the filings we have made with the SEC. Statements contained in this annual report concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to any filing we have made with the SEC, we refer you to the copy of the contract or document that has been filed. Each statement in this annual report relating to a contract or document filed as an exhibit to any filing we have made with the SEC is qualified in its entirety by the filed exhibit.

The Company is subject to the informational requirements of the Exchange Act and in accordance therewith files reports and other information with the SEC. Reports and other information filed by the Company with the SEC are available at the SEC's website at www.sec.gov. We maintain a website at http://www.televisair.com/en and make all of our annual, quarterly and current reports and other publicly filed information available, free of charge, on or through our website.

We furnish The Bank of New York Mellon, the depositary for our GDSs, with annual reports in English. These reports contain audited consolidated financial statements that, starting with the annual report for year ended December 31, 2012, have been prepared in accordance with IFRS. The historical financial statements included in these reports have been examined and reported on, with an opinion expressed by, an independent registered public accounting firm. The depositary is required to mail our annual reports to all holders of record of our GDSs. The Deposit Agreement for the GDSs also requires us to furnish the depositary with English translations of all notices of stockholders' meetings and other reports and communications that we send to holders of our CPOs. The depositary is required to mail these notices, reports and communications to holders of record of our GDSs.

As a foreign private issuer, we are not required to furnish proxy statements to holders of our CPOs or GDSs in the United States.

Item 11. Quantitative and Qualitative Disclosures About Market Risk

Market Risk Disclosures

Market risk is the exposure to an adverse change in the value of financial instruments caused by market factors including changes in equity prices, interest rates, foreign currency exchange rates, commodity prices and inflation rates. The following information includes "forward-looking statements" that involve risks and uncertainties. Actual results could differ from those presented.

Risk Management. We are exposed to market risks arising from changes in equity prices, interest rates, foreign currency exchange rates and inflation rates, in both the Mexican and U.S. markets. Our risk management activities are monitored by our Investments, Risk Management and Treasury Committee.

We monitor our exposure to interest rate risk by: (i) evaluating differences between interest rates on our outstanding debt and short-term investments and market interest rates on similar financial instruments; (ii) reviewing our cash flow needs and financial ratios (indebtedness and interest coverage); (iii) assessing current and forecasted trends in the relevant markets; and (iv) evaluating peer group and industry practices. This approach allows us to establish the interest rate "mix" between variable and fixed rate debt.

Foreign currency exchange risk is monitored by assessing our net monetary liability position in U.S. Dollars and our forecasted cash flow needs for anticipated U.S. Dollar investments and servicing our U.S. Dollar-denominated debt. Equity price risk is assessed by evaluating the long-term value of our investment in both domestic and foreign affiliates, versus comparable investments in the marketplace. We classify our equity investments in affiliates, both domestic and foreign, as long-term assets.

In compliance with the procedures and controls established by our Investments, Risk Management and Treasury Committee, in 2019, 2020 and 2021, we entered into certain derivative transactions with certain financial institutions in order to manage our exposure to market risks resulting from changes in interest rates, foreign currency exchange rates, and inflation rates. Our objective in managing foreign currency and inflation fluctuations is to reduce earnings and cash flow volatility. See Notes 2(w), 4 and 15 to our consolidated year-end financial statements.

Foreign Currency Exchange Rate Risk and Interest Rate Risk

During January and April 2012, in connection with TVI's variable rate bank loan with Banorte due 2016, TVI entered into interest rate swap agreements on a notional amount of Ps.500.0 million and Ps.800.0 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of four years at an interest rate of 6.9315%. In May 2015, the variable rate bank loan was prepaid but this agreement continued because a new variable rate bank loan with Banorte due 2022 was agreed and it covered the same exposure until February 2016. In October 2016, the Company entered as a guarantor on the bank loan due 2022 with Banorte, and as a consequence, the interest rate payable decreased 30 bps as of October 2016. In August 2015 and March 2017, TVI entered into interest rate swap agreements on a notional amount of Ps.250.0 million and Ps.750.0 million, respectively. These agreements also involved the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments at an interest rate of 7.8469%. On April 5, 2017, TVI entered into an interest rate swap agreement on a notional amount of Ps.742.0 million that allowed us to fix all coupon payments at an interest rate of 8.0250%.

The net fair value of the interest rate swap was a liability of Ps.0.1 million as of March 31, 2022, and a liability of Ps.1.9 million as of December 31, 2021 and a liability of Ps.25.5 million as of December 31, 2020. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.0 million as of March 31, 2022 and Ps.0.6 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the second semester of 2013 and the second semester of 2014, in connection with TVI's variable rate bank loans with HSBC due 2019, TVI entered into interest rate swap agreements on notional amounts of Ps.500.0 million and Ps.300.0 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. In December 2016, the Company entered as a guarantor on the bank loans with HSBC, and as a consequence, the interest rate payable decreased by 30 bps as of December 2016. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 6.3640%. In the second half of 2019, the bank loan and the interest rate swaps matured.

During April 2014 and March 2015, in connection with the local bonds (*Certificados Bursátiles*) issued by the Company due 2021, we entered into interest rate swap agreements on a notional amount of Ps.3,000.0 million and Ps.3,000.0 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of seven years at an interest rate of 6.2851%. In the second half of 2019, the bond was fully prepaid and the interest rate swap was unwound.

During June 2015, the first quarter of 2016 and the first quarter of 2017, in connection with the local bonds (*Certificados Bursátiles*) issued by the Company due 2022, we entered into interest rate swap agreements on a notional amount of Ps.1,000.0 million, Ps.1,500 million and Ps.2,500 million respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments at an interest rate of 6.9216%. In the second half of 2019, the bond was fully prepaid and the interest rate swap was unwound.

During the second half of 2015, in connection with two of TVI's variable rate bank loans with Santander due 2019 and 2020, TVI entered into interest rate swap agreements on notional amounts of Ps.250.0 million each. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. In September 2016, the Company entered as a guarantor on the bank loans with Santander, and as a consequence, the interest rate payable decreased 10 bps as of September 2016. These agreements allowed us to fix the coupon payments at an interest rate of 6.3975% and 6.68%, respectively. In the third quarter of 2019, one of the loans with a notional amount of Ps.250.0 million and the related interest rate swaps matured. During the second quarter of 2020, the loan with a notional amount of Ps. 250.0 million and the related interest rate swap matured.

During 2018, in connection with all the Senior Notes issued by the Company in U.S. Dollars, we entered into forward exchange rate agreements on a notional amount of U.S.$224.0 million. These agreements allowed us to fix the exchange rate of coupon payments due in the 2019 on an average of Ps.19.68 per U.S.$1.00. During 2019 we entered into forward exchange rate agreements on a notional amount of U.S.$218.7 million. These agreements allowed us to fix the exchange rate of coupon payments due until October 2020 on an average of Ps.19.93 per U.S.$1.00. During 2020, we entered into forward exchange rate agreements on a notional amount of U.S.$330.5 million. These agreements allowed us to fix the exchange rate of coupon payments until March 2022 on an average of Ps. 22.59 per U.S.$1.00.

As of March 31, 2022, we did not have any active forward contracts and as of and December 31, 2021, the notional amount outstanding was U.S.$67.1 million and the net fair value of these agreements was a liability of Ps.35.5 million. The potential loss in fair value for such instruments from a hypothetical 1.0% adverse change in the market exchange rate would be approximately Ps.1.3 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During 2021, the Company did not enter into any forward exchange rate agreements. As of March 31, 2022, we did not have any active forward contracts and as of December 31, 2021, the notional amount outstanding was U.S.$57.60 million the net fair value of these agreements was a liability of Ps.56.5 million. The potential loss in fair value for such instruments from a hypothetical 1.0 % adverse change in the market exchange rate would be approximately Ps.1.0 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During the last quarter of 2017, in connection with the variable rate bank loan with HSBC due 2022, the Company entered into interest rate swap agreements on notional amounts of Ps.2,000.0 million. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 8.6275%. On February 23, 2022, we prepaid the full amount of this loan but the hedge remains active.

The net fair value of the interest rate swap was an asset of Ps.1.5 million as of March 31, 2022, a liability of Ps.9.7 million as of December 31, 2021, and a liability of Ps. 109.1 million as of December 31, 2020. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.2.7 million as of March 31, 2022 and Ps.6.5 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the last quarter of 2017, in connection with the variable rate bank loan with Santander due 2022, the Company entered into interest rate swap agreements on notional amounts of Ps.1,500.0 million. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 8.6%. On February 23, 2022, we prepaid the full amount of this loan but the hedge remains active.

The net fair value of the interest rate swap was an asset of Ps.2.5 million as of March 31, 2022, a liability of Ps.7.2 million as of December 31, 2021 and a liability of Ps. 86.2 million as of December 31, 2020. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.3.6 million as of March 31, 2022 and Ps.5.6 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the last quarter of 2017 and the first quarter of 2018, in connection with the variable rate bank loan with Scotiabank due 2023, the Company entered into interest rate swap agreements on notional amounts of Ps.1,000.0 million and Ps.1,500.0 million respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 9.0485%. On March 7, 2022, we prepaid the full amount of this loan but the hedge remains active.

The net fair value of the interest rate swap was an asset of Ps.3.6 million as of March 31, 2022, and a liability of Ps.23.8 million as of December 31, 2021 and a liability of Ps.180.9 million as of December 31, 2020. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.7.8 million as of March 31, 2022 and Ps.11.4 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the third quarter of 2019, in connection with the variable rate syndicate loan due 2024, the Company entered into three interest rate swap agreements on notional amounts of Ps.2,000.0 million each. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 7.3873%. During the fourth quarter of 2020, the Company entered into one interest rate swap agreement on the notional amount of Ps.4,000 million. This agreement involves the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. With this last agreement the syndicate loan is fully hedged until its maturity at an interest rate of 6.7620%.

The net fair value of the interest rate swap was an asset of Ps.360.5 million as of March 31, 2022 and Ps.133.2 million as of December 31, 2021. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.113 million as of March 31, 2022 and Ps.131 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the first quarter of 2020, the Company drew down from its RCF for an amount of Ps.14,771 million due 2022. In connection with the RCF, the company entered into interest rate swap agreements for the full amount. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a two year period at an interest rate of 6.0738%. The RCF was fully prepaid during the fourth quarter of 2020, during the same quarter we unwound two of the hedges for a notional amount of Ps.5,385 million. We kept the remaining position until 2022 at an interest rate of 6.0246%.

The net fair value of the interest rate swap was a liability of Ps.2.9 million as of December 2021. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be Ps.13 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve. During the first quarter of 2022, the hedging expired.

During 2021, *Empresas Cablevisión* did not enter into any forward exchange rate agreements. As of March 31, 2022, we do not have any active forward contracts and as of December 31, 2021, the notional amount outstanding was U.S.$ 13.8 million, the net fair value of these agreements was a liability of Ps.11 million. The potential loss in fair value for such instruments from a hypothetical 1.0% adverse change in market exchange rate would be approximately Ps.0.2 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During 2021, TVI did not enter into any forward exchange rate agreements. As of March 31, 2022, we do not have any active forward contract and as of December 31, 2021, the notional amount outstanding was U.S.$12.6 million, the net fair value of these agreements was a liability of Ps.10.1 million. The potential loss in fair value for such instruments from a hypothetical 1.0% adverse change in market exchange rate would be approximately Ps.0.2 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During 2021, *Corporación Novavision* did not enter into any forward exchange rate agreements. As of March 31, 2022, we do not have any active forward contracts and as of December 31, 2021, the notional amount outstanding is U.S.$15 million, the net fair value of these agreements was a liability of Ps.14.1 million. The potential loss in fair value for such instruments from a hypothetical 1.0% adverse change in market exchange rate would be approximately Ps.0.3 million as of December 31, 2021. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

Sensitivity and Fair Value Analyses

The sensitivity analyses that follow are intended to present the hypothetical change in fair value or loss in earnings due to changes in interest rates, inflation rates, foreign currency exchange rates and debt and equity market prices as they affect our financial instruments at December 31, 2021 and 2020. These analyses address market risk only and do not present other risks that we face in the ordinary course of business, including country risk and credit risk. The hypothetical changes reflect our view of changes that are reasonably possible over a one-year period. For purposes of the following sensitivity analyses, we have made conservative assumptions of expected near-term future changes in U.S. interest rates, Mexican interest rates, inflation rates and Peso to U.S. Dollar exchange rates of 10%. The results of the analyses do not purport to represent actual changes in fair value or losses in earnings that we will incur.

December 31, 2021	Carrying amount[2]	Fair value[3]	Increase (decrease) of fair value over carrying amount	Increase (decrease) of fair value over carrying amount assuming a hypothetical 10% increase in fair value
Assets:				
Long-term loan and interests receivable from GTAC	Ps. 756.0	Ps. 760.1	Ps. 4.1	Ps. 80.1
Open-Ended Fund	945.2	945.2	—	—
Publicly traded equity instruments	3,517.7	3,517.7	—	—
Other equity instruments	1,608.0	1,608.0	—	—
Derivative financial instruments[1]	133.3	133.3	—	—
Liabilities:				
U.S. dollar-denominated debt:				
Senior Notes due 2025	12,301.9	14,056.8	1,754.9	3,160.6
Senior Notes due 2026	6,150.9	6,685.2	534.3	1,202.8
Senior Notes due 2032	6,150.9	8,857.2	2,706.3	3,592.0
Senior Notes due 2040	12,301.9	16,678.5	4,376.6	6,044.5
Senior Notes due 2045	20,503.1	24,205.1	3,702.0	6,122.5
Senior Notes due 2046	18,452.8	25,029.2	6,576.4	9,079.3
Senior Notes due 2049	15,377.3	19,307.2	3,929.9	5,860.6
Peso-denominated debt:				
Notes due 2027	4,500.0	4,509.4	9.4	460.3
Senior Notes due 2037	4,500.0	4,110.5	(389.5)	21.6
Senior Notes due 2043	6,500.0	4,611.6	(1,888.4)	(1,427.2)
Long-term notes payable to Mexican Banks	20,260.4	20,417.9	157.5	2,199.3
Lease Liabilities	9,680.6	9,830.9	150.3	1,133.4
Derivative financial instruments [1]	172.9	172.9	—	—

December 31, 2020	Carrying amount[2]	Fair value[3]	Increase (decrease) of fair value over carrying amount	Increase (decrease) of fair value over carrying amount assuming a hypothetical 10% increase in fair value
Assets:				
Long-term loan and interest receivable from GTAC	Ps. 821.3	Ps. 824.1	Ps. 2.8	Ps. 85.2
Open-Ended Fund	1,135.8	1,135.8	—	—
Publicly traded equity instruments	5,397.5	5,397.5	—	—
Other equity instruments	468.5	468.5	—	—
Liabilities:				
U.S. dollar-denominated debt:				
Senior Notes due 2025	11,969.6	14,609.8	2,640.2	4,101.2
Senior Notes due 2026	5,984.8	6,840.9	856.1	1,540.1
Senior Notes due 2032	5,984.8	9,193.4	3,208.6	4,128.0
Senior Notes due 2040	11,969.6	16,781.0	4,811.4	6,489.5
Senior Notes due 2045	19,949.3	24,282.9	4,333.6	6,761.9
Senior Notes due 2046	17,954.4	24,970.9	7,016.6	9,513.7
Senior Notes due 2049	14,962.0	18,978.7	4,016.7	5,914.6
Peso-denominated debt:				
Notes due 2027	4,500.0	5,035.9	535.9	1,039.4
Senior Notes due 2037	4,500.0	4,087.6	(412.4)	(3.7)
Senior Notes due 2043	6,500.0	5,150.9	(1,349.1)	(834.1)
Long-term notes payable to Mexican Banks	19,602.9	19,801.1	198.2	2,178.4
Lease Liabilities	9,292.4	9,343.1	50.7	985.1
Derivative financial instruments [1]	3,476.2	3,476.2	—	—

(1) Given the nature and the tenor of these derivatives, an increase of 10% in the interest and/or exchange rates would not be an accurate sensitivity analysis.

(2) The carrying value of debt is stated in this table at its principal amount.

(3) The fair value of the Senior Notes and Notes due by the Group are within Level 1 of the fair value hierarchy as there is a quoted market price for them. The fair value of the lease liabilities are within Level 2 of the fair value hierarchy and has been estimated based on cash flows discounted using an estimated weighted average cost of capital. The fair value of held-to-maturity securities are within Level 1 of the fair value hierarchy, and were based on market interest rates to the listed securities.

We are also subject to the risk of foreign currency exchange rate fluctuations, resulting from the net monetary position in U.S. Dollars of our Mexican operations, as follows:

	Year Ended December 31,	
	2021	2020
	(In millions of U.S. Dollars)	
U.S. Dollar-denominated and U.S. Dollar-equivalent monetary assets, primarily cash and cash equivalents, and non-current investments in financial instruments[1]	U.S.$ 785.1	U.S.$ 1,125.1
U.S. Dollar-denominated and U.S. Dollar-equivalent monetary liabilities, primarily trade accounts payable, Senior debt securities, lease liabilities, and other liabilities[2][3]	(5,180.8)	(5,115.9)
Net liability position	U.S.$ (4,395.7)	U.S.$ (3,990.8)

(1) In 2021 and 2020, include U.S. Dollar equivalent amounts of U.S.$17.7 million and U.S.$24.5 million, respectively, related to other foreign currencies, primarily Euros.

(2) In 2021 and 2020, include U.S. Dollar equivalent amounts of U.S.$ 1.4 million and U.S.$2.0 million, respectively, related to other foreign currencies, primarily Euros.

(3) In 2021 and 2020, monetary liabilities included U.S.$ 1,300.6 million (Ps.26,666.7 million) and U.S.$1,130.9 million (Ps.22,559.9 million), respectively, related to long-term debt designed as a hedging instrument of the Group's investments in UH II, UHI and the investment in Open-Ended Fund (see Note 14 to our consolidated year-end financial statements).

At December 31, 2021, a hypothetical 10% appreciation/depreciation in the U.S. dollar to Mexican peso exchange rate would result in a foreign exchange gain/loss, net of hedge, of Ps.6,345.8 million. At December 31, 2020, a hypothetical 10% appreciation/depreciation in the U.S. dollar to Mexican peso exchange rate would result in a foreign exchange gain/loss, net of hedge, of Ps.5,705.3 million.

Item 12. Description of Securities Other than Equity Securities

Global Depositary Shares

The Bank of New York Mellon, the depositary for the securities underlying our GDSs, collects its fees for delivery and surrender of GDSs directly from investors depositing shares or surrendering GDSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deductions from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

The following table summarizes the fees and charges that a GDS holder may be required to pay, directly or indirectly, to the depositary pursuant to the terms of the Deposit Agreement, which was filed with the SEC as an exhibit to our Registration Statement on Form F-6 filed on September 17, 2007:

Fee	Depositary Service
U.S.$5.00 (or less) per 100 GDSs (or portion of 100 GDSs)	● Issuance of GDSs, including issuances resulting from a distribution of shares or rights or other property
	● Cancellation of GDSs for the purpose of withdrawal, including if the deposit agreement terminates
U.S.$0.02 (or less) per GDS	● Any cash distribution to GDS registered holders
A fee equivalent to the fee that would be payable if securities distributed to holders had been CPOs and the CPOs had been deposited for issuance of GDSs	● Distribution of securities distributed to holders of deposited securities which are distributed by the depositary to GDS registered holders
U.S.$0.02 (or less) per GDS per calendar year	● Depositary services
Registration or transfer fees	● Transfer and registration of CPOs on our CPO register to or from the name of the depositary or its agent when holders deposit or withdraw CPOs
Expenses of the depositary	● Cable and facsimile transmissions (when expressly provided in the deposit agreement)
	● Converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian have to pay on any GDS or share underlying an GDS, for example, stock transfer taxes, stamp duty or withholding taxes	● As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	● As necessary

Note that the actual amounts charged by the depositary may differ from those set out in the table above, but may not exceed these levels.

The Bank of New York Mellon, as depositary, pays us an agreed amount as reimbursement for certain expenses we incur related to our being a publicly-listed entity in the United States, including, but not limited to, internal and out-of-pocket investor relations expenses, corporate finance and accounting expenses, legal expenses, annual NYSE listing fees, Sarbanes-Oxley compliance, travel expenses related to presentations to rating agencies and investors, road show presentations, or any other similar or related expenses. There are limits on the amount of expenses for which the depositary will reimburse us, but the amount of reimbursement available to us is not necessarily tied to the amount of fees the depositary collects from investors. In 2021, we did not receive any reimbursement.

Part II

Item 13. Defaults, Dividend Arrearages and Delinquencies

Not applicable.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

Not applicable.

Item 15. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Based on the evaluation as of December 31, 2021, our Co-Chief Executive Officers and Principal Financial Officer of the Company have concluded that the Company's disclosure controls and procedures (as defined under Exchange Act Rules 13a-15(e) and 15d-15(e)) are effective to provide reasonable assurance that the information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including our Co-Chief Executive Officers and the Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control Over Financial Reporting

The Company's management, including our Co-Chief Executive Officers and Principal Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting and is responsible for the assessment of the effectiveness of internal control over financial reporting as such terms are defined in Rule 13a-15(f) of the Exchange Act.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2021. In making this assessment, management used the criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Internal control over financial reporting has inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements will not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Management concluded that the Company maintained effective internal control over financial reporting as of December 31, 2021.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2021 has been audited by KPMG Cárdenas Dosal, S.C., an independent registered public accounting firm, as stated in their report which appears herein.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) that occurred during the year ended December 31, 2021 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Item 16.A. Audit Committee Financial Expert

Our board of directors has determined that Mr. Guillermo García Naranjo Álvarez, Chairman of the Audit Committee of the Company, as well as Mr. Francisco José Chevez Robelo, former Chairman of the Audit Committee of the Company, are audit committee financial experts. Mr. García Naranjo and Mr. Chevez are "independent" and meet the requisite qualifications as defined in Item 16A of Form 20-F.

Item 16.B. Code of Ethics

We have adopted a written code of ethics that applies to all of our employees, including our principal executive officers, principal financial officer, and principal accounting officer.

We did not grant any waivers to our code of ethics during the fiscal year ended December 31, 2021.

You may request a copy of our code of ethics, at no cost, by writing to or telephoning us as follows:

Grupo Televisa, S.A.B.
Avenida Vasco de Quiroga, No. 2000
Colonia Santa Fe, 01210 Mexico City, Mexico.
Telephone: (+52) 55 5261-2000.

In addition, the English version of the code of ethics can be found at http://www.televisair.com/en/governance/codes-and-bylaws and the Spanish version at http://www.televisair.com/es-ES/governance/codes-and-bylaws.

Item 16.C. Principal Accountant Fees and Services

KPMG Cárdenas Dosal, S.C. acted as our independent registered public accounting firm for the fiscal years ended December 31, 2020 and 2021.

The chart below sets forth the total amount billed by our independent registered public accounting firms for services performed in the years 2021 and 2020, and breaks down these amounts by category of service:

	2021	2020
	(in millions of Pesos)	
Audit Fees	Ps. 104.8	Ps. 97.4
Audit-Related Fees	19.5	2.4
Tax Fees	6.3	9.7
Other Fees	1.4	—
Total	Ps 132.0	Ps. 109.5

“Audit Fees” are the aggregate fees billed by our Independent Registered Public Accounting Firms for the audit of our consolidated annual financial statements, services related to regulatory financial filings with the SEC and attestation services that are provided in connection with statutory and regulatory filings or engagements.

“Audit-Related Fees” are fees charged by our Independent Registered Public Accounting Firm for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported under “Audit Fees”. This category comprises fees billed for independent accountant review of our interim financial statements in connection with the offering of our debt securities, and due diligence reviews in connection with potential acquisitions and business combinations.

"Tax Fees" are fees for professional services rendered by the Company's Independent Registered Public Accounting Firm for tax compliance in connection with our subsidiaries and interests in the United States, as well as tax advice on actual or contemplated transactions.

"Other Fees" are fees charged by our Independent Registered Public Accounting Firm in connection with services rendered other than audit, audit-related and tax services.

We have procedures for the review and pre-approval of any services performed by KPMG Cárdenas Dosal, S.C. The procedures require that all proposed engagements of KPMG Cárdenas Dosal, S.C. for audit and non-audit services are submitted to the Board of Directors for approval, with the favorable opinion of the Audit Committee prior to the beginning of any such services.

Audit Committee Pre-approval Policies and Procedures

Our audit committee is responsible, among other things, for the oversight of our external auditors. On the other hand, our Board of Directors, with the support of our audit committee, is responsible, among other things, for the appointment and compensation of our external auditors. All services other than the audit related services must receive a specific approval from our Board of Directors, with the favorable opinion of the audit committee. Our external auditor, on a quarterly basis, provides a report to our audit committee in order for our audit committee to review the services that our external auditor is providing, as well as the status and cost of those services.

During 2021, KPMG, with the prior approval by our Board of Directors and the favorable opinion of our Audit Committee, rendered additional services in our favor and in favor of certain of our subsidiaries consisting of the analysis of transfer prices, tax consulting, and social security and local contributions related services, which were for concepts other than the audit of our Financial Statements. KPMG billed us for such services an amount of Ps.7.7 million, which represents 5.9% of the total amounts that KPMG billed us for on services rendered in 2021.

Item 16.D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16.E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table sets forth, for the periods indicated, information regarding purchases of any of our equity securities registered pursuant to Section 12 of the Exchange Act made by us or on our behalf or by or on behalf of any affiliated purchaser (as that term is defined in Rule 10b-18(a)(3) under the Exchange Act):

Purchases of Equity Securities by the Company

Purchase Date	Total Number of CPOs Purchased	Average Price Paid per CPO[1]	Total Number of CPOs Purchased as part of Publicly Announced Plans or Programs[2]	Maximum Number (or Appropriate Peso Value) of CPOs that May Yet Be Purchased Under the Plans or Programs[2]
January 1 to January 31	—	Ps. —	339,972,992	Ps. 20,000,000
February 1 to February 28	—	—	339,972,992	20,000,000
March 1 to March 31	—	—	339,972,992	20,000,000
April 1 to April 30	—	—	339,972,992	10,000,000
May 1 to May 31	—	—	339,972,992	10,000,000
June 1 to June 30	—	—	339,972,992	10,000,000
July 1 to July 31	—	—	339,972,992	10,000,000
August 1 to August 31	—	—	339,972,992	10,000,000
September 1 to September 30	—	—	339,972,992	10,000,000
October 1 to October 31	—	—	339,972,992	10,000,000
November 1 to November 30	—	—	339,972,992	10,000,000
December 1 to December 31	—	—	339,972,992	10,000,000
Total	—	Ps. —		

(1) The values have not been restated in constant Pesos and therefore represent nominal historical figures.

(2) Our share repurchase program was announced in September 2002 and does not have an expiration date. On November 13, 2017, we announced our intention to reactivate our share repurchase program. Accordingly, we may, from time to time, at management's discretion, seek to acquire shares of the Company's common stock subject to legal, market and other business conditions at the time of purchase. The total amount of our share repurchase program was limited to Ps.20,000,000,000 during 2020, and to Ps.10,000,000,000 for 2021 in accordance with the resolutions that our stockholders approved in the annual shareholders meeting held on April 28, 2021.

Purchases of Equity Securities by Special Purpose Trust Formed in Connection with Long-Term Retention Plan[1]

Purchase Date	Total Number of CPOs Purchased[2]	Average Price Paid per CPO[3]	Total Number of CPOs Purchased as part of Publicly Announced Plans or Programs	Maximum Number (or Appropriate Peso Value) of CPOs that May Yet Be Purchased Under the Plans or Programs
January 1 to January 31	3,400,000	34.3875	305,471,842	—
February 1 to February 28	450,000	32.1213	305,921,842	—
March 1 to March 31	200,000	31.6960	306,121,842	—
April 1 to April 30	—	—	306,121,842	—
May 1 to May 31	1,400,000	50.1659	307,521,842	—
June 1 to June 30	4,175,024	56.6881	311,696,866	—
July 1 to July 31	550,000	54.9375	312,246,866	—
August 1 to August 31	82,000	51.4367	312,328,866	—
September 1 to September 30	—	—	312,328,866	—
October 1 to October 31	—	—	312,328,866	—
November 1 to November 30	1,895,000	39.6176	314,223,866	—
December 1 to December 31	3,840,000	41.2305	318,063,866	—
Total	15,992,024	Ps. 445,504	—	—

(1) See "Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan" for a description of the implementation, limits and other terms of our Long-Term Retention Plan.

(2) Represents open-market purchases by the special purpose trust formed in connection with our Long-Term Retention Plan.

(3) The values have not been restated in constant Pesos and therefore represent nominal historical figures.

Item 16.F. Change in Registrant's Certifying Accountant

Not applicable.

Item 16.G. Corporate Governance

As a foreign private issuer with shares listed on the NYSE, we are subject to different corporate governance requirements than a U.S. company under the NYSE listing standards. With certain exceptions, foreign private issuers are permitted to follow home country practice standards. Pursuant to Rule 303.A11 of the NYSE listed company manual, we are required to provide a summary of the significant ways in which our corporate governance practices differ from those required for U.S. companies under the NYSE listing standards.

We are a Mexican corporation with shares, in the form of CPOs listed on the *Bolsa Mexicana de Valores*, or Mexican Stock Exchange. Our corporate governance practices are governed by our bylaws, the Mexican Securities Market Law, and the regulations issued by the CNBV and the Mexican Stock Exchange. Although compliance is not mandatory, we also substantially comply with the Mexican Code of Principles and Best Corporate Governance Practices (*Código de Principios y Mejores Prácticas de Gobierno Corporativo*), which was created in January 1999 by a group of Mexican business leaders and was endorsed by the CNBV and last amended in 2018. See "Additional Information-Bylaws" for a more detailed description of our corporate governance practices.

The table below sets forth a description of the significant differences between corporate governance practices required for U.S. companies under the NYSE listing standards and the Mexican corporate governance standards that govern our practices.

NYSE rules	Mexican rules
Listed companies must have a majority of independent directors.	The Mexican Securities Market Law requires that listed companies have at least 25% of independent directors. Our stockholder's meeting is required to assess the independence of the directors. The definition of "independent" under the Mexican Securities Market Law differs in some aspects from the one applicable to U.S. issuers under the NYSE standard and prohibits, among other relationships, an independent director from being an employee or officer of the company or a stockholder that may have influence over our officers, relevant clients and contractors, as well as certain relationships between the independent director and family members of the independent director. In addition, our bylaws broaden the definition of independent director. Our bylaws provide for an executive committee of our board of directors. The executive committee is currently composed of three members, and there are no applicable Mexican rules that require any of the members to be independent. The executive committee may generally exercise the powers of our board of directors, subject to certain exceptions. Our Co-Chief Executive Officers are members of our board of directors and the executive committee.
Listed companies must have a nominating/corporate governance committee composed entirely of independent directors.	The Mexican Securities Law requires that listed companies must have a corporate practices committee. The corporate practices committee of publicly traded corporations (*sociedades anónimas bursátiles*) which are controlled by a person or group of persons that own 50% (fifty percent) or more of the capital stock of a company, must be composed of a majority of independent members. Otherwise, the Chairman and all the members must be independent.
Listed companies must have a compensation committee composed entirely of independent directors.	The Mexican Code of Principles and Best Corporate Governance Practices recommends listed companies to have a compensation committee. While these rules are not legally binding, companies failing to comply with the Mexican Code of Principles and Best Corporate Governance Practices' recommendation must disclose publicly why their practices differ from those recommended by the Mexican Code of Principles and Best Corporate Governance Practices.
Listed companies must have an audit committee with a minimum of three members and must be independent.	The Mexican Securities Market Law requires that listed companies must have an audit committee. The Chairman and the members must be independent.

NYSE rules	Mexican rules
Non-management directors must meet at regularly scheduled executive sessions without management.	Our non-management directors are not required to meet at executive sessions. The Mexican Code of Principles and Best Corporate Governance Practices does not expressly recommend executive sessions.
Listed companies must require shareholder approval for equity compensation plans, subject to limited exemptions.	Companies listed on the Mexican Stock Exchange are required to obtain shareholder approval for equity compensation plans, provided that such plans are subject to certain conditions.
Listed companies must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers.	Companies listed on the Mexican Stock Exchange are not required to adopt a code of ethics. However, we have adopted a code of ethics which is available free of charge through our offices or in the website provided in Item 16.B above. See "— Code of Ethics" for directions on how to obtain a copy of our code of ethics. Waivers involving any of our executive officers or directors will be made only by our Board of Directors or a designated committee of the Board or as determined in our Code of Ethics.

Item 16.H. Mine Safety Disclosure

Not applicable.

Item 16.I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

Part III

Item 17. Financial Statements

We have responded to Item 18 in lieu of Item 17.

Item 18. Financial Statements

See pages F-1 through F-95, which are incorporated in this Item 18 by reference.

Item 19. Exhibits

Documents filed as exhibits to this annual report appear on the following

(a) Exhibits.

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
1.1	— English translation of Amended and Restated Bylaws (*Estatutos Sociales*) of the Registrant, dated as of April 30, 2009 (previously filed with the Securities and Exchange Commission as Exhibit 1.1 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2008, and incorporated herein by reference).
2.1	— Indenture relating to Senior Debt Securities, dated as of August 8, 2000, between the Registrant, as Issuer, and The Bank of New York, as Trustee (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Registration Statement on Form F-4 (File number 333-12738), as amended, and incorporated herein by reference).
2.2	— Fourth Supplemental Indenture relating to the 8.5% Senior Exchange Notes due 2032 between the Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale à Luxembourg (previously filed with the Securities Exchange Commission as Exhibit 4.5 to the Registrant's Registration Statement on Form F-4 (the "2002 Form F-4") and incorporated herein by reference).
2.3	— Sixth Supplemental Indenture relating to the 8.5% Senior Notes due 2032 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale à Luxembourg (previously filed with the Securities and Exchange Commission as Exhibit 4.7 to the 2002 Form F-4 and incorporated herein by reference).
2.4	— Seventh Supplemental Indenture relating to the 6 5/8% Senior Notes due 2025 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale à Luxembourg, dated March 18, 2005 (previously filed with the Securities and Exchange Commission as Exhibit 2.8 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2004 (the "2004 Form 20-F") and incorporated herein by reference).
2.5	— Eighth Supplemental Indenture relating to the 6 5/8% Senior Notes due 2025 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale à Luxembourg, dated May 26, 2005 (previously filed with the Securities and Exchange Commission as Exhibit 2.9 to the 2004 Form 20-F and incorporated herein by reference).
2.6	— Ninth Supplemental Indenture relating to the 6.625% Senior Exchange Notes due 2025 between Registrant, as Issuer, The Bank of New York and Dexia Banque Internationale à Luxembourg, dated September 6, 2005 (previously filed with the Securities and Exchange Commission as Exhibit 2.8 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2005 (the "2005 Form 20-F") and incorporated herein by reference).
2.7	— Tenth Supplemental Indenture related to the 8.49% Senior Notes due 2037 between Registrant, as Issuer, The Bank of New York and The Bank of New York (Luxembourg) S.A., dated as of May 9, 2007 (previously filed with the Securities and Exchange Commission as Exhibit 2.9 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2006, and incorporated herein by reference).
2.8	— Eleventh Supplemental Indenture relating to the 8.49% Senior Exchange Notes due 2037 between Registrant, as Issuer, The Bank of New York and The Bank of New York (Luxembourg) S.A., dated as August 24, 2007 (previously filed with the Securities and Exchange Commission as Exhibit 4.12 to the Registrant's Registration Statement on Form F-4 (File number 333-144460), as amended, and incorporated herein by reference).
2.9	— Form of Deposit Agreement between the Registrant, The Bank of New York, as depositary and all holders and beneficial owners of the Global Depositary Shares, evidenced by Global Depositary Receipts (previously filed with the Securities and Exchange Commission as an Exhibit to the Registrant's Registration Statement on Form F-6 (File number 333-146130) and incorporated herein by reference).
2.10	— Fourteenth Supplemental Indenture relating to the 6.625% Senior Notes due 2040 between Registrant, as Issuer, The Bank of New York Mellon and The Bank of New York Mellon (Luxembourg) S.A., dated as of November 30, 2009 (previously filed with the Securities and Exchange Commission as Exhibit 4.15 to the Registrant's Registration Statement on Form F-4 (File number 333-164595), as amended, and incorporated herein by reference).

Exhibit Number	Description of Exhibit
2.11	— Fifteenth Supplemental Indenture relating to the 6.625% Senior Exchange Notes due 2040 between Registrant, as Issuer, The Bank of New York Mellon and The Bank of New York Mellon (Luxembourg) S.A., dated as of March 22, 2010 (previously filed with the Securities and Exchange Commission as Exhibit 2.15 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2009 and incorporated herein by reference).
2.12	— Sixteenth Supplemental Indenture relating to the 7.25% Peso Denominated Senior Notes due 2043 among the Registrant, as Issuer, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent, the Bank of New York Mellon, London Branch, as London Paying Agent and the Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of May 14, 2013 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Form 6-K filed on May 14, 2013 and incorporated herein by reference).
2.13	— Seventeenth Supplemental Indenture relating to the 5.000% Senior Notes due 2045 among the Registrant, as Issuer, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and The Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of May 13, 2014 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Form 6-K filed on May 13, 2014 and incorporated herein by reference).
2.14	— Eighteenth Supplemental Indenture relating to the 4.625% Senior Notes due 2026 among the Registrant, as Issuer, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and The Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of November 24, 2015 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Form 6-K filed on November 24, 2015 and incorporated herein by reference).
2.15	— Nineteenth Supplemental Indenture relating to the 6.125% Senior Notes due 2046 among the Registrant, as Issuer, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and The Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of November 24, 2015 (previously filed with the Securities and Exchange Commission as Exhibit 4.2 to the Registrant's Form 6-K filed on November 24, 2015 and incorporated herein by reference).
2.16	— Twentieth Supplemental Indenture relating to the 5.250% Senior Notes due 2049 among the Registrant, as Issuer, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and The Bank of New York Mellon SA/NV, Luxembourg Branch, as Luxembourg Paying Agent and Transfer Agent , dated as of May 24, 2019 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Form 6-K filed on May 24, 2019 and incorporated herein by reference).
2.17	— Description of the rights of each class of securities registered under Section 12 of the Exchange Act (previously filed with the Securities and Exchange Commission as Exhibit 2.17 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2020 and incorporated herein by reference).
4.1	— Form of Indemnity Agreement between the Registrant and its directors and executive officers (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Registration Statement on Form F-4 (File number 33-69636), as amended, and incorporated herein by reference).
4.2	— Amended and Restated Collateral Trust Agreement, dated as of June 13, 1997, as amended, among PanAmSat Corporation, Hughes Communications, Inc., Satellite Company, LLC, the Registrant and IBJ Schroder Bank and Trust Company (previously filed with the Securities and Exchange Commission as an Exhibit to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2001 and incorporated herein by reference).
4.3	— Amended and Restated Bylaws (*Estatutos Sociales*) of Innova, S. de R.L. de C.V. ("Innova") dated as of December 22, 1998 (previously filed with the Securities and Exchange Commission as an Exhibit to Innova's Annual Report on Form 20-F for the year ended December 31, 2004 and incorporated herein by reference).

Exhibit Number	Description of Exhibit
4.4	— Administration Trust Agreement relating to Trust No. 80375, dated as of March 23, 2004, by and among Nacional Financiera, S.N.C., as trustee of Trust No. 80370, Banco Inbursa, S.A., as trustee of Trust No. F-0553, Banco Nacional de México, S.A., as trustee of Trust No. 14520-1, Nacional Financiera, S.N.C., as trustee of Trust No. 80375, Emilio Fernando Azcárraga Jean, Promotora Inbursa, S.A. de C.V., the Registrant and Grupo Televicentro, S.A. de C.V. (as previously filed with the Securities and Exchange Commission as an Exhibit to Schedules 13D or 13D/A in respect of various parties' to the Trust Agreement (File number 005-60431) and incorporated herein by reference).
4.5	— Full-Time Transponder Service Agreement, dated as of November, 2007, by and among Intelsat Corporation, Intelsat LLC, Corporación de Radio y Televisión del Norte de México, S. de R. L. de C.V. and SKY Brasil Serviços Ltda (previously filed with the Securities and Exchange Commission as Exhibit 4.16 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2007 and incorporated herein by reference).
4.6	— Amended and Restated Certificate of Incorporation of Broadcasting Media Partners, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.22 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.7	— Amended and Restated Bylaws of Broadcasting Media Partners, Inc. dated as of December 20, 2010 (previously filed with the Securities and Exchange Commission as Exhibit 4.23 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.8	— Amendment to International Program Rights Agreement, dated as of December 20, 2010, by and among Univision Communications Inc. and the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 4.28 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).

Exhibit Number	Description of Exhibit
4.9	— Letter Agreement, dated as of February 28, 2011, by and among Televisa, S.A. de C.V., the Registrant and Univision Communications Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.30 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.10*	— Purchase and Assignment and Assumption Agreement, dated as of December 20, 2010, by and among Pay-TV Venture, Inc., TuTv LLC and Univision Communications Inc., solely for purposes of Section 1.4, Televisa, S.A. de C.V., as successor to Visat, S.A. de C.V. and Televisa Internacional, S.A. de C.V., and, solely for purposes of Section 1.5, the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 4.31 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.11**	— Second Amended and Restated Stockholders Agreement, dated as of Januray 31, 2022, by and among TelevisaUnivision, Inc., Univision Holdings, Inc., Broadcast Media Partners Holdings, Inc., Univision Communications Inc. and certain stockholders of TelevisaUnivision, Inc.
4.12	— Transaction Agreement, dated as of April 13, 2021, by and among Grupo Televisa, S.A.B., Univision Holdings, Inc., and, for the limited purposes set forth therein, Searchlight III UTD GP, LLC, ForgeLight Univision Holdings LLC and Liberty Global Ventures Limited (previously filed with the Securities and Exchange Commission as Exhibit 4.18 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2020 and incorporated herein by reference).
4.13	— English summary of Irrevocable Guaranty Trust Agreement, dated as of December 16, 2010 (and amended on December 16, 2010 and April 7, 2011), by and among Grupo Salinas Telecom, S.A. de C.V., México Media Investments, S.L., GSF Telecom Holdings, S.A.P.I. de C.V. and Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero and Assignment Agreement with respect to the Irrevocable Guaranty Trust Agreement, dated as of April 7, 2011, by and among Mexico Media Investments S.L., Sociedad Unipersonal, as assignor and Corporativo Vasco de Quiroga, S.A. de C.V., as assignee, with the consent of Grupo Salinas Telecom, S.A. de C.V., GSF Telecom Holdings, S.A.P.I. de C.V. and Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero (previously filed with the Securities and Exchange Commission as Exhibit 4.33 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.14	— English summary of Amendment and Restatement of the Indenture, dated April 7, 2011, relating to the issuance of the Series 1 and Series 2 Debentures by GSF Telecom Holdings, Sociedad Anónima Promotora de Inversión de Capital Variable with the consent of Deutsche Bank México, Sociedad Anónima, Institución de Banca Múltiple, División Fiduciaria and Assignment Agreement with respect to the Series 1 and Series 2 Debentures, dated April 7, 2011, by and among Mexico Media Investments S.L., Sociedad Unipersonal, as assignor and Corporativo Vasco de Quiroga, S.A. de C.V., as assignee, with the consent of GSF Telecom Holdings, S.A.P.I. de C.V. and Deutsche Bank México, S.A., Institución de Banca Múltiple, División Fiduciaria (previously filed with the Securities and Exchange Commission as Exhibit 4.34 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.15	— English summary of indenture, dated July 31, 2013, related to the issuance of Ps.7,000 million convertible debentures, by Tenedora Ares, S.A.P.I de C.V., together with Banco Invex, Sociedad Anónima, Institución de Banca Múltiple, Invex Grupo Financiero, Fiduciario, in its capacity as common representative for the holders of the debentures (previously filed with the Securities and Exchange Commission as Exhibit 4.30 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2013 and incorporated herein by reference).
4.16	— English summary of call and put option agreement, dated July 31, 2013, by and among Tenedora Ares, S.A.P.I. de C.V., Thomas Stanley Heather Rodríguez, Vamole Inversiones 2013, S.L. Sociedad Unipersonal and Arretis, S.A.P.I. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.32 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2013 and incorporated herein by reference).
4.17	— English summary of conversion of debentures, dated August 13, 2014, by and between Arretis, S.A.P.I. de C.V and Tenedora Ares, S.A.P.I. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.33 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).

Exhibit Number		Description of Exhibit
4.18	—	English summary of share purchase agreement, dated August 13, 2014, by and among Vamole Inversiones 2013, S.L., Sociedad Unipersonal, Thomas Stanley Heather Rodriguez, Arretis, S.A.P.I. de C.V. and San Ángel Telecom, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.34 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.19	—	English summary of share purchase agreement, dated August 13, 2014, by and among Dafel Investments B.V., Mexico Media Investments, S.L., Sociedad Unipersonal, Cable TV Investments, S.L., Sociedad Unipersonal, Tenedora Ares, S.A.P.I. de C.V. and San Ángel Telecom, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.35 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.20	—	English summary of share purchase agreement, dated July 9, 2014, by and among Invex Grupo Financiero, as trustee of Trust F/1017 and Grupo Salinas Telecom, S.A. de C.V., with the acknowledgement of GSF Telecom Holdings, S.A.P.I. de C.V. and Corporativo Vasco de Quiroga, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.36 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.21	—	English summary of merger agreement, dated January 8, 2015, by and among Consorcio Nekeas, S.A. de C.V., Galavisión DTH, S. de R.L. de C.V. and Inmobiliaria Hevi, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.37 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.22	—	English summary of stock purchase agreement, dated January 8, 2015, by and among Mara del Carmen Ordóñez Valverde, Axel Eduardo Vielma Ordóñez, Héctor Vielma Ordóñez, José Francisco Vielma Ordóñez, Luis Edmundo Vielma Ordóñez and Corporativo Vasco de Quiroga, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.38 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.23		English summary of merger agreement, dated March 4, 2016, by and among Corporativo Vasco de Quiroga, S.A. de C.V. and Grupo TVI Telecom, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.41 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2015 and incorporated herein by reference)
8.1	—	List of Subsidiaries of Registrant.
12.1	—	Co-CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 29, 2022.
12.2	—	Co-CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 29, 2022.
12.3	—	Principal Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 29, 2022.
13.1	—	Co-CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 29, 2022.
13.2	—	Co-CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 29, 2022.
13.3	—	Principal Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 29, 2022.

Exhibit Number	Description of Exhibit
23.1	— Consent of KPMG Cárdenas Dosal, S.C.
101	— The following materials from the Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2021, formatted in eXtensible Business Reporting Language (XBRL): (i) Consolidated Statements of Financial Position as of December 31, 2021 and 2020; (ii) Consolidated Statements of Income for the Years Ended December 31, 2021, 2020 and 2019; (iii) Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2021, 2020 and 2019; (iv) Consolidated Statements of Changes in Equity for the Years ended December 31, 2021, 2020 and 2019; (v) Consolidated Statements of Cash Flows for the Years Ended December 31, 2021, 2020 and 2019; and (vi) Notes to Consolidated Financial Statements for the Years Ended December 31, 2021, 2020 and 2019.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Portions of this exhibit have been omitted and filed separately with the SEC pursuant to a request for confidential treatment.

** Portions of this exhibit have been omitted in accordance with Instruction 4 to Item 19 of Form 20-F.

Instruments defining the rights of holders of certain issues of long-term debt of the Registrant and its consolidated subsidiaries have not been filed as exhibits to this Form 20-F because the authorized principal amount of any one of such issues does not exceed 10% of the total assets of the Registrant and its subsidiaries on a consolidated basis. The Registrant agrees to furnish a copy of each such instrument to the SEC upon request.

(b) Financial Statement Schedules

All financial statement schedules relating to the Registrant are omitted because they are not required or because the required information, if material, is contained in the audited year-end financial statements or notes thereto.

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

GRUPO TELEVISA, S.A.B.

By: /s/ Carlos Phillips Margain
Name: Carlos Phillips Margain
Title: Chief Financial Officer

Date: April 29, 2022

GRUPO TELEVISA, S. A. B. AND SUBSIDIARIES

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DECEMBER 31, 2021 AND 2020

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Grupo Televisa, S.A.B.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Grupo Televisa, S.A.B. and subsidiaries (the "Group") as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2021, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Group's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated April 29, 2022 expressed an unqualified opinion on the effectiveness of the Group's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

(thousands of Mexican pesos)

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill impairment analysis

As described in Note 13, the goodwill balance as of December 31, 2021 was Ps. 14,036,657, of which Ps. 11,129,806 relate to two specific cash-generating units (CGU) of the Cable segment. The Group determine the recoverable amount of the CGUs at least once a year, or whenever events or changes in business circumstances indicate that these carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount of the CGUs has been determined based on the higher of the value in use (VIU) and fair value less costs of disposal (FVLCD) methods. The determination of VIU requires the use of estimates and assumptions including the Group's projections of future cash flows for each CGU, long-term growth rates and discount rates based on weighted average cost of capital. FVLCD estimates are based on a selection of comparable entity valuation multiples (sales and EBITDA) derived from quoted prices in exchange markets.

We identified the valuation of goodwill for two specific CGUs of the Cable segment as a critical audit matter because the determination of the estimated VIU used to determine whether impairment exists, involved a high degree of judgment. Specifically, the projection of revenue and growth of revenue from years 2022 through 2025, and the determination of the long-term growth rate and discount rate to estimate the VIU for two of the CGUs were challenging to audit, as changes to these assumptions have a significant effect on the Group's assessment of the carrying value of goodwill.

The following are the primary procedures we performed to address this critical audit matter:

— We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's goodwill impairment testing process, including controls related to the determination of the VIU, additionally to those controls related to the projection of future cash flows, and the determination of the long-term growth rates and the discount rates based on weighted average cost of capital.

— We performed sensitivity analyses over the long-term growth rate and the discount rate to assess their impact on the Group's determination that the VIU of these two CGUs of the Cable segment exceeded their carrying amount.

— We evaluated the reasonableness of the Company's assumptions used for its projections of future cash flows for the determination of the VIU for two of the CGUs, such as forecasted revenue growth rates and operating margins of these CGUs, by comparing these assumptions to historical and recent experience, taking into account changes in conditions affecting the Company and the CGUs of the Cable segment, as well as by comparing prior year projections of future cash flows to current year actual cash flows and obtaining an understanding of future year projections and the economic drivers underlying such projections.

— We involved valuation professionals with specialized skills and knowledge, who assisted in evaluating relevant assumptions, such as the long-term growth rate and the discount rate. This was accomplished by:

- evaluating the methodology utilized in the valuation models; and
- comparing the assumptions used in the determination of the long-term growth rates and the discount rates to market information.

/s/ KPMG Cárdenas Dosal S.C.

We have served as the Group's auditor since 2018.

Mexico City, Mexico
April 29, 2022

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Grupo Televisa, S.A.B.:

Opinion on Internal Control Over Financial Reporting

We have audited Grupo Televisa S.A.B. and subsidiaries' (the Group) internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Group maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Group as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements), and our report dated April 29, 2022, expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Group's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Group's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG Cárdenas Dosal, S.C.

Mexico City, Mexico
April 29, 2022

Consolidated Statements of Financial Position
As of December 31, 2021 and 2020
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	Notes	2021	2020
ASSETS			
Current assets:			
Cash and cash equivalents	6	**Ps. 25,828,215**	Ps. 29,058,093
Trade notes and accounts receivable, net	7	**13,093,011**	12,343,797
Other accounts and notes receivable, net		**1,026,218**	818,168
Income taxes receivable		**7,261,999**	5,054,080
Other recoverable taxes		**9,417,978**	6,783,231
Derivative financial instruments	15	**127**	—
Due from related parties	20	**874,852**	786,952
Transmission rights and programming	8	**7,591,669**	6,396,214
Inventories		**2,212,859**	1,641,300
Contract costs		**1,782,723**	1,598,447
Other current assets		**4,169,299**	4,580,793
Total current assets		**73,258,950**	69,061,075
Non-current assets:			
Trade notes and accounts receivable, net of current portion		**385,060**	—
Derivative financial instruments	15	**133,197**	—
Transmission rights and programming	8	**12,841,026**	7,982,796
Investments in financial instruments	9	**6,076,079**	7,002,712
Investments in associates and joint ventures	10	**26,704,235**	22,813,531
Property, plant and equipment, net	11	**87,922,126**	83,281,627
Right-of-use assets, net	12	**7,604,567**	7,212,165
Intangible assets and goodwill, net	13	**42,255,881**	42,724,218
Deferred income tax assets	24	**33,173,148**	27,999,693
Contract costs		**3,215,591**	2,943,110
Other assets		**172,221**	225,405
Total non-current assets		**220,483,131**	202,185,257
Total assets		**Ps. 293,742,081**	Ps. 271,246,332

The accompanying notes are an integral part of these consolidated financial statements.

	Notes	2021	2020
LIABILITIES			
Current liabilities:			
Current portion of long-term debt	14	**Ps. 4,106,432**	Ps. 616,991
Interest payable	14	**2,034,577**	1,934,656
Current portion of lease liabilities	14	**1,478,382**	1,277,754
Derivative financial instruments	15	**149,087**	2,016,952
Trade accounts payable and accrued expenses		**22,874,341**	21,943,227
Customer deposits and advances		**8,998,556**	5,935,858
Income taxes payable	24	**7,680,800**	2,013,648
Other taxes payable		**4,416,960**	4,463,336
Employee benefits		**2,332,260**	1,262,627
Due to related parties	20	**82,070**	83,007
Other current liabilities	18	**2,516,057**	2,161,610
Total current liabilities		**56,669,522**	43,709,666
Non-current liabilities:			
Long-term debt, net of current portion	14	**121,685,710**	121,935,980
Lease liabilities, net of current portion	14	**8,202,177**	8,014,597
Derivative financial instruments	15	**23,798**	1,459,271
Income taxes payable	24	**104,825**	767,115
Deferred income tax liabilities	24	**2,210,609**	1,786,311
Post-employment benefits	16	**1,913,680**	2,080,651
Other long-term liabilities		**6,407,696**	3,553,708
Total non-current liabilities		**140,548,495**	139,597,633
Total liabilities		**197,218,017**	183,307,299
EQUITY			
Capital stock	17	**4,836,708**	4,907,765
Additional paid-in capital		**15,889,819**	15,889,819
Retained earnings	18	**88,218,188**	84,280,397
Accumulated other comprehensive loss, net	18	**(13,621,992)**	(15,556,848)
Shares repurchased	17	**(14,205,061)**	(16,079,124)
Equity attributable to stockholders of the Company		**81,117,662**	73,442,009
Non-controlling interests	19	**15,406,402**	14,497,024
Total equity		**96,524,064**	87,939,033
Total liabilities and equity		**Ps. 293,742,081**	Ps. 271,246,332

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Income
For the years ended December 31, 2021, 2020 and 2019
(In thousands of Mexican pesos, except per CPO amounts)
(Notes 1, 2 and 3)

	Notes	2021	2020	2019
Net sales	26	**Ps. 103,521,823**	Ps. 97,361,634	Ps. 101,757,181
Cost of sales	21	**59,561,521**	56,989,655	59,067,362
Selling expenses	21	**10,460,246**	10,366,582	11,099,011
Administrative expenses	21	**13,710,793**	12,713,657	13,269,191
Income before other income or expense	26	**19,789,263**	17,291,740	18,321,617
Other income (expense), net	22	**2,388,008**	233,628	(1,316,587)
Operating income		**22,177,271**	17,525,368	17,005,030
Finance expense	23	**(12,368,807)**	(10,482,168)	(11,275,198)
Finance income	23	**620,222**	4,227,192	2,464,403
Finance expense, net		**(11,748,585)**	(6,254,976)	(8,810,795)
Share of income (loss) of associates and joint ventures, net	10	**3,671,877**	(5,739,668)	581,023
Income before income taxes		**14,100,563**	5,530,724	8,775,258
Income taxes	24	**6,745,778**	5,227,900	2,668,445
Net income		**Ps. 7,354,785**	Ps. 302,824	Ps. 6,106,813
Net income (loss) attributable to:				
Stockholders of the Company		**Ps. 6,055,826**	Ps. (1,250,342)	Ps. 4,626,139
Non-controlling interests	19	**1,298,959**	1,553,166	1,480,674
Net income		**Ps. 7,354,785**	Ps. 302,824	Ps. 6,106,813
Basic earnings (loss) per CPO attributable to stockholders of the Company	25	**Ps. 2.17**	Ps. (0.44)	Ps. 1.60
Diluted earnings (loss) per CPO attributable to stockholders of the Company	25	**Ps. 2.01**	Ps. (0.41)	Ps. 1.53

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Income
For the years ended December 31, 2021, 2020 and 2019
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	Notes	2021	2020	2019
Net income		**Ps. 7,354,785**	Ps. 302,824	Ps. 6,106,813
Other comprehensive income (loss):				
Items that will not be reclassified to income:				
Remeasurement of post-employment benefit obligations	16	**279,825**	(344,313)	(247,092)
Remeasurement of post-employment benefit obligations of assets held for sale		**—**	—	(3,445)
Warrants issued by UHI, net of hedge	9	**—**	(21,899,164)	257,306
Open-Ended Fund, net of hedge	9	**(19,718)**	(904,423)	(351,202)
Other equity instruments	9	**(123,359)**	(353,496)	(794,624)
Items that may be subsequently reclassified to income:				
Exchange differences on translating foreign operations		**92,555**	133,522	(98,422)
Cash flow hedges		**1,927,601**	(1,370,145)	(1,521,912)
Other financial assets	9	**—**	—	111
Share of other comprehensive income (loss) of associates and joint ventures	10	**245,714**	(61,033)	(236,159)
Other comprehensive income (loss) before income taxes		**2,402,618**	(24,799,052)	(2,995,439)
Income tax (expense) benefit	24	**(467,749)**	7,936,914	704,164
Other comprehensive income (loss)		**1,934,869**	(16,862,138)	(2,291,275)
Total comprehensive income (loss)		**Ps. 9,289,654**	Ps. (16,559,314)	Ps. 3,815,538
Total comprehensive income (loss) attributable to:				
Stockholders of the Company		**Ps. 7,990,682**	Ps. (18,127,641)	Ps. 2,356,623
Non-controlling interests	19	**1,298,972**	1,568,327	1,458,915
Total comprehensive income (loss)		**Ps. 9,289,654**	Ps. (16,559,314)	Ps. 3,815,538

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Equity
For the years ended December 31, 2021, 2020 and 2019
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	Capital Stock Issued (Note 17)	Additional Paid-in Capital	Retained Earnings (Note 18)	Accumulated Other Comprehensive Income (Loss) (Note 18)	Shares Repurchased (Note 17)	Equity Attributable to Stockholders of the Company	Non-controlling Interests (Note 19)	Total Equity
Balance at January 1, 2019	Ps. 4,907,765	Ps. 15,889,819	Ps.78,731,909	Ps. 4,427,487	Ps.(14,219,060)	Ps. 89,737,920	Ps. 15,013,771	Ps.104,751,691
Acquisition of non-controlling interests	—	—	766	—	—	766	(766)	—
Dividends	—	—	(1,066,187)	—	—	(1,066,187)	(1,598,153)	(2,664,340)
Reclassification due to partial disposition of Open-Ended Fund	—	—	837,520	(837,520)	—	—	—	—
Repurchase of CPOs	—	—	—	—	(1,385,750)	(1,385,750)	—	(1,385,750)
Shares repurchased	—	—	—	—	(100,246)	(100,246)	—	(100,246)
Sale of shares	—	—	(1,585,963)	—	1,686,209	100,246	—	100,246
Share-based compensation	—	—	1,108,094	—	—	1,108,094	—	1,108,094
Total comprehensive income (loss)	—	—	4,626,139	(2,269,516)	—	2,356,623	1,458,915	3,815,538
Balance at December 31, 2019	4,907,765	15,889,819	82,652,278	1,320,451	(14,018,847)	90,751,466	14,873,767	105,625,233
Funding for acquisition of shares under the Long-term Retention Plan	—	—	—	—	(97,000)	(97,000)	—	(97,000)
Disposition of non-controlling interests in Radiópolis	—	—	—	—	—	—	(291,897)	(291,897)
Dividends to non-controlling interests	—	—	—	—	—	—	(1,653,173)	(1,653,173)
Share of income of OCEN (see Note 10)	—	—	147,975	—	—	147,975	—	147,975
Repurchase of CPOs	—	—	—	—	(195,597)	(195,597)	—	(195,597)
Shares repurchased	—	—	—	—	(111,979)	(111,979)	—	(111,979)
Sale of shares	—	—	(997,174)	—	1,109,153	111,979	—	111,979
Cancellation of sale of shares	—	—	2,764,854	—	(2,764,854)	—	—	—
Share-based compensation	—	—	962,806	—	—	962,806	—	962,806
Total comprehensive (loss) income	—	—	(1,250,342)	(16,877,299)	—	(18,127,641)	1,568,327	(16,559,314)
Balance at December 31, 2020	4,907,765	15,889,819	84,280,397	(15,556,848)	(16,079,124)	73,442,009	14,497,024	87,939,033
Funding for acquisition of shares under the Long-term Retention Plan	—	—	—	—	(328,500)	(328,500)	—	(328,500)
Dividends	—	—	(1,053,392)	—	—	(1,053,392)	(405,928)	(1,459,320)
Share cancellation	(71,057)	—	(1,510,290)	—	1,581,347	—	—	—
Shares repurchased	—	—	—	—	(774,073)	(774,073)	—	(774,073)
Sale of shares	—	—	(1,126,573)	—	1,900,646	774,073	—	774,073
Cancellation of sale of shares	—	—	505,357	—	(505,357)	—	—	—
Share-based compensation	—	—	1,066,863	—	—	1,066,863	—	1,066,863
Other	—	—	—	—	—	—	16,334	16,334
Total comprehensive income	—	—	6,055,826	1,934,856	—	7,990,682	1,298,972	9,289,654
Balance at December 31, 2021	**Ps. 4,836,708**	**Ps. 15,889,819**	**Ps.88,218,188**	**Ps. (13,621,992)**	**Ps.(14,205,061)**	**Ps. 81,117,662**	**Ps. 15,406,402**	**Ps. 96,524,064**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

For the years ended December 31, 2021, 2020 and 2019
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

		2021		2020		2019
Operating Activities:						
Income before income taxes	**Ps.**	**14,100,563**	Ps.	5,530,724	Ps.	8,775,258
Adjustments to reconcile income before income taxes to net cash provided by operating activities:						
Share of (income) loss of associates and joint ventures		**(3,671,877)**		5,739,668		(581,023)
Depreciation and amortization		**21,418,369**		21,260,787		21,008,796
Other amortization of assets		**329,144**		380,863		531,426
Impairment of long-lived assets		**225,136**		40,803		67,574
(Gain) loss on disposition of property and equipment		**(279,593)**		(74,175)		270,381
Impairment loss on trade notes and accounts receivable, and other receivables		**1,276,990**		1,387,431		1,446,568
Post-employment benefits		**259,291**		292,026		259,064
Interest income		**(60,174)**		(72,861)		(102,675)
Share-based compensation expense		**1,088,413**		984,356		1,129,644
Provision for deferred compensation		**—**		—		199,195
Interest receivable for Asset Tax from prior years		**—**		—		(139,995)
Other finance loss (income), net		**1,183,180**		(89,323)		872,291
Gain on disposition of investments, net		**(4,547,029)**		(789,873)		(627)
Cancellation of provision		**—**		691,221		—
Interest expense		**9,135,531**		10,482,168		10,402,021
Unrealized foreign exchange loss (gain), net		**1,805,986**		(2,596,198)		(1,120,958)
		42,263,930		43,167,617		43,016,940
(Increase) decrease in trade notes and accounts receivable		**(2,000,397)**		634,108		4,785,389
(Increase) decrease in transmission rights and programming		**(6,049,514)**		(54,274)		2,632,696
Decrease (increase) in due from related parties, net		**18,959**		(393,631)		204,166
Increase in inventories		**(571,281)**		(522,003)		(128,327)
Increase in other accounts and notes receivable and other current assets		**(2,882,822)**		(2,469,724)		(2,789,811)
Increase (decrease) in trade accounts payable and accrued expenses		**850,760**		1,065,101		(1,885,865)
Increase (decrease) in customer deposits and advances		**3,060,769**		185,143		(7,778,497)
Increase (decrease) in other liabilities and taxes payable		**2,877,152**		(96,832)		(1,848,715)
Increase (decrease) in post-employment benefits		**923,196**		326,892		(122,261)
Income taxes paid		**(9,166,602)**		(8,681,478)		(8,816,632)
		(12,939,780)		(10,006,698)		(15,747,857)
Net cash provided by operating activities		**29,324,150**		33,160,919		27,269,083
Investing activities:						
Temporary investments		**—**		—		30,992
Disposition of investments in financial instruments		**2,014,371**		3,155,643		2,301,682
Disposition of OISE/OCEN		**4,625,291**		—		—
Disposition of Radiópolis		**—**		1,248,000		—
Disposition or investment in joint ventures		**122,227**		125,624		149,390
Investment in other equity instruments		**(1,122,178)**		(602,466)		(25,741)
Dividends received		**10,000**		—		772,400
Investments in property, plant and equipment		**(23,267,847)**		(20,131,738)		(19,108,284)
Disposition of property, plant and equipment		**672,424**		1,520,417		981,503
Other investments in intangible assets		**(1,899,464)**		(1,235,177)		(2,106,750)
Net cash used in investing activities		**(18,845,176)**		(15,919,697)		(17,004,808)
Financing activities:						
Long-term loans from Mexican banks		**2,650,000**		—		10,000,000
Repayment of Mexican peso debt		**(242,489)**		(492,489)		(989,156)
Issuance of Senior Notes due 2049		**—**		—		14,247,544
Prepayment of Notes due 2020, 2021 and 2022		**—**		—		(21,000,000)
Prepayment of Mexican peso debt related to Sky		**(1,750,000)**		(2,750,000)		—
Payments of lease liabilities		**(646,527)**		(668,277)		(559,623)
Other payments of lease liabilities		**(1,082,226)**		(953,771)		(883,533)
Repayment and prepayment of other notes payable		**—**		(1,324,063)		(1,294,375)
Interest paid		**(8,258,243)**		(9,455,387)		(9,180,141)
Funding for acquisition of shares of the Long-term Retention Plan		**(328,500)**		(197,000)		—
Repurchases of CPOs under a share repurchase program		**—**		(195,597)		(1,385,750)
Repurchase of capital stock		**(774,073)**		(111,979)		(100,246)
Sale of capital stock		**774,073**		111,979		100,246
Dividends paid		**(1,053,392)**		—		(1,066,187)
Dividends paid of non-controlling interests		**(328,774)**		(1,420,477)		(1,594,629)
Derivative financial instruments		**(2,692,241)**		1,261,845		(596,046)
Net cash used in financing activities		**(13,732,392)**		(16,195,216)		(14,301,896)
Effect of exchange rate changes on cash and cash equivalents		**23,540**		(11,516)		(60,449)
Net (decrease) increase in cash and cash equivalents		**(3,229,878)**		1,034,490		(4,098,070)
Cash and cash equivalents related to assets held for sale		**—**		571,338		(517,956)
Cash and cash equivalents at beginning of year		**29,058,093**		27,452,265		32,068,291
Cash and cash equivalents at end of year	**Ps.**	**25,828,215**	Ps.	29,058,093	Ps.	27,452,265

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2021, 2020 and 2019
(In thousands of Mexican pesos, except per CPO, per share and exchange rate amounts, unless otherwise indicated)

1. Corporate Information

Grupo Televisa, S.A.B. (the "Company") is a limited liability public stock corporation ("Sociedad Anónima Bursátil" or "S.A.B."), incorporated under the laws of Mexico. Pursuant to the terms of the Company's bylaws ("Estatutos Sociales"), its corporate existence continues through 2106. The shares of the Company are listed and traded in the form of "Certificados de Participación Ordinarios", or "CPOs," on the Mexican Stock Exchange ("Bolsa Mexicana de Valores" or "BMV") under the ticker symbol TLEVISA CPO, and in the form of Global Depositary Shares, or "GDSs," on the New York Stock Exchange, or "NYSE," under the ticker symbol TV. The Company's principal executive offices are located at Av. Vasco de Quiroga No. 2000, Colonia Santa Fe, 01210, Mexico City, Mexico.

Grupo Televisa, S.A.B., together with its subsidiaries (collectively, the "Group") is a major telecommunications corporation which owns and operates one of the most significant cable companies as well as a leading direct-to-home satellite pay television system in Mexico. The Group's cable business offers integrated services, including video, high-speed data and voice to residential and commercial customers, as well as managed services to domestic and international carriers. The Group owns a majority interest in Sky, a leading direct-to-home satellite pay television system and broadband provider in Mexico, operating also in the Dominican Republic and Central America. The Group holds a number of concessions by the Mexican government that authorizes it to broadcast programming over television stations for the signals of TelevisaUnivision, Inc. ("TelevisaUnivision"), and the Group's cable and DTH systems. In addition, the Group is the largest shareholder of TelevisaUnivision, the controlling company of Univision Communications Inc., a leading media company producing, creating and distributing Spanish-speaking content through several broadcast channels in Mexico, the U.S. and over 60 countries through television networks, cable operators and over-the-top or "OTT" services. The Group also has interests in magazine publishing and distribution, professional sports and live entertainment, and gaming.

2. Accounting Policies

The principal accounting policies followed by the Group and used in the preparation of these consolidated financial statements are summarized below.

(a) Basis of Presentation

The consolidated financial statements of the Group as of December 31, 2021 and 2020, and for the years ended December 31, 2021, 2020 and 2019, are presented in accordance with International Financial Reporting Standards ("IFRS Standards"), as issued by the International Accounting Standards Board ("IASB"). IFRS Standards comprise: (i) IFRS Standards; (ii) International Accounting Standards ("IAS Standards"); (iii) IFRS Interpretations Committee ("IFRIC") Interpretations; and (iv) Standing Interpretations Committee ("SIC") Interpretations.

The consolidated financial statements have been prepared on a historical cost basis, except for the measurement at fair value of derivative financial instruments, financial assets, investments in equity financial instruments, plan assets of post-employment benefits and share-based payments, as described in the notes to the financial statements below.

The preparation of consolidated financial statements in conformity with IFRS Standards, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgment or complexity, or areas where estimates and assumptions are significant to the Group's financial statements are disclosed in Note 5 to these consolidated financial statements.

These consolidated financial statements were authorized for issuance on March 30, 2022, and were also authorized for issuance on April 27, 2022, including the events disclosed in Note 30, by the Group's Corporate Vice President of Finance.

(b) Consolidation

The financial statements of the Group are prepared on a consolidated basis and include the assets, liabilities and results of operations of all companies in which the Company has a controlling interest (subsidiaries). All intercompany balances and transactions have been eliminated from the consolidated financial statements.

Subsidiaries

Subsidiaries are all entities over which the Company has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effects of potential voting rights that are currently exercisable or convertible are considered when assessing whether or not the Company controls another entity. The subsidiaries are consolidated from the date on which control is obtained by the Company and cease to consolidate from the date on which said control is lost.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in income or loss.

Changes in Ownership Interests in Subsidiaries without Change of Control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the interest acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of non-controlling interests are also recorded in equity.

Loss of Control of a Subsidiary

When the Company ceases to have control of a subsidiary, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in income or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This means that amounts previously recognized in other comprehensive income are reclassified to income or loss except for certain equity financial instruments designated irrevocably with changes in other comprehensive income or loss.

At December 31, 2021 and 2020, the main direct and indirect subsidiaries of the Company were as follows:

Subsidiaries	Company's Ownership Interest [1]	Business Segment [2]
Empresas Cablevisión, S.A.B. de C.V. and subsidiaries (collectively, "Empresas Cablevisión") [3]	51.2 %	Cable
Subsidiaries engaged in the Cablemás business (collectively, "Cablemás") [4]	100 %	Cable
Televisión Internacional, S.A. de C.V. and subsidiaries (collectively, "TVI") [5]	100 %	Cable
Cablestar, S.A. de C.V. and subsidiaries (collectively, "Bestel") [6]	66.2 %	Cable
Arretis, S.A.P.I. de C.V. and subsidiaries (collectively, "Cablecom") [7]	100 %	Cable
Subsidiaries engaged in the Telecable business (collectively, "Telecable") [8]	100 %	Cable
FTTH de México, S.A. de C.V. [9]	100 %	Cable
Corporativo Vasco de Quiroga, S.A. de C.V. ("CVQ") and subsidiaries [10]	100 %	Cable and Sky
Innova, S. de R.L. de C.V. ("Innova") and subsidiaries (collectively, "Sky") [11]	58.7 %	Sky
Grupo Telesistema, S.A. de C.V. ("Grupo Telesistema") and subsidiaries	100 %	Content and Other Businesses
Televisa, S. de R. L. de C.V. (Televisa, S.A. de C.V. through May 2021) ("Televisa") [12]	100 %	Content
Televisión Independiente de México, S.A. de C.V. ("TIM") [12]	100 %	Content
G.Televisa-D, S.A. de C.V. [12]	100 %	Content
Multimedia Telecom, S.A. de C.V. ("Multimedia Telecom") and subsidiary [13]	100 %	Content
Ulvik, S.A. de C.V. [14]	100 %	Content and Other Businesses
Controladora de Juegos y Sorteos de México, S.A. de C.V. and subsidiaries	100 %	Other Businesses
Editorial Televisa, S.A. de C.V. and subsidiaries	100 %	Other Businesses
Grupo Distribuidoras Intermex, S.A. de C.V. and subsidiaries	100 %	Other Businesses
Villacezán, S.A. de C.V. ("Villacezán") and subsidiaries [15]	100 %	Other Businesses
Sistema Radiópolis, S.A. de C.V. ("Radiópolis") and subsidiaries [16]	—	Disposed operations in 2020

(1) Percentage of equity interest directly or indirectly held by the Company.

(2) See Note 26 for a description of each of the Group's business segments. See Notes 3 and 30 for the Group's transaction with UH II, which was concluded on January 31, 2022.

(3) Empresas Cablevisión, S.A.B. de C.V., is a direct majority-owned subsidiary of CVQ.

(4) The subsidiaries in the Cablemás business are directly and indirectly owned by CVQ.

(5) Televisión Internacional, S.A. de C.V., is a direct subsidiary of CVQ.

(6) Cablestar, S.A. de C.V., is an indirect majority-owned subsidiary of CVQ and Empresas Cablevisión, S.A.B. de C.V.

(7) Arretis, S.A.P.I. de C.V., is a direct subsidiary of CVQ.

(8) The subsidiaries in the Telecable business are directly owned by CVQ.

(9) FTTH de México, S. A. de C.V., is an indirect subsidiary of CVQ.

(10) CVQ is a direct subsidiary of the Company and the parent company of Empresas Cablevisión, Cablemás, TVI, Bestel, Cablecom, Telecable and Innova.

(11) Innova is an indirect majority-owned subsidiary of the Company, CVQ and Sky DTH, S.A. de C.V. ("Sky DTH"), and a direct majority-owned subsidiary of Innova Holdings, S. de R.L. de C.V. ("Innova Holdings"). Sky is a satellite television provider in Mexico, Central America and the Dominican Republic. Although the Company holds a majority of Innova's equity and designates a majority of the members of Innova's Board of Directors, the non-controlling interest has certain governance and veto rights in Innova, including the right to block certain transactions between the companies in the Group and Sky. These veto rights are protective in nature and do not affect decisions about relevant business activities of Innova.

(12) TIM and G.Televisa-D, S.A. de C.V., are direct subsidiaries of Grupo Telesistema. Through January 31, 2022, Televisa was a direct subsidiary of Grupo Telesistema.

(13) Multimedia Telecom and its direct subsidiary, Comunicaciones Tieren, S.A. de C.V. ("Tieren"), are indirect wholly-owned subsidiaries of Grupo Telesistema, through which the Company owns shares of the capital stock of UH II, the successor company of Univision Holdings, Inc. ("UHI") and the parent company of Univision, and maintained through December 29, 2020, an investment in warrants that were exercised for shares of common stock of UHI on that date. Multimedia Telecom and Tieren have investments representing 95.3% and 4.7%, respectively, of the Group's aggregate investment in shares of common stock issued by UH II as of December 31, 2021, and UHI as of December 31, 2020 (see Notes 3, 9, 10 and 20).

(14) Direct subsidiary through which the Group conducts certain operations of its Other Businesses segment, and conducted certain operations of its Content segment through January 31, 2022.

(15) Villacezán is an indirect subsidiary of Grupo Telesistema.

(16) In July 2020, the Company concluded the sale of its 50% equity interest in Radiópolis. Through June 2020, Radiópolis was a direct subsidiary of the Company through which the Group conducted the operations of its former Radio business. The Company controlled Radiópolis as it had the right to appoint the majority of the members of the Board of Directors of Radiópolis. The Radio business was part the of the Group's Other Businesses segment through the third quarter of 2019. Beginning in the fourth quarter of 2019, the assets and related liabilities of the Radio Business, as well as its operating results, were classified as held for sale in the Group's consolidated financial statements through June 30, 2020 (see Notes 3 and 26).

The Group's Cable, Sky and Content segments, require governmental concessions and special authorizations for the provision of broadcasting and telecommunications services in Mexico. Such concessions are granted by the Mexican Institute of Telecommunications ("Instituto Federal de Telecomunicaciones" or "IFT") for a fixed term, subject to renewal in accordance with the Mexican Telecommunications and Broadcasting Law ("Ley Federal de Telecomunicaciones y Radiodifusión" or "LFTR").

Renewal of concessions for the Cable and Sky segments require, among others: (i) to request its renewal to IFT prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; and (iii) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT. IFT shall resolve any request for renewal of the telecommunications concessions within 180 business days of its request. Failure to respond within such period of time shall be interpreted as if the request for renewal has been granted.

Renewal of broadcasting concessions for the Content segment through January 31, 2022, and for the broadcast programming operations over television stations for the signals of TelevisaUnivision beginning on February 1, 2022, require, among others: (i) to request such renewal to IFT prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; (iii) a declaration by IFT that there is no public interest in recovering the spectrum granted under the related concession; and (iv) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT, including the payment of a related fee. IFT shall resolve within the year following the presentation of the request, if there is public interest in recovering the spectrum granted under the related concession, in which case it will notify its determination and proceed with the termination of the concession at the end of its fixed term. If IFT determines that there is no public interest in recovering the spectrum, it will grant the requested extension within 180 business days, provided that the concessionaire accepts, in advance, the new conditions set by IFT, which will include the payment of the fee referred to above. Such fee will be determined by IFT for the relevant concessions, considering the following elements: (i) the frequency band; (ii) the amount of spectrum; (iii) coverage of the frequency band; (iv) domestic and international benchmark regarding the market value of frequency bands; and (v) upon request of IFT, an opinion issued by the Ministry of Finance and Public Credit of IFT´s proposal for calculation of the fee.

The regulations of the broadcasting and the telecommunications concessions (including satellite pay TV) establish that at the end of the concession, the frequency bands or spectrum attached to the services provided in the concessions shall return to the Mexican government. In addition, at the end of the concession, the Mexican government will have the preferential right to acquire infrastructure, equipment and other goods directly used in the provision of the concession. If the Mexican government were to exercise its right to acquire infrastructure, equipment and other goods, it would be required to pay a price that is equivalent to a formula that is similar to fair value. To the knowledge of the Company's management, no spectrum granted for broadcasting services in Mexico has been recovered by the Mexican government in at least the past three decades for public interest reasons. However, the Company's management is unable to predict the outcome of any action by IFT in this regard. In addition, these assets, by themselves, would not be enough to immediately begin broadcasting or offering satellite pay TV services or telecommunications services, as no content producing assets or other equipment necessary to operate the business would be included.

Also, the Group's Gaming business, which is reported in the Other Businesses segment, requires a permit granted by the Mexican Federal Government for a fixed term, subject to renewal in accordance with Mexican law. Additionally, the Group's Sky businesses in Central America and the Dominican Republic require concessions or permits granted by local regulatory authorities for a fixed term, subject to renewal in accordance with local laws.

The accounting guidelines provided by IFRIC 12 *Service Concession Arrangements,* are not applicable to the Group due primarily to the following factors: (i) the Mexican government does not substantially control the Group's infrastructure, what services are provided with the infrastructure and the price at which such services are offered; (ii) the Group's broadcasting service does not constitute a public service as per the definition in IFRIC 12; and (iii) the Group is unable to divide its infrastructure among the public (telephony and possibly Internet services) and non-public (pay TV) service components.

At December 31, 2021, the expiration dates of the Group's concessions and permits were as follows:

Segments	Expiration Dates
Cable	Various from 2026 to 2056
Sky	Various from 2022 to 2056
Content (broadcasting concessions) [(1)]	In 2021, and the relevant renewals started in 2022 ending in 2042 and 2052
Other Businesses:	
Gaming	In 2030

(1) In November 2018, the IFT approved (i) 23 concessions for the use of spectrum that comprise the Company's 225 TV stations, for a term of 20 years, starting in January 2022 and ending in January 2042, and (ii) six concessions that grant the authorization to provide digital broadcasting television services of such 225 TV stations, for a term of 30 years, starting in January 2022 and ending in January 2052. In November 2018, the Group paid for such renewal an aggregate amount of Ps.5,754,543 in cash, which included a payment of Ps.1,194 for administrative expenses and recognized this payment as an intangible asset in its consolidated statement of financial position. This amount will be amortized in a period of 20 years beginning on January 1, 2022, by using the straight-line method (see Note 13).

The concessions or permits held by the Group are not subject to any significant pricing regulations in the ordinary course of business.

(c) Investments in Associates and Joint Ventures

Associates are those entities over which the Group has significant influence but not control or joint control, over the financial and operating policies, generally those entities with a shareholding of between 20% and 50% of the voting rights. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Joint ventures are those joint arrangements where the Group exercises joint control with other stockholder or more stockholders, without exercising control individually, and have rights to the net assets of the joint arrangements. Investments in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the net assets of the investee after the date of acquisition. The investor's income or loss includes its share of the investee's income or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

The Group's investments in associates include an equity interest in UH II (the successor company of UHI) represented by approximately 35.5% and 35.9% of the outstanding total shares of UH II (the successor company of UHI) as of December 31, 2021 and 2020, respectively (see Notes 3, 9 and 10).

If the Group's share of losses of an associate or a joint venture equals or exceeds its interest in the investee, the Group discontinues recognizing its share of further losses. The interest in an associate or a joint venture is the carrying amount of the investment in the investee under the equity method together with any other long-term investment that, in substance, form part of the Group's net investment in the investee. After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

(d) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's Co-Chief Executive Officers ("chief operating decision makers"), who are responsible for allocating resources and assessing performance for each of the Group's operating segments.

(e) Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The presentation and reporting currency of the Group's consolidated financial statements is the Mexican peso, which is used for compliance with its legal and tax obligations.

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or measurement where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income as part of finance income or expense, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currency classified as investments in financial instruments are analyzed between exchange differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortized cost are recognized in income or loss, and other changes in carrying amount are recognized in other comprehensive income or loss.

Translation of Foreign Operations

The financial statements of the Group's foreign entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows: (a) assets and liabilities are translated at the closing rate at the date of the statement of financial position; (b) income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); (c) stockholders' equity accounts are translated at the prevailing exchange rate at the time capital contributions were made and earnings were generated and (d) all resulting translation differences are recognized in other comprehensive income or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Translation differences arising are recognized in other comprehensive income or loss.

Assets and liabilities in foreign currencies of non-Mexican subsidiaries that use the Mexican Peso as a functional currency are initially converted to Mexican Pesos by utilizing the exchange rate of the statement of financial position date for monetary assets and liabilities, and historical exchange rates for non-monetary items, with the related adjustment included in the consolidated statement of income as finance income or expense.

A portion of the Group's outstanding principal amount of its U.S. dollar denominated long-term debt (hedging instrument, disclosed in the line item "Long-term debt, net of current portion" of the consolidated statement of financial position) has been designated as a hedge of a net investment in a foreign operation in connection with the Group's investment in shares of UH II (UHI, until May 18, 2021) (hedged item), which amounted to U.S.$1,254.5 million (Ps.25,721,539) and U.S.$1,074.0 million (Ps.21,424,180) as of December 31, 2021 and 2020, respectively. Consequently, any foreign exchange gain or loss attributable to this designated hedging long-term debt is credited or charged directly to other comprehensive income or loss as a cumulative result from foreign currency translation (see Note 10).

A portion of the Group's outstanding principal amount of its U.S. dollar denominated long-term debt (hedging instrument, disclosed in the line item "Long-term debt, net of current portion" of the consolidated statement of financial position) was designated as a fair value hedge of foreign exchange exposure related to its investment in warrants that were exercisable for common stock of UHI (hedged item) through December 29, 2020, the date on which the Group exercised all of these warrants for common stock of UHI, which amounted to Ps.17,387,699 (U.S.$871.6 million) as of December 29, 2020 and Ps.33,775,451 (U.S.$1,788.6 million) as of December 31, 2019. Consequently, any foreign exchange gain or loss attributable to this designated hedging long-term debt was credited or charged directly to other comprehensive income or loss through December 29, 2020, along with the recognition in the same line item of any foreign currency gain or loss of this investment in warrants designated as a hedged item through that date (see Notes 9, 14 and 18).

A portion of the Group's outstanding principal amount of its U.S. dollar denominated long-term debt (hedging instrument, disclosed in the line item "Long-term debt, net of current portion" of the consolidated statement of financial position) has been designated as a fair value hedge of foreign exchange exposure related to its investment in Open-Ended Fund (hedged item), which amounted to Ps.945,176 (U.S.$46.1 million) and Ps.1,135,803 (U.S.$56.9 million), as of December 31, 2021 and 2020, respectively. Consequently, any foreign exchange gain or loss attributable to this designated hedging long-term debt is credited or charged directly to other comprehensive income or loss, along with the recognition in the same line item of any foreign currency gain or loss of this investment in Open-Ended Fund designated as a hedged item (see Notes 9, 14 and 18).

(f) Cash and Cash Equivalents and Temporary Investments

Cash and cash equivalents consist of cash on hand and all highly liquid investments with an original maturity of three months or less at the date of acquisition. Cash is stated at nominal value and cash equivalents are measured at fair value, and the changes in the fair value are recognized in the statement of income.

Temporary investments consist of short-term investments in securities, including without limitation debt with a maturity of over three months and up to one year at the date of acquisition, stock and other financial instruments, or a combination thereof, as well as current maturities of noncurrent financial assets. Temporary investments are measured at fair value with changes in fair value recognized in finance income in the consolidated income statement, except the current maturities of non-current held-to-maturity securities which are measured at amortized cost.

As of December 31, 2021 and 2020, cash equivalents and temporary investments primarily consisted of fixed short-term deposits and corporate fixed income securities denominated in U.S. dollars and Mexican pesos, with an average yield of approximately 0.07% for U.S. dollar deposits and 4.36% for Mexican peso deposits in 2021, and approximately 0.38% for U.S. dollar deposits and 5.40% for Mexican peso deposits in 2020.

(g) Transmission Rights and Programming

Programming is comprised of programs, literary works, production talent advances and films.

Transmission rights and literary works are valued at the lesser of acquisition cost and net realizable value. Programs and films are valued at the lesser of production cost, which consists of direct production costs and production overhead, and net realizable value. Payments for production talent advances are initially capitalized and subsequently included as direct or indirect costs of program production. Transmission rights are recognized from the point of which the legally enforceable license period begins. Until the license term commences and the programming rights are available, payments made are recognized as prepayments.

The Group's policy is to capitalize the production costs of programs which benefit more than one annual period and amortize them over the expected period of future program revenues based on the Company's historical revenue patterns and usage for similar productions.

Transmission rights, programs, literary works, production talent advances and films are recorded at acquisition or production cost. Cost of sales is calculated and recorded for the month in which such transmission rights, programs, literary works, production talent advances and films are matched with related revenues.

Transmission rights are recognized in income over the lives of the contracts. Transmission rights in perpetuity are amortized on a straight-line basis over the period of the expected benefit as determined by past experience, but not exceeding 25 years.

(h) Inventories

Inventories of paper, magazines, materials and supplies for maintenance of technical equipment are recorded at the lower of cost or its net realizable value. The net realization value is the estimated selling price in the normal course of business, less estimated costs to conduct the sale. Cost is determined using the average cost method.

(i) Financial Assets

The Group classifies its financial assets in accordance with IFRS 9 *Financial Instruments* ("IFRS 9") which became effective on January 1, 2018. Under the guidelines of IFRS 9, the Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or loss ("FVOCIL"), or fair value through income or loss ("FVIL"), based on the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Financial Assets Measured at Amortized Cost

Financial assets are measured at amortized cost when the objective of holding such financial assets is to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are only payments of principal and interest on the principal amount outstanding. These financial assets are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, with changes in carrying amount recognized in the consolidated statement of income in the line which most appropriately reflects the nature of the item or transaction. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period that are included in non-current assets. The Group's financial assets measured at amortized costs are primarily presented as "trade notes and accounts receivable", "other accounts and notes receivable", and "due from related parties" in the consolidated statement of financial position (see Note 7).

Financial Assets Measured at FVOCIL

Financial assets are measured at FVOCIL when the objective of holding such financial assets is both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's investments in certain equity instruments have been designated to be measured at FVOCIL, as permitted by IFRS 9. In connection with this designation, any amounts presented in consolidated other comprehensive income are not subsequently transferred to consolidated income. Dividends from these equity instruments are recognized in consolidated income when the right to receive payment of the dividend is established, and such dividend is probable to be paid to the Group.

Financial Assets at FVIL

Financial assets at FVIL are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Impairment of Financial Assets

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at FVOCIL. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables (see Note 7).

Offsetting of Financial Instruments

Financial assets are offset against financial liabilities and the net amount reported in the consolidated statement of financial position if, and only when the Group: (i) currently has a legally enforceable right to set off the recognized amounts; and (ii) intends either to settle on a net basis, or to realize the assets and settle the liability simultaneously.

(j) Property, Plant and Equipment

Property, plant and equipment are recorded at acquisition cost.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to income or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation of property, plant and equipment is based upon the carrying amount of the assets in use and is computed using the straight-line method over the estimated useful lives of the asset, as follows:

	Estimated Useful Lives
Buildings	20-65 years
Technical equipment	3-30 years
Satellite transponders	15 years
Furniture and fixtures	3-10 years
Transportation equipment	4-8 years
Computer equipment	3-6 years
Leasehold improvements	5-30 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other income or expense in the consolidated statement of income.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

(k) Right-of-use Assets

Right-of-use assets are measured at cost comprising the following: the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight – line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and mostly leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(l) Intangible Assets and Goodwill

Intangible assets and goodwill are recognized at acquisition cost. Intangible assets and goodwill acquired through business combinations are recorded at fair value at the date of acquisition. Intangible assets with indefinite useful lives, which include, trademarks, concessions, and goodwill, are not amortized, and subsequently recognized at cost less accumulated impairment losses. Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives, as follows:

	Estimated Useful Lives
Trademarks with finite useful lives	4 years
Licenses	3-10 years
Subscriber lists	4-5 years
Payments for renewal of concessions	20 years
Other intangible assets	3-20 years

Trademarks

The Group determines its acquired trademarks to have an indefinite life when they are expected to generate net cash inflows for the Group indefinitely. Additionally, the Group considers that there are no legal, regulatory or contractual provisions that limit the useful lives of trademarks. The Group has not capitalized any amounts associated with internally developed trademarks.

Concessions

The Group defined concessions to have an indefinite life due to the fact that the Group has a history of renewing its concessions upon expiration, has maintained the concessions granted by the Mexican government, and has no foreseeable limit to the period over which the assets are expected to generate net cash inflows. In addition, the Group is committed to continue to invest for the long term to extend the period over which the broadcasting and telecommunications concessions are expected to continue to provide economic benefits.

Any fees paid by the Group to regulatory authorities for concessions renewed are determined to have finite useful lives and are amortized on a straight-live basis over the fixed term of the related concession.

Goodwill

Goodwill arises on the acquisition of a business and represents the excess of the consideration transferred over the Group's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of goodwill is compared to the recoverable amount, which is the higher between the value in use and the fair value less costs to sell. Any impairment of goodwill is recognized as an expense in the consolidated statement of income and is not subject to be reversed in subsequent periods.

(m) Impairment of Long-lived Assets

The Group reviews for impairment the carrying amounts of its long-lived assets, tangible and intangible, including goodwill (see Note 13), at least once a year, or whenever events or changes in business circumstances indicate that these carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. To determine whether an impairment exists, the carrying amount of the reporting unit is compared with its recoverable amount. Fair value estimates are based on quoted market values in active markets, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including discounted value of estimated future cash flows, market multiples or third-party appraisal valuations. Any impairment of long-lived assets other than goodwill may be subsequently reversed under certain circumstances.

(n) Trade Accounts Payable and Accrued Expenses

Trade accounts payable and accrued expenses are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade accounts payable and accrued expenses are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade accounts payable and accrued expenses are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Trade accounts payable and accrued expenses are presented as a single item of consolidated current liabilities in the consolidated statements of financial position as of December 31, 2021 and 2020.

(o) Debt

Debt is recognized initially at fair value, net of transaction costs incurred. Debt is subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of income over the period on which the debt is outstanding using the effective interest method.

Fees paid on the establishment of debt facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Current portion of long-term debt and interest payable are presented as a separate line item in the consolidated statements of financial position as of December 31, 2021 and 2020.

Debt early redemption costs are recognized as finance expense in the consolidated statement of income.

(p) Customer Deposits and Advances

Customer deposits and advance agreements for advertising services provide that customers receive prices that are fixed for the contract period for advertising time in the Group's platforms based on rates established by the Group. Such rates vary depending on when the advertisement is made, including the season, hour, day and type of programming.

The Group recognizes customer deposits and advance agreements for advertising services in the consolidated statement of financial position, when these agreements are executed either with a consideration in cash paid by customers or with short-term non-interest bearing notes received from customers in connection with annual ("upfront basis") and from time to time ("scatter basis") prepayments (see Note 7). In connection with the initial adoption of IFRS 15 *Revenues from Contracts with Customers* ("IFRS 15") in the first quarter of 2018 (see Note 2 (s)), customer deposits and advances agreements are presented by the Group as a contract liability in the consolidated statement of financial position when a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers services to the customer. Under the guidelines of this standard, a contract liability is a Group's obligation to transfer services or goods to a customer for which the Group has received consideration, or an amount of consideration is due, from the customer. In addition, the Group recognizes contract asset upon the approval of non-cancellable contracts that generate an unconditional right to receive cash consideration prior to services being rendered. The Company's management has consistently recognized that an amount of consideration is due, for legal, finance and accounting purposes, when a short-term non-interest bearing note is received from a customer in connection with a deposit or advance agreement entered into with the customer for advertising services to be rendered by the Group in the short term.

(q) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provisions due to passage of time is recognized as interest expense.

(r) Equity

The capital stock and other equity accounts include the effect of restatement through December 31, 1997, determined by applying the change in the Mexican National Consumer Price Index between the dates capital was contributed or net results were generated and December 31, 1997, the date through which the Mexican economy was considered hyperinflationary under the guidelines of IFRS Standards. The restatement represented the amount required to maintain the contributions and accumulated results in Mexican Pesos in purchasing power as of December 31, 1997.

Where any company in the Group purchases shares of the Company's capital stock (shares repurchased), the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to stockholders of the Company until the shares are cancelled, reissued, or sold. Where such shares repurchased are subsequently reissued or sold, any consideration received, net of any directly attributable incremental transaction costs, is included in equity attributable to stockholders of the Company.

(s) Revenue Recognition and Contract Costs

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided. The Group recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The Group derives the majority of its revenues from media and entertainment-related business activities both in Mexico and internationally. Revenues are recognized when the service is provided and collection is probable. A summary of revenue recognition policies by significant activity is as follows:

- Cable television, internet and telephone subscription, and pay-per-view and installation fees are recognized in the period in which the services are rendered.

- Revenues from other telecommunications and data services are recognized in the period in which these services are provided. Other telecommunications services include long distance and local telephony, as well as leasing and maintenance of telecommunications facilities.

- Sky program service revenues, including advances from customers for future direct-to-home ("DTH") program services, are recognized at the time the service is provided.

- Advertising revenues, including deposits and advances from customers for future advertising, are recognized at the time the advertising services were rendered.

- Revenues from program services for network subscription and licensed and syndicated television programs are recognized when the programs were sold and became available for broadcast.

- Revenues from magazine subscriptions are initially deferred and recognized proportionately as products are delivered to subscribers. Revenues from the sales of magazines are recognized on the date of circulation of delivered merchandise, net of a provision for estimated returns.

- Revenues from publishing distribution are recognized upon distribution of the products.

- Revenues from attendance to soccer games, including revenues from advance ticket sales for soccer games and other promotional events, are recognized on the date of the relevant event.

- Motion picture production and distribution revenues are recognized as the films were exhibited.

- Gaming revenues consist of the net win from gaming activities, which is the difference between amounts wagered and amounts paid to winning patrons and are recognized at the time of such net win.

In respect to sales of multiple products or services, the Group evaluates whether it has fair value evidence for each deliverable in the transaction. For example, the Group sells cable television, internet and telephone subscription to subscribers in a bundled package at a rate lower than if the subscriber purchases each product on an individual basis. Subscription revenues received from such subscribers are allocated to each product in a pro-rata manner based on the fair value of each of the respective services.

Contract Costs

Incremental costs for obtaining contracts with customers in the Cable and Sky segments, primarily commissions, are recognized as contract costs (assets) in the Group's consolidated statement of financial position and amortized in the expected life of contracts with customers.

The Group has recognized assets from incremental costs of obtaining contracts with customers, primarily commissions, which were classified as current and non-current assets in its consolidated financial statements as of December 31, 2021 and 2020, as follows:

	Cable	Sky	Total
Contract costs:			
At January 1, 2021	Ps. 2,027,691	Ps. 2,513,866	Ps. 4,541,557
Additions	1,209,894	1,088,956	2,298,850
Amount recognized in income	(739,461)	(1,102,632)	(1,842,093)
Total Contract Costs at **December 31, 2021**	**2,498,124**	**2,500,190**	**4,998,314**
Less:			
Current Contract Costs	797,273	985,450	1,782,723
Total Non-current Contract Costs	Ps. 1,700,851	Ps. 1,514,740	Ps. 3,215,591

	Cable	Sky	Total
Contract costs:			
At January 1, 2020	Ps. 1,436,758	Ps. 2,254,479	Ps. 3,691,237
Additions	1,163,038	1,335,300	2,498,338
Amount recognized in income	(572,105)	(1,075,913)	(1,648,018)
Total Contract Costs at December 31, 2020	2,027,691	2,513,866	4,541,557
Less:			
Current Contract Costs	640,655	957,792	1,598,447
Total Non-current Contract Costs	Ps. 1,387,036	Ps. 1,556,074	Ps. 2,943,110

(t) Interest Income

Interest income is recognized using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognized using the original effective interest rate.

(u) Employee Benefits

Pension and Seniority Premium Obligations

Plans exist for pensions and seniority premiums (post-employment benefits), for most of the Group's employees funded through irrevocable trusts. Increases or decreases in the consolidated liability or asset for post-employment benefits are based upon actuarial calculations. Contributions to the trusts are determined in accordance with actuarial estimates of funding requirements. Payments of post-employment benefits are made by the trust administrators. The defined benefit obligation is calculated annually using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Remeasurement of post-employment benefit obligations related to experience adjustments and changes in actuarial assumptions of post-employment benefits are recognized in the period in which they are incurred as part of other comprehensive income or loss in consolidated equity.

Profit Sharing

The employees' profit sharing required to be paid under certain circumstances in Mexico, is recognized as a direct benefit to employees in the consolidated statements of income in the period in which it is incurred.

Termination Benefits

Termination benefits, which mainly represent severance payments by law, are recorded in the consolidated statement of income. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that involves the payment of termination benefits.

(v) Income Taxes

The income tax expense for the period comprises current and deferred income tax. Income tax is recognized in the consolidated statement of income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the income tax is recognized in other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction (other than in a business combination) that at the time of the transaction affects neither accounting nor taxable income or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is recovered or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences and tax loss carryforwards can be utilized. For this purpose, the Group takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, projected taxable income, carryforward periods, current tax structure, potential changes or adjustments in tax structure, and future reversals of existing temporary differences.

Deferred income tax liabilities are provided on taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets are provided on deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, to the extent that it is probable that there will be sufficient taxable income against which to utilize the benefit of the temporary difference and it is expected to reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(w) Derivative Financial Instruments

The Group recognizes derivative financial instruments as either assets or liabilities in the consolidated statements of financial position and measures such instruments at fair value. The accounting for changes in the fair value of a derivative financial instrument depends on the intended use of the derivative financial instrument and the resulting designation. For a derivative financial instrument designated as a cash flow hedge, the effective portion of such derivative's gain or loss is initially reported as a component of other comprehensive income or loss and subsequently reclassified into income when the hedged exposure affects income. The ineffective portion of the gain or loss is reported in income immediately. For a derivative financial instrument designated as a fair value hedge, the gain or loss is recognized in income in the period of change together with the offsetting loss or gain on the hedged item attributed to the risk being hedged. When a hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument that has been recognized in other comprehensive income remains in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to income or loss. For derivative financial instruments that are not designated as accounting hedges, changes in fair value are recognized in income in the period of change. During the years ended December 31, 2021, 2020 and 2019, certain derivative financial instruments qualified for hedge accounting (see Note 15).

(x) Comprehensive Income

Comprehensive income for the period includes the net income for the period presented in the consolidated statement of income plus other comprehensive income for the period reflected in the consolidated statement of comprehensive income.

(y) Share-based Payment Agreements

Key officers and employees of certain subsidiaries of the Company have entered into agreements for the conditional sale of Company's shares under the Company's Long-Term Retention Plan ("LTRP"). The share-based compensation expense is measured at fair value at the date the equity benefits are conditionally sold to these officers and employees, and recognized as a charge to consolidated income (administrative expense) over the vesting period. The Group recognized a share-based compensation expense of Ps.1,088,413, Ps.984,356 and Ps.1,129,644 for the years ended December 31, 2021, 2020 and 2019, respectively, of which Ps.1,066,863, Ps.962,806 and Ps.1,108,094 was credited in consolidated stockholders' equity for each of those years, respectively (see Note 17).

(z) Leases

In the first quarter of 2019, the Group adopted IFRS 16 *Leases* ("IFRS 16"), which became effective for annual periods beginning on January 1, 2019 (see Note 28). The Group does not apply this IFRS Standard to short-term leases and leases for which the underlying asset is of low value, as permitted by the guidelines of IFRS 16.

On adoption of IFRS 16, the Group recognized lease liabilities in relation to leases which had previously been classified as operating leases under the guidelines of IAS 17 *Leases* ("IAS 17"). These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee´s incremental borrowing rate as of January 1, 2019. The average lessee's incremental borrowing rate applied to the lease liabilities on January 1, 2019, was 4.7% and 10.6% for U.S. dollars leases and Mexican pesos leases, respectively.

(aa) New and Amended IFRS Standards

The Group adopted IFRS 16 in 2019, which became effective for annual periods beginning on January 1, 2019 (see Notes 2 (k), 2 (z) and 28). Some other amendments and improvements to certain IFRS Standards became effective on January 1, 2021, 2020 and 2019, and they did not have any significant impact on the Group's consolidated financial statements.

Below is a list of the new and amended IFRS Standards that have been issued by the IASB and are effective for annual periods beginning on January 1, 2022.

New or Amended IFRS Standard	Title of the IFRS Standard	Effective for Annual Periods Beginning On or After
Amendments to IFRS 10 and IAS 28 [1]	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Postponed
IFRS 17 [2]	*Insurance Contracts*	January 1, 2023
Amendments to IAS 1 [1]	*Classification of Liabilities as Current or Non-current*	January 1, 2023
Annual Improvements [1]	*Annual Improvements to IFRS Standards 2018-2020*	January 1, 2022
Amendments to IAS 16 [1]	*Property, Plant and Equipment: Proceeds before Intended Use*	January 1, 2022
Amendments to IAS 37 [1]	*Onerous Contracts – Cost of Fulfilling a Contract*	January 1, 2022
Amendments to IFRS 3 [1]	*Reference to the Conceptual Framework*	January 1, 2022
Amendments to IAS 8 [1]	*Definition of Accounting Estimates*	January 1, 2023
Amendments to IAS 1 and IFRS Practice Statement 2 [1]	*Disclosure of Accounting Policies*	January 1, 2023
Amendment to IFRS 16 [1]	*Covid-19-Related Rent Concessions beyond 30 June 2021*	April 1, 2021
Amendments to IAS 12 [1]	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	January 1, 2023
Amendment to IFRS 17 [2]	*Initial Application of IFRS 17 and IFRS 9 - Comparative Information*	January 1, 2023

[1] This new or amended IFRS Standard is not expected to have a significant impact on the Group's consolidated financial statements.

[2] This new or amended IFRS Standard is not expected to be applicable to the Group's consolidated financial statements.

Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, were issued in September 2014, and addressed and acknowledged an inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements* and those in IAS 28 *Investments in Associates and Joint Ventures*, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.In December 2015, the IASB decided to postpone the effective date of these amendments indefinitely. Entities are required apply these amendments prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined by the IASB. Earlier application is permitted. If an entity applies these amendments earlier, it shall disclose that fact. These amendments are expected to be applicable to the Group's consolidated financial statements in connection with the closing of the transaction with UH II in the first quarter of 2022 (see Note 3). As permitted, the Group will apply these amendments in 2022 and disclose this fact in its consolidated financial statements.

IFRS 17 *Insurance Contracts* ("IFRS 17") was issued in May 2017 and amended in June 2020. IFRS 17 supersedes IFRS 4 *Insurance Contracts* ("IFRS 4"), which has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosures of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts with discretionary participation features issued. IFRS 17 solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Under the provisions of IFRS 17, insurance obligations will be accounted for using current values instead of historical cost. Amendments to IFRS 17 were issued in June 2020 aimed at helping companies implement the Standard and making it easier for them to explain their financial performance. The fundamental principles introduced when IFRS 17 was issued in May 2017 remained unaffected. IFRS 17 is effective on January 1, 2023, and earlier application is permitted.

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* were issued in January 2020, and clarify one of the criteria in IAS 1 for classifying a liability as non-current that is, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. An entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2023, retrospectively in accordance with IAS 8. Earlier application is permitted.

Annual Improvements to IFRS Standards 2018-2020, were issued in May 2020, and make minor amendments to certain IFRS Standards. The amendments are effective for annual periods beginning on or after January 1, 2022. Earlier application is permitted. The following table shows the IFRS Standards amended and the subject of the amendments.

Standard	**Subject of Amendment**
IFRS 1 *First-time Adoption of International Reporting Standards*	*Subsidiary as a First-time Adopter*
IFRS 9 *Financial Instruments*	*Fees in the "10 per cent" Test for Derecognition of Financial Liabilities*
Illustrative Examples accompanying IFRS 16 *Leases*	*Lease Incentives*
IAS 41 *Agriculture*	*Taxation in Fair Value Measurements*

Amendments to IAS 16 *Property, Plant and Equipment: Proceeds before Intended Use*, were issued in May 2020, and prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in income or loss.

Amendments to IAS 37 *Onerous Contracts – Cost of Fulfilling a Contract*, were issued in May 2020, and specify which costs a company includes when assessing whether a contract will be loss-making, under the guidelines of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37"). The amendments are effective for contracts for which an entity has not yet fulfilled all its obligations on or after 1 January 2022. Earlier application is permitted.

Amendments to IFRS 3 *Reference to the Conceptual Framework*, were issued in May 2020, and update a reference in IFRS 3 *Business Combinations* ("IFRS 3") to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. Also added to IFRS 3 an exception to its requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37. The Board added this exception to avoid an unintended consequence of updating the reference. Without the exception, an entity would have recognized some liabilities on the acquisition of a business that it would not recognize in other circumstances. Immediately after the acquisition, the entity would have had to derecognize such liabilities and recognize a gain that did not depict an economic gain. The amendments to IFRS 3 are effective for business combinations occurring in reporting periods starting on or after January 1, 2022. Earlier application is permitted.

Amendments to IAS 8 *Definition of Accounting Estimates,* were issued in February 2021, the amendments introduced the definition of accounting estimates and included other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

Amendments to IAS 1 and IFRS Practice Statement 2 *Disclosure of Accounting Policies,* were issued in February 2021, the Board amended paragraphs 117–122 of IAS 1 *Presentation of Financial Statements* to require entities to disclose their material accounting policy information rather than their significant accounting policies. To support this amendment the Board also amended IFRS Practice Statement 2 *Making Materiality Judgements* (Materiality Practice Statement) to explain and demonstrate the application of the "four-step materiality process" to accounting policy disclosures.

Amendment to IFRS 16 *Covid-19-Related Rent Concessions beyond 30 June 2021* was issued in March 2021 and extends by one year the application period of the practical expedient in IFRS 16. In response to calls from stakeholders and because the Covid-19 pandemic is still at its height, the amendment extends this relief by one year to cover rent concessions that reduce only lease payments due on or before June 30, 2022. The original amendment was issued in May 2020 and exempts lessees from having to consider individual lease contracts to determine whether rent concessions, such as rent holidays and temporary rent reductions, occurring as a direct consequence of the Covid-19 pandemic are lease modifications, and allows lessees to account for such rent concessions as if they were not lease modifications. The amendment is effective for annual reporting periods beginning on or after April 1, 2021.

Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* were issued in May 2021 and specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. IAS 12 *Income Taxes* specifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets and liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations, transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations. The amendments will become effective for annual reporting periods beginning on or after January 1, 2023, with early application permitted.

Amendment to IFRS 17 *Initial Application of IFRS 17 and IFRS 9 – Comparative Information*, was issued in December 2021 and includes a narrow-scope amendment to the transition requirements in IFRS 17, providing insurers with an option aimed at improving the usefulness of information to investors on initial application of the new Standard. The amendment relates to insurers' transition to the new Standard only, and it does not affect any other requirements in IFRS 17. IFRS 17 and IFRS 9 have different transition requirements. For some insurers, these differences can cause temporary accounting mismatches between financial assets and insurance contract liabilities in the comparative information they present in their financial statements when applying IFRS 17 and IFRS 9 for the first time. IFRS 17, including this amendment, is effective for annual reporting periods beginning on or after January 1, 2023.

3. Disposition of OCEN and Radiópolis, and Transaction with UH II

In July 2019, the Company announced an agreement with Live Nation Entertainment, Inc. ("Live Nation") to dispose of its 40% equity interest in OCESA Entretenimiento, S.A. de C.V. ("OCEN"), a live entertainment company with operations in Mexico, Central America and Colombia. OCEN (i) is a direct associate of OISE Entretenimiento, S.A. de C.V. ("OISE Entretenimiento"), which was a wholly-owned subsidiary of the Company; and (ii) was a former subsidiary of Compañía Interamericana de Entretenimiento, S.A.B. de C.V. ("CIE"). The disposal of OCEN was expected to be completed by the parties in the first half of 2020, through the sale of the total outstanding shares of OISE Entretenimiento, which net assets were comprised primarily of the 40% equity stake in OCEN. This transaction was subject to customary closing conditions, including regulatory approvals and certain notifications, and to the closing of the proposed sale by CIE to Live Nation of a portion of its stake in OCEN. In consideration for the sale of the shares of OISE Entretenimiento, the Company expected to receive cash proceeds in the aggregate amount of Ps.5,206,000. As a result of this transaction, beginning on July 31, 2019, the Group classified the assets of OISE Entretenimiento, including the carrying amount of its investment in OCEN as current assets held for sale in its consolidated statement of financial position. In connection with a purported unilateral termination of the stock purchase agreement by Live Nation which was notified to the Company in May 2020, beginning on May 31, 2020, the Company: (i) ceased to classify the assets of OISE Entretenimiento, including the investment in OCEN, as current assets held for sale; (ii) classified its equity interest in OCEN as an investment in associates and joint ventures in its consolidated statement of financial position; (iii) recognized its share of income of OCEN, which was discontinued from August 1, through December 31, 2019, in consolidated retained earnings as of January 1, 2020 in the amount of Ps.147,975 and (iv) began to recognize its share of income or loss of OCEN for the year ended December 31, 2020. On September 13, 2021, the Company announced that it had reached an agreement with Live Nation to move forward with the previously announced acquisition by Live Nation of the Group's unconsolidated 40% equity participation in OCEN. As a result, the Group classified the assets of OISE Entretenimiento, including the carrying amount of its investment in OCEN, as current assets held for sale in its consolidated statement of financial position as of September 30, 2021, and discontinued recognizing its share of income or loss from October 1 through November 30, 2021. On December 6, 2021, the Company announced the closing of the sale of its consolidated 40% equity participation in OCEN to Live Nation. In December 2021, the Company concluded this transaction and received a payment in cash of Ps.4,806,549; recognized an account receivable of Ps.364,420 in connection with a 7% retention of the total amount of the transaction to cover OCEN potential operating losses, if any, for a period of time following closing; and accounted for a pretax income of Ps.4,547,029 for the disposal of this investee in other consolidated income for the year ended December 31, 2021 (see Notes 10 and 20).

In July 2019, the Company announced a stock purchase agreement with Corporativo Coral, S.A. de C.V. ("Coral") and Miguel Alemán Magnani as Obligor to dispose of its 50% equity interest in Radiópolis, a direct subsidiary of the Company at that date which was engaged in the Radio business, for an aggregate amount of Ps.1,248,000, as well as the payment of a dividend by Radiópolis to the Company by the closing date of the transaction. While the sale of the Company's equity interest in the Radio business was consummated for legal and tax purposes as of December 31, 2019, the total assets and related total liabilities of Radiópolis in the amount of Ps.1,675,426 and Ps.432,812, respectively, as of December 31, 2019, were classified as current assets and current liabilities held for sale in the Group's consolidated statement of financial position as of that date, as the voting interest of the Company in Radiópolis continued to be in place until the full payment of the purchase price was made by the acquirer. In March and June 2020, the Company entered into additional agreements with Coral an its Obligor to complete this transaction by which, among other things, the acquirer made two cash payments in March and June 2020, for the amount of Ps.603,395 and Ps.110,000, respectively, and a final cash payment in July 2020 for the amount of Ps.534,605. In July 2020, the Company concluded this transaction and received the payment of a dividend from Radiópolis in the amount of Ps.285,669.As a result of this transaction, the Group recognized a pre-tax gain on the disposition of Radiópolis of Ps.932,449 in consolidated other income for the year ended December 31, 2020. Following this transaction, the Group classified its former Radio operations as disposed operations in the segment information of its consolidated statements of income for the years ended December 31, 2020 and 2019. The Group did not classify its former Radio operations as discontinued operations in these consolidated statements of income, as these operations did not represent a separate major line of business in any of those years, based on a materiality assessment performed by management (see Notes 2 (b), 22 and 26).

On April 13, 2021, the Group and Univision Holdings, Inc. ("UHI") announced a transaction agreement (the "Transaction Agreement") in which the Group's content and media assets would be combined with UH II (the successor company of UHI, as referred to in the paragraph below), and the Group would continue to participate in UH II, with an equity stake of approximately 45% following the closing of the transaction. The Group would also retain ownership of its Cable, Sky and Other Businesses segments, as well as the main real estate associated with the production facilities, the broadcasting concessions and transmission infrastructure in Mexico. The Group would contribute to UH II the assets specified in the Transaction Agreement, including, subject to certain exceptions, its Content business, for a total value of U.S.$4,500 million, comprised of U.S.$3,000 million in cash, U.S.$750 million in common stock of UH II and U.S.$750 million in preferred stock of UH II, with an annual dividend of 5.5%. In connection with this transaction, UHI would receive all assets, intellectual property and library related to the News division of the Group's Content business, but will outsource production of news content for Mexico to a company owned by the Azcárraga family. The combination was approved by each of the Board of Directors of the Company, the Board of Directors of UHI, and the Stockholders of the Company in the first half of 2021. The transaction was subject to customary closing conditions, including receipt of regulatory approvals in primarily in the United States and Mexico, among others. On September 14, 2021, the IFT announced its approval of this transaction. As of December 31, 2021, the Group continued to consolidate the results of its Content business as the Group had not ceased to exercise control of this business segment as of that date.Also, as of December 31, 2021, the Group continued to present its Content business as a reportable segment of continuing operations, as all the required regulatory approvals had not been obtained by the parties as of that date, and those approvals were considered substantial. On January 24, 2022, the Company and UH II announced that U.S. regulatory approvals sought in connection with the proposed merger of the Group's media, content and production assets with Univision had been received, and all required regulatory approvals for the transaction had been already received by that date. As a result, the transaction announced on April 13, 2021, was concluded by the parties on January 31, 2022 (see Notes 9, 10 and 30).

4. Financial Risk Management

(a) Market Risk

Market risk is the exposure to an adverse change in the value of financial instruments caused by market factors including changes in equity prices, interest rates, foreign currency exchange rates, commodity prices and inflation rates.

The Group is exposed to market risks arising from changes in equity prices, interest rates, foreign currency exchange rates and inflation rates, in both the Mexican and U.S. markets. Market risk management activities are monitored by the Investments, Risk Management and Treasury Committee on a quarterly basis.

(i) Foreign Exchange Risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the U.S. dollar and in those subsidiaries with functional currency other than the Mexican peso. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

Foreign currency exchange risk is monitored by assessing the net monetary liability position in U.S. dollars and the forecasted cash flow needs for anticipated U.S. dollar investments and servicing the Group's U.S. dollar-denominated debt.

Management has set up a policy to require Group companies to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, entities in the Group use forward contracts. In compliance with the procedures and controls established by the Risk Management Committee, in 2021 and 2020, the Group entered into certain derivative transactions with certain financial institutions in order to manage its exposure to market risks resulting from changes in interest rates and foreign currency exchange rates. The objective in managing foreign currency fluctuations is to reduce earnings and cash flow volatility.

Foreign Currency Position

The foreign currency position of monetary items of the Group at December 31, 2021, was as follows:

	Foreign Currency Amounts (Thousands)	Year-End Exchange Rate	Mexican Pesos
Assets:			
U.S. dollars	**831,806**	**Ps. 20.5031**	**Ps. 17,054,602**
Euros	**11,139**	**23.3478**	**260,071**
Swiss francs	**4,139**	**22.4997**	**93,126**
Argentinean pesos	**64,026**	**0.1996**	**12,780**
Chilean pesos	**576,044**	**0.0240**	**13,825**
Other currencies	**—**	**—**	**5,266**
Liabilities:			
U.S. dollars [(1)]	**5,215,150**	**Ps. 20.5031**	**Ps. 106,926,742**
Euros	**598**	**23.3478**	**13,962**
Swiss francs	**883**	**22.4997**	**19,867**
Other currencies	**—**	**—**	**185**

The foreign currency position of monetary items of the Group at December 31, 2020, was as follows:

	Foreign Currency Amounts (Thousands)	Year-End Exchange Rate	Mexican Pesos
Assets:			
U.S. dollars	1,154,453	Ps. 19.9493	Ps. 23,030,529
Euros	19,260	24.3774	469,509
Swiss francs	438	22.5299	9,868
Argentinean pesos	66,482	0.2371	15,763
Chilean pesos	327,357	0.0280	9,166
Other currencies	—	—	7,713
Liabilities:			
U.S. dollars [(1)]	5,161,009	Ps. 19.9493	Ps. 102,958,517
Euros	1,151	24.3774	28,058
Swiss francs	659	22.5299	14,847
Chilean pesos	632,679	0.0280	17,715
Colombian pesos	8,246,548	0.0057	47,005
Other currencies	—	—	3,332

(1) As of December 31, 2021 and 2020, monetary liabilities include U.S.$1,300.6 million (Ps.26,666,715) and U.S.$1,130.9 million (Ps.22,559,983), respectively, related to long-term debt designated as a hedging instrument of the Group's investments in UH II as of December 31, 2021, UHI as of December 31, 2020, and the investment in Open-Ended Fund (see Note 14).

As of March 30, 2022, the exchange rate was Ps.19.8731 per U.S. dollar, which represents the interbank free market exchange rate on that date as reported by Banco Nacional de México, S.A. or Citibanamex.

The Group is subject to the risk of foreign currency exchange rate fluctuations, resulting primarily from the net monetary position in U.S. dollars and U.S. dollar equivalent amounts of the Group's Mexican operations, as follows (in millions of U.S. dollars):

	December 31,			
	2021		2020	
U.S. dollar-denominated and U.S. dollar-equivalent monetary assets, primarily cash and cash equivalents, and non-current investments in financial instruments [1]	**U.S.$**	**785.1**	U.S.$	1,125.1
U.S. dollar-denominated and U.S. dollar-equivalent monetary liabilities, primarily trade accounts payable, Senior debt securities, lease liabilities, and other liabilities [2] [3]		**(5,180.8)**		(5,115.9)
Net liability position	**U.S.$**	**(4,395.7)**	U.S.$	(3,990.8)

(1) As of December 31, 2021 and 2020, this line includes U.S. dollar equivalent amounts of U.S.$17.7 million and U.S.$24.5 million, respectively, related to other foreign currencies, primarily Euros.

(2) As of December 31, 2021 and 2020, this line includes U.S. dollar equivalent amounts of U.S.$1.4 million and U.S.$2.0 million, respectively, related to other foreign currencies, primarily Euros.

(3) As of December 31, 2021 and 2020, monetary liabilities include U.S.$1,300.6 million (Ps.26,666,715) and U.S.$1,130.9 million (Ps.22,559,983), respectively, related to long-term debt designated as a hedging instrument of the Group's investments in UH II, UHI and the investment in Open-Ended Fund (see Note 14).

At December 31, 2021, a hypothetical 10% appreciation/depreciation in the U.S. dollar to Mexican peso exchange rate would result in a foreign exchange gain/loss, net of hedge, of Ps.6,345,797 in the consolidated statement of income. At December 31, 2020, a hypothetical 10% appreciation/depreciation in the U.S. dollar to Mexican peso exchange rate would result in a foreign exchange gain/loss, net of hedge, of Ps.5,705,342 in the consolidated statement of income.

(ii) Cash Flow Interest Rate Risk

The Group monitors the exposure to interest rate risk by: (i) evaluating differences between interest rates on its outstanding debt and short-term investments and market interest rates on similar financial instruments; (ii) reviewing its cash flow needs and financial ratios (indebtedness and interest coverage); (iii) assessing current and forecasted trends in the relevant markets; and (iv) evaluating peer Group and industry practices. This approach allows the Group to determine the interest rate "mix" between variable and fixed rate debt.

The Group's interest rate risk arises from long-term debt. Debt issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Debt issued at fixed rates expose the Group to fair value interest rate risk. During recent years the Group has maintained most of its debt in fixed rate instruments (see Note 14).

Based on various scenarios, the Group manages its cash flow interest rate risk by using cross-currency interest rate swaps, exchange rate agreements and floating-to-fixed interest rate swaps. Cross-currency interest rate swap agreements allow the Group to hedge against Mexican peso depreciation on the interest payments for medium-term periods. Interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates.

Sensitivity and Fair Value Analysis

The sensitivity analyses that follow are intended to present the hypothetical change in fair value or loss in earnings due to changes in interest rates, inflation rates, foreign currency exchange rates and debt and equity market prices as they affect the Group's financial instruments at December 31, 2021 and 2020. These analyses address market risk only and do not take into consideration other risks that the Group faces in the ordinary course of business, including country risk and credit risk. The hypothetical changes reflect management view of changes that are reasonably possible over a one-year period. For purposes of the following sensitivity analyses, the Group has made assumptions of a hypothetical change in fair value of 10% for expected near-term future changes in the United States interest rates, Mexican interest rates, inflation rates and Mexican peso to U.S. dollar exchange rate. The results of the analyses do not purport to represent actual changes in fair value or losses in earnings that the Group will incur.

December 31, 2021	Carrying Amount	Fair Value	Difference between Fair Value and Carrying Amount	Difference between Fair Value and Carrying Amount Assuming a Hypothetical 10% Increase in Fair Value
Assets:				
Long-term loan and interest receivable from GTAC	**Ps. 755,973**	**Ps. 760,143**	**Ps. 4,170**	**Ps. 80,184**
Open-Ended Fund	**945,176**	**945,176**	**—**	**—**
Publicly traded equity instruments	**3,517,711**	**3,517,711**	**—**	**—**
Other equity instruments	**1,607,969**	**1,607,969**	**—**	**—**
Derivative financial instruments [1]	**133,324**	**133,324**	**—**	**—**
Liabilities[2] [3]:				
U.S. dollar-denominated debt:				
Senior Notes due 2025	**12,301,860**	**14,056,843**	**1,754,983**	**3,160,667**
Senior Notes due 2026	**6,150,930**	**6,685,200**	**534,270**	**1,202,790**
Senior Notes due 2032	**6,150,930**	**8,857,216**	**2,706,286**	**3,592,008**
Senior Notes due 2040	**12,301,860**	**16,678,493**	**4,376,633**	**6,044,482**
Senior Notes due 2045	**20,503,100**	**24,205,140**	**3,702,040**	**6,122,554**
Senior Notes due 2046	**18,452,790**	**25,029,180**	**6,576,390**	**9,079,308**
Senior Notes due 2049	**15,377,325**	**19,307,154**	**3,929,829**	**5,860,544**
Peso-denominated debt:				
Notes due 2027	**4,500,000**	**4,509,405**	**9,405**	**460,346**
Senior Notes due 2037	**4,500,000**	**4,110,480**	**(389,520)**	**21,528**
Senior Notes due 2043	**6,500,000**	**4,611,620**	**(1,888,380)**	**(1,427,218)**
Long-term notes payable to Mexican banks	**20,260,404**	**20,417,854**	**157,450**	**2,199,235**
Lease liabilities	**9,680,559**	**9,830,878**	**150,319**	**1,133,407**
Derivative financial instruments [1]	**172,885**	**172,885**	**—**	**—**

December 31, 2020	Carrying Amount	Fair Value	Difference between Fair Value and Carrying Amount	Difference between Fair Value and Carrying Amount Assuming a Hypothetical 10% Increase in Fair Value
Assets:				
Long-term loan and interest receivable from GTAC	Ps. 821,253	Ps. 824,092	Ps. 2,839	Ps. 85,248
Open-Ended Fund	1,135,803	1,135,803	—	—
Publicly traded equity instruments	5,397,504	5,397,504	—	—
Other equity instruments	468,552	468,552	—	—
Liabilities[2] [3]**:**				
U.S. dollar-denominated debt:				
Senior Notes due 2025	11,969,580	14,609,830	2,640,250	4,101,233
Senior Notes due 2026	5,984,790	6,840,854	856,064	1,540,149
Senior Notes due 2032	5,984,790	9,193,415	3,208,625	4,127,967
Senior Notes due 2040	11,969,580	16,780,992	4,811,412	6,489,511
Senior Notes due 2045	19,949,300	24,282,886	4,333,586	6,761,875
Senior Notes due 2046	17,954,370	24,970,938	7,016,568	9,513,662
Senior Notes due 2049	14,961,975	18,978,667	4,016,692	5,914,559
Peso-denominated debt:				
Notes due 2027	4,500,000	5,035,860	535,860	1,039,446
Senior Notes due 2037	4,500,000	4,087,575	(412,425)	(3,668)
Senior Notes due 2043	6,500,000	5,150,860	(1,349,140)	(834,054)
Long-term notes payable to Mexican banks	19,602,893	19,801,142	198,249	2,178,363
Lease liabilities	9,292,351	9,343,100	50,749	985,059
Derivative financial instruments [1]	3,476,223	3,476,223	—	—

(1) Given the nature and the tenor of these derivative financial instruments, an increase of 10% in the interest and/or exchange rates would not be an accurate sensitivity analysis on the fair value of these financial instruments.

(2) The carrying amount of debt is stated in this table at its principal amount.

(3) The fair value of the Senior Notes and Notes due by the Group are within Level 1 of the fair value hierarchy as there is a quoted market price for them. The fair value of the lease liabilities is within Level 2 of the fair value hierarchy and has been estimated based on cash flows discounted using an estimated weighted average cost of capital. The fair value of held-to-maturity securities are within Level 1 of the fair value hierarchy and were based on market interest rates to the listed securities.

(iii) Price Risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified in the consolidated statements of financial position as non-current investments in financial instruments. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. The Group is not exposed to commodity price risk.

(b) Credit Risk

Credit risk is managed on a Group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of "AA" in local scale for domestic institutions and "BBB" in global scale for foreign institutions are accepted. If customers are independently rated, these ratings are used. If there is no independent rating, the Group's risk control function assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Company's management. See Note 7 for further disclosure on credit risk.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by the counterparties.

The Group historically has not had significant credit losses arising from customers.

(c) Liquidity Risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by corporate management. Corporate management monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal statement of financial position ratio targets and, if applicable external regulatory or legal requirements.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing investments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. At December 31, 2021 and 2020, the Group held cash and cash equivalents of Ps.25,828,215 and Ps.29,058,093, respectively (see Note 6).

The table below analyses the Group's non-derivative and derivative financial liabilities as well as related contractual interest on debt and lease liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less Than 12 Months January 1, 2022 to December 31, 2022	12-36 Months January 1, 2023 to December 31, 2024	36-60 Months January 1, 2025 to December 31, 2026	Maturities Subsequent to December 31, 2026	Total
At December 31, 2021					
Debt [1]	**Ps. 4,110,404**	**Ps. 13,500,000**	**Ps. 21,102,790**	**Ps. 88,286,005**	**Ps. 126,999,199**
Lease liabilities	**1,478,382**	**2,469,270**	**2,478,486**	**3,254,421**	**9,680,559**
Trade and other liabilities	**40,051,575**	**2,743,298**	**2,041,627**	**3,665,074**	**48,501,574**
Interest on debt [2]	**6,188,285**	**15,237,650**	**12,453,353**	**86,405,197**	**120,284,485**
Interest on lease liabilities	**659,049**	**1,136,036**	**775,332**	**921,942**	**3,492,359**

	Less Than 12 Months January 1, 2021 to December 31, 2021	12-36 Months January 1, 2022 to December 31, 2023	36-60 Months January 1, 2024 to December 31, 2025	Maturities Subsequent to December 31, 2025	Total
At December 31, 2020					
Debt [1]	Ps. 617,489	Ps. 8,985,404	Ps. 21,969,580	Ps. 92,304,805	Ps. 123,877,278
Lease liabilities	1,277,754	2,184,098	2,240,777	3,589,722	9,292,351
Trade and other liabilities	33,936,100	4,078,823	644,830	3,137,092	41,796,845
Interest on debt [2]	5,997,185	15,177,002	13,256,713	90,128,177	124,559,077
Interest on lease liabilities	668,461	1,169,317	853,741	925,566	3,617,085

(1) The amounts of debt are disclosed on a principal amount basis (see Note 14).

(2) Interest to be paid in future years on outstanding debt as of December 31, 2021 and 2020, based on contractual interest rate and exchange rates as of that date.

Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure in order to minimize the cost of capital.

5. Critical Accounting Estimates and Assumptions

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. By definition, the resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of consolidated assets and liabilities within the next financial year are addressed below:

(a) Accounting for Programming

The Group produces a significant portion of programming for initial broadcast over its television networks in Mexico, its primary market. Following the initial broadcast of this programming, the Group then licensed some of this programming for broadcast in secondary markets, such as Mexico, the United States, Latin America, Asia, Europe and Africa. Under IFRS, in order to properly capitalize and subsequently amortize production costs related to this programming, the Group must estimate the expected future benefit period over which a given program will generate revenues (generally, over a five-year period). The Group then amortizes the production costs related to a given program over the expected future benefit period. Under this policy, the Group generally expenses approximately 70% of the production costs related to a given program in its initial broadcast run and defers and expenses the remaining production costs over the remainder of the expected future benefit period (see Note 2 (g)).

The Group estimates the expected future benefit periods based on past historical revenue patterns and usage for similar types of programming and any potential future events, such as new outlets through which the Group could exploit or distribute its programming, including its consolidated subsidiaries and equity investees. To the extent that a given future expected benefit period was shorter than the estimate, the Group may have accelerated capitalized production costs sooner than anticipated. Conversely, to the extent that a given future expected benefit period was longer than the estimate, the Group may have extended the amortization schedule for the remaining capitalized production costs.

The Group also enters into license arrangements with various third-party programming producers and providers, pursuant to which it received the rights to broadcast programming produced by third parties over its television networks in Mexico. For programming licensed from third parties, the Group estimated the expected future benefit period based upon the term of the license. In addition, the Group might have purchased programming from third parties, from time to time. In this case, the Group estimated the expected future benefit period based on the anticipated number of showings in Mexico. To the extent that a given future expected benefit period was shorter than the estimate, the Group might have accelerated the amortization of the purchase price or the license fee sooner than anticipated. Conversely, to the extent that a given future expected benefit period was longer than the estimate, the Group may have extended the amortization schedule for the remaining portion of the purchase price or the license fee.

Assuming a hypothetical 10% decrease in expected future revenue from the Group's programming as of December 31, 2021, the balance of such programming would decrease in the amount of Ps.364,411, with a corresponding increase in programming amortization expense.

Beginning on January 31, 2022, the Group is no longer engaged in the Content business operations as a result of the closing of the Transaction with UH II (see Notes 3 and 30).

(b) Goodwill and Other Indefinite-lived Intangible Assets

Goodwill and other intangible assets with indefinite useful lives are reviewed for impairment at least annually. When an impairment test is performed, the recoverable amount is assessed by reference to the higher of the net present value of the expected future cash flows (value in use) of the relevant CGU and the fair value less cost to sell.

The recoverable amount of CGUs has been determined based on the higher of value in use and fair value less costs to disposal calculations. These calculations require the use of estimates, which include management's expectations of future revenue growth, operating costs, profit margins and operating cash flows for each CGU, long-term growth rates and discount rates based on weighted average cost of capital, among others.

During 2021 and 2020, the Group recorded impairment adjustments for other indefinite-lived intangible assets (trademarks) related to its Publishing business. See Note 2 (b) and (l) for disclosure regarding concession intangible assets.

(c) Long-lived Assets

The Group presents certain long-lived assets other than goodwill and indefinite-lived intangible assets in its consolidated statement of financial position. Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may no longer be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Recoverability is analyzed based on projected cash flows. Estimates of future cash flows involve considerable management judgment. These estimates are based on historical data, future revenue growth, anticipated market conditions, management plans, and assumptions regarding projected rates of inflation and currency fluctuations, among other factors. If these assumptions are not correct, the Group would have to recognize a write-off or write-down or accelerate the amortization schedule related to the carrying amount of these assets (see Notes 2 (m), 13 and 22). The Group has not recorded any significant impairment charges during any of the years presented herein.

(d) Deferred Income Taxes

The Group records its deferred tax assets based on the likelihood that these assets are realized in the future. This likelihood is assessed by taking into consideration the future taxable income. In the event the Group were to determine that it would be able to realize its deferred tax assets in the future in excess of the net recorded amount, an adjustment to the deferred tax asset would increase income in the period such determination was made. Should the Group determine that it would not be able to realize all or part of its net deferred tax asset in the future, an adjustment to the deferred tax asset would be charged to income in the period such determination was made.

(e) Financial Assets Measured at Fair Value

The Group has a significant amount of financial assets that are measured at fair value on a recurring basis. The degree of management's judgment involved in determining the fair value of a financial asset varies depending upon the availability of quoted market prices. When observable quoted market prices exist, that is the fair value estimate the Group uses. To the extent such quoted market prices do not exist, management uses other means to determine fair value (see Notes 4 and 15).

6. Cash and Cash Equivalents

Cash and cash equivalents as of December 31, 2021 and 2020, consisted of:

	2021	2020
Cash and bank accounts	**Ps. 1,180,817**	Ps. 5,094,610
Short-term investments [1]	**24,647,398**	23,963,483
Total cash and cash equivalents	**Ps. 25,828,215**	Ps. 29,058,093

[1] Highly-liquid investments with an original maturity of three months or less at the date of acquisition.

7. Trade Notes and Accounts Receivable, Net

Trade notes and accounts receivable, net as of December 31, 2021 and 2020, consisted of:

	2021	2020
Non-interest bearing notes received from customers as deposits and advances mainly in connection with annual ("upfront basis") and from time to time ("scatter basis") prepayments (see Note 2 (p))	**Ps. 1,499,335**	Ps. 3,327,579
Trade accounts receivable	**14,955,334**	13,265,351
Loss allowance	**(3,361,658)**	(4,249,133)
	Ps. 13,093,011	Ps. 12,343,797

As of December 31, 2021 and 2020, the aging analysis of the trade notes and accounts receivable that were past due is as follows:

	2021	2020
1 to 90 days	**Ps. 4,367,863**	Ps. 3,634,710
91 to 180 days	**1,459,188**	1,386,243
More than 180 days	**2,785,308**	4,044,530

The carrying amounts of the Group's trade notes and account receivables denominated in other than peso currencies are as follows:

	2021	2020
U.S. dollar	**Ps. 1,714,490**	Ps. 2,905,396
Other currencies	**46,255**	75,369
At December 31	**Ps. 1,760,745**	Ps. 2,980,765

Movements on the Group for loss allowance of trade notes and account receivables are as follows:

	2021	2020
At January 1	**Ps. (4,249,133)**	Ps. (4,846,643)
Provision for credit losses	**(1,263,083)**	(1,352,432)
Write-off of receivables	**2,260,182**	1,949,942
Reclassifications	**(109,624)**	—
At December 31	**Ps. (3,361,658)**	Ps. (4,249,133)

The maximum exposure to credit risk of the trade notes and accounts receivable as of December 31, 2021 and 2020 is the carrying amount of each class of receivables (see Note 4).

8. Transmission Rights and Programming

At December 31, 2021 and 2020, transmission rights and programming consisted of:

	2021	2020
Transmission rights	**Ps. 14,743,043**	Ps. 9,695,030
Programming	**5,689,652**	4,683,980
	20,432,695	14,379,010
Non-current portion of:		
Transmission rights	**9,823,088**	5,257,926
Programming	**3,017,938**	2,724,870
	12,841,026	7,982,796
Current portion of transmission rights and programming	**Ps. 7,591,669**	Ps. 6,396,214

Transmission rights and programming charged to consolidated cost of sales for the years ended December 31, 2021, 2020 and 2019, amounted to Ps.14,577,558, Ps.12,691,287 and Ps.14,515,285, respectively (see Note 21).

9. Investments in Financial Instruments

At December 31, 2021 and 2020, the Group had the following investments in financial instruments:

	2021	2020
Equity instruments measured at FVOCIL:		
Open-Ended Fund [1]	**Ps. 945,176**	Ps. 1,135,803
Publicly traded equity instruments [2]	**3,517,711**	5,397,504
Other equity instruments [3]	**1,607,969**	468,552
	6,070,856	7,001,859
Other	**5,223**	853
	Ps. 6,076,079	Ps. 7,002,712

(1) The Group has an investment in an Open-Ended Fund that has as a primary objective to achieve capital appreciation by using a broad range of strategies through investments in securities, including without limitation stock, debt and other financial instruments, a principal portion of which are considered as Level 1 financial instruments, in telecom, media and other sectors across global markets, including Latin America and other emerging markets. Shares may be redeemed on a quarterly basis at the Net Asset Value ("NAV") per share as of such redemption date. The fair value of this fund is determined by using the NAV per share. The NAV per share is calculated by determining the value of the fund assets, all of which are measured at fair value, and subtracting all of the fund liabilities and dividing the result by the total number of issued shares. In July and November 2019, the Company redeemed a portion of its investment in Open-Ended Fund at the aggregate fair value amount of U.S.$121.6 million (Ps.2,301,682) and recognized cash proceeds from this redemption for such aggregate amount. In September and December 2020, the Company redeemed a portion of its investment in Open-Ended Fund at the aggregate fair value amount of U.S.$153.7 million (Ps.3,155,643) and recognized cash proceeds from this redemption for such aggregate amount. In March 2021, the Company redeemed a portion of its investment in Open-Ended Fund at the aggregate fair value amount of U.S.$10.0 million (Ps.258,956) and recognized cash proceeds from this redemption for such aggregate amount. (see Note 2 (i)).

(2) Their fair value of publicly traded equity instruments is determined by using quoted market prices at the measurement date. In the first half of 2021, the Company disposed of a portion of these publicly traded equity instruments and recognized cash proceeds from this disposition in the aggregate amount of Ps.1,755,415.

(3) Other equity instruments include unquoted equity investments, which are initially recognized at cost with any subsequent changes in fair value recognized through other comprehensive income or loss. The Group disposed of these investments on January 31, 2022, in connection with the closing of the transaction with UH II (see Notes 3 and 30).

During the first quarter of 2020, as a result of revised cash flow forecasts and increasing uncertainty due to the COVID-19 pandemic, the Company's management recognized: (i) a decline in the estimated fair value of the Group's investment in warrants of UHI in the amount of Ps.21,937,152, which was accounted for in other comprehensive income or loss, net of income tax of Ps.6,581,146, for the year ended December 31, 2020; and (ii) an impairment loss that decreased the carrying amount of the Group's investment in shares of UHI in the amount of Ps.5,455,356, which was accounted for in share of income or loss of associates and joint ventures in the consolidated statement of income for the year ended December 31, 2020 (see Notes 2 (i), 10 and 15).

A roll forward of investments in financial assets at FVOCIL for the years ended December 31, 2021 and 2020 is presented as follows:

	Open-Ended Fund [1]	Publicly Traded Equity Instruments	Other Equity Instruments	Total
At January 1, 2021	**Ps. 1,135,803**	**Ps. 5,397,504**	**Ps. 468,552**	**Ps. 7,001,859**
Investments	**—**	**—**	**1,118,178**	**1,118,178**
Disposition of investments	**(258,956)**	**(1,756,434)**	**—**	**(2,015,390)**
Change in fair value in other comprehensive income (loss)	**68,329**	**(123,359)**	**21,239**	**(33,791)**
At December 31, 2021	**Ps. 945,176**	**Ps. 3,517,711**	**Ps. 1,607,969**	**Ps. 6,070,856**

	Warrants Issued by UHI [1]	Open-Ended Fund [1]	Publicly Traded Equity Instruments	Other Equity Instruments	Total
At January 1, 2020	Ps. 33,775,451	Ps. 4,688,202	Ps. 5,751,001	Ps. 50,392	Ps. 44,265,046
Investments	—	—	—	602,446	602,446
Disposition of investments	—	(3,159,970)	—	—	(3,159,970)
Change in fair value in other comprehensive loss	(16,387,752)	(392,429)	(353,497)	(184,286)	(17,317,964)
Warrants exercised for common stock of UHI	(17,387,699)	—	—	—	(17,387,699)
At December 31, 2020	Ps. —	Ps. 1,135,803	Ps. 5,397,504	Ps. 468,552	Ps. 7,001,859

[1] The foreign exchange gain in 2021 derived from the investment in Open-Ended Fund was hedged by foreign exchange loss in the consolidated statement of income for the year ended December 31, 2021, in the amount of Ps.99,673. The foreign exchange gain in 2020 derived from the warrants issued by UHI and the investment in Open-Ended Fund was hedged by foreign exchange loss in the consolidated statement of income for the year ended December 31, 2020, in the amount of Ps.5,511,412 and Ps.471,097, respectively (see Notes 14 and 23).

The maximum exposure to credit risk of the investments in financial instruments as of December 31, 2021 and 2020 is the carrying amounts of the financial assets (see Note 4).

10. Investments in Associates and Joint Ventures

At December 31, 2021 and 2020, the Group had the following investments in associates and joint ventures accounted for by the equity method:

	Ownership as of December 31, 2021	2021	2020
Associates:			
UH II and subsidiaries [1]	**35.5 %**	**Ps. 25,721,539**	Ps. 21,424,180
OCEN and subsidiaries [2]		**—**	556,251
Other		**164,903**	113,905
Joint ventures:			
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. and subsidiaries ("GTAC") [3]	**33.3 %**	**614,147**	514,731
Periódico Digital Sendero, S.A.P.I. de C.V. and subsidiary (collectively, "PDS") [4]	**50.0 %**	**203,646**	204,464
		Ps. 26,704,235	Ps. 22,813,531

(1) The Group accounts for its investment in common stock of UH II (UHI through May 18, 2021, as described below), the parent company of Univision, under the equity method due to the Group's ability to exercise significant influence, as defined under IFRS Standards, over UH II's operations. The Group has the ability to exercise significant influence over the operating and financial policies of UH II because (i) it owns 5,701,335 Class "A" shares of common stock of UH II, representing 35.5% and 35.9% of the outstanding shares of UH II and UHI on a fully-diluted basis, respectively, as of December 31, 2021 and 2020, respectively, and 40.1% and 40.6% of the voting shares of UH II and UHI, respectively, as of December 31, 2021 and 2020, respectively; and (ii) it has designated three members of the Board of Directors of TelevisaUnivision (formerly, UH II), one of which serves as the Chairman. The Chairman does not presently have tie-breaking vote or other similar power in connection with any decisions of the Board. The governing documents of TelevisaUnivision provide for a 13-member Board of Directors; however, the Board of Directors currently consists of 11 members, and the Group has the right to appoint two additional members. Through December 29, 2020, the date on which the Group exercised all of its outstanding warrants for common shares of UHI, the Group had the ability to exercise significant influence over the operating and financial policies of UHI because (i) it owned 1,110,382 Class "C" shares of common stock of UHI, representing 10% of the outstanding total shares of UHI and 14% of the voting shares of UHI, and 4,590,953 warrants issued by UHI, which upon their exercise, and together with the former investment in shares of UHI, represented approximately 36% on a fully-diluted, as-converted basis of the equity in UHI; and (ii) it had three officers and one director of the Company designated as members of the Board of Directors of UHI, which was composed of 19 directors of 22 available Board seats. Until January 31, 2022, the Group was also a party to a Program Licensing Agreement ("PLA"), as amended, with Univision, pursuant to which Univision had the right to broadcast certain Televisa content in the United States, and to another program license agreement pursuant to which the Group had the right to broadcast certain Univision content in Mexico, in each case through 7.5 years after the Group had voluntarily sold two-thirds of its initial investment in UHI. On February 25, 2020, UHI, Searchlight Capital Partners, LP ("Searchlight"), a global private investment firm, and ForgeLight LLC ("ForgeLight"), an operating and investment company focused on the media and consumer technology sectors, announced a definitive agreement in which Searchlight and ForgeLight would acquire a majority ownership interest in UHI from all stockholders of UHI other than the Group. Terms of the transaction were not publicly disclosed. The Group elected to retain its approximately 36% stake in UHI's equity upon exercise of its warrants for shares of UHI common stock. Under the terms of the acquisition, Searchlight and ForgeLight would purchase the remaining 64% ownership interest from the other stockholders of UHI. The transaction closed on December 29, 2020. In conjunction with this transaction and a related decline in the estimated fair value of the Group's investment in warrants issued by UHI, the Company's management recognized an impairment loss in the amount of U.S.$228.6 million (Ps.5,455,356) that decreased the carrying amount of the Group's investment in shares of UHI in the first quarter of 2020. This impairment adjustment was accounted for in share of income or loss of associates and joint ventures in the Group's consolidated statement of income for the year ended December 31, 2020. On May 18, 2021, UHI concluded a reorganization through a series of transactions (the "Reorganization") pursuant to which, among other things, UH II acquired a controlling financial interest in UHI on that date. The Reorganization was effectuated by UHI in connection with the transaction with the Group concluded on January 31, 2022. As a result of the Reorganization of UHI: (i) the Group and other existing stockholders of UHI exchanged their shares of the capital stock of UHI for the same number and class of newly issued shares of UH II; (ii) UHI issued common stock to a new investor and then these shares were exchanged for shares in UH II; (iii) the Group held an equity interest in the capital stock of UH II of 35.5% on a fully-diluted basis; and (iv) UH II became a successor company of UHI. In connection with the Reorganization of UHI, and other observable indications that the value of the Group's net investment in UH II increased significantly during 2021 (including internal and external valuations of the recoverable amount of UH II), in the second half of 2021 the Group's management assessed whether there was any indication that the impairment loss recognized by the Group in the first quarter of 2020 for its net investment in shares of UHI might no longer exist or might have decreased. As a result, the Group's management concluded that there had been a change in the estimates used to determine the recoverable amount of the Group's net investment in UH II since the last impairment loss was recognized, and the carrying amount of such net investment was increased to its recoverable amount. The reversal of the impairment loss amounted to U.S.$199.1 million (Ps.4,161,704) and was recognized in share of income of associates and joint ventures in the Group's consolidated statement of income for the year ended December 31, 2021 (see Notes 1, 2 (a), 3, 9, 15, 20, 23 and 30).

(2) OCEN is engaged in the live entertainment business in Mexico, Central America and Colombia. In 2020, the stockholders of OCEN did not receive any dividends. Beginning on May 31, 2020, the Company (i) ceased to classify the investment in OCEN as current assets held for sale; (ii) began to classify its equity interest in OCEN as an investment in associates and joint ventures in its consolidated statement of financial position; (iii) recognized in consolidated retained earnings as of January 1, 2020, its share of income of OCEN, which was discontinued from August 1 through December 31, 2019, in the amount of Ps.147,975; and (iv) began to recognize its share of income or loss of OCEN since January 1, 2020. As of September 30, 2021, the Group classified this non-current investment, which included goodwill of Ps.359,613, as current assets held for sale, and beginning on October 1, 2021, the Group discontinued the use of the equity method to account for the investment in this associate. OCEN was disposed of by the Group in December 2021 (see Notes 3 and 20).

(3) GTAC was granted a 20-year contract for the lease of a pair of dark fiber wires held by the Mexican Federal Electricity Commission and a concession to operate a public telecommunications network in Mexico with an expiration date in 2030. GTAC is a joint venture in which a subsidiary of the Company, a subsidiary of Grupo de Telecomunicaciones Mexicanas, S.A. de C.V. and a subsidiary of Megacable, S.A. de C.V. have an equal equity participation of 33.3%. In June 2010, a subsidiary of the Company entered into a long-term credit facility agreement to provide financing to GTAC for up to Ps.688,217 , with an annual interest rate of the Mexican Interbank Interest Rate ("Tasa de Interés Interbancaria de Equilibrio" or "TIIE") plus 200 basis points. Under the terms of this agreement, principal and interest are payable at dates agreed by the parties, between 2013 and 2021. As of December 31, 2021 and 2020, GTAC had used a principal amount of Ps.688,183, under this credit facility. During the year ended December 31, 2021 and 2020, GTAC paid principal and interest to the Group in connection with this credit facility in the aggregate principal amount of Ps.97,342 and Ps.123,390, respectively. Also, a subsidiary of the Company entered into supplementary long-term loans to provide additional financing to GTAC for an aggregate principal amount of Ps.1,077,732, with an annual interest of TIIE plus 200 basis points computed on a monthly basis and payable on an annual basis or at dates agreed by the parties. Under the terms of these supplementary loans, principal amounts can be prepaid at dates agreed by the parties before their maturities between 2023 and 2030. During the years ended December 31, 2021 and 2020, GTAC paid principal and interest to the Group in connection with this credit facility in the aggregate principal amount of Ps.147,413 and Ps.122,656, respectively. The net investment in GTAC as of December 31, 2021 and 2020, included amounts receivable in connection with this long-term credit facility and supplementary loans to GTAC in the aggregate amount of Ps.755,973 and Ps.821,253, respectively. These amounts receivable are in substance a part of the Group's net investment in this investee (see Note 15).

(4) The Group accounts for its investment in PDS under the equity method, due to its 50% interest in this joint venture. In September 2017, PDS acquired substantially all of the equity interest in Now New Media, S.A.P.I. de C.V., an online news website in Mexico City, in the aggregate amount of Ps.81,749. As of December 31, 2021 and 2020, the Group's investment in PDS included intangible assets and goodwill in the aggregate amount of Ps.113,837.

A roll forward of investments in associates and joint ventures for the years ended December 31, 2021 and 2020, is presented as follows:

	2021	2020
At January 1	**Ps. 22,813,531**	Ps. 9,762,432
Impairment loss in investment in shares of UHI	**—**	(5,455,356)
Reversal of impairment loss	**4,161,704**	—
Share of loss of associates and joint ventures, net	**(489,827)**	(284,312)
Share of other comprehensive income (loss) of associates	**245,714**	(61,033)
Long-term loans granted to GTAC, net	**131,604**	132,926
Foreign currency translation adjustments	**505,183**	1,360,735
GTAC payments of principal and interest	**(244,755)**	(246,046)
Disposition of OCEN	**(503,872)**	—
Exercise of warrants for UHI shares	**—**	17,387,699
Additional share of income of OCEN (see Note 3)	**—**	147,975
Dividends from PDS	**(10,000)**	—
Investment in Flyacross (other associate)	**43,855**	—
Other	**51,098**	68,511
At December 31	**Ps. 26,704,235**	Ps. 22,813,531

IFRS summarized financial information of UHI II as of December 31, 2021 and for the year then ended, and UHI as of December 31, 2020, and for the years ended December 31, 2021 and 2020, is set forth below.

IFRS summarized financial information of UH II and UHI as of December 31, 2021 and 2020, respectively (amounts in thousands of U.S. dollars):

	2021	2020
Current assets	**U.S.$ 2,579,100**	U.S.$ 1,470,301
Non-current assets	**11,729,470**	8,249,358
Total assets	**14,308,570**	9,719,659
Current liabilities	**691,600**	712,300
Non-current liabilities	**10,619,970**	8,630,459
Total liabilities	**11,311,570**	9,342,759
Total net assets	**U.S.$ 2,997,000**	U.S.$ 376,900

The table below reconciles the summarized financial information of UH II and UHI to the carrying amount of the Group´s interest in UH II and UHI as of December 31, 2021 and 2020, respectively (amounts in thousands of U.S. dollars):

	2021	2020
Ownership as of December 31	**35.5** %	35.9 %
Group's share of net assets	**U.S.$ 1,065,225**	U.S.$ 135,307
Group's share of net assets	**Ps. 21,840,404**	Ps. 2,699,282
Goodwill, purchase price allocation and other adjustments	**3,881,135**	18,724,898
Carrying amount of the Group´s interest in UH II and UHI	**Ps. 25,721,539**	Ps. 21,424,180

IFRS summarized financial information of UH II for the year ended December 31, 2021, and UHI for the years ended December 31, 2020 and 2019 (amounts in thousands of U.S. dollars):

	2021	2020	2019
Revenue	**U.S.$ 2,841,000**	U.S.$ 2,541,900	U.S.$ 2,687,900
Income from continuing operations	**587,000**	36,400	290,200
Post-tax loss from discontinued operations	**—**	—	(13,200)
Net income	**587,000**	36,400	277,000
Other comprehensive income (loss)	**32,000**	(23,700)	(99,000)
Total comprehensive income	**619,000**	12,700	178,000
Dividends received from UHI	**—**	—	—

The table below reconciles the summarized financial information of UH II (formerly, UHI) to the carrying amount of the Group´s interest in UH II (formerly, UHI) for the years ended December 31, 2021, 2020 and 2019 (amounts in thousands of U.S. dollars):

	2021	2020	2019
Net income	**U.S.$ 208,638**	U.S.$ 3,635	U.S.$ 27,668
Other comprehensive income (loss)	**11,374**	(2,367)	(9,889)
Net income	**Ps. 4,232,441**	Ps. 78,133	Ps. 532,896
Other comprehensive income (loss)	**232,773**	(50,872)	(190,457)
Purchase price allocation and other adjustments:			
Net loss adjustments	**(4,834,744)**	(79,163)	(55,058)
Other comprehensive income or loss adjustments	**—**	(6,657)	(45,263)
Group's interest in UHI:			
Net (loss) income	**(602,303)**	(1,030)	477,838
Other comprehensive income (loss)	**232,773**	(57,529)	(235,720)
Reversal of impairment loss (impairment loss adjustment)	**4,161,704**	(5,455,356)	—

Combined condensed balance sheet information related to the Group's share in associates other than UH II (formerly, UHI) as of December 31, 2021 and 2020, including adjustments made by the Group when using the equity method, such as fair value adjustments made at the time of acquisition, is set forth below:

	2021	2020
Current assets	**Ps. 196,110**	Ps. 923,784
Non-current assets	**118,207**	967,584
Total assets	**314,317**	1,891,368
Current liabilities	**154,957**	1,229,246
Non-current liabilities	**23,459**	315,260
Total liabilities	**178,416**	1,544,506
Net assets	**Ps. 135,901**	Ps. 346,862
Goodwill, purchase price allocation and other adjustments	**29,002**	323,294
Carrying amount of the Group´s interest in associates	**Ps. 164,903**	Ps. 670,156

Combined condensed balance sheet information related to the Group's share in joint ventures as of December 31, 2021 and 2020, including adjustments made by the Group when using the equity method, such as fair value adjustments made at the time of acquisition, is set forth below:

	2021	2020
Current assets	**Ps. 159,619**	Ps. 151,151
Non-current assets	**651,674**	541,861
Total assets	**811,293**	693,012
Current liabilities	**75,110**	45,320
Non-current liabilities	**788,200**	860,357
Total liabilities	**863,310**	905,677
Net assets	**Ps. (52,017)**	Ps. (212,665)
Goodwill, purchase price allocation and other adjustments	**113,837**	110,607
Long-term loans granted to GTAC, net	**755,973**	821,253
Carrying amount of the Group´s interest in joint ventures	**Ps. 817,793**	Ps. 719,195

The Group recognized its share of comprehensive income (loss) of associates and joint ventures other than UHI for the years ended December 31, 2021, 2020 and 2019, as follows:

	2021	2020	2019
Share of income (loss) of associates and joint ventures, net	**Ps. 112,476**	Ps. (283,282)	Ps. 103,185
Share of other comprehensive income (loss) of associates and joint ventures:			
Foreign currency translation adjustments, net	**58**	1,757	(2,556)
Other items of comprehensive income (loss), net	**12,883**	(5,261)	2,117
	12,941	(3,504)	(439)
Share of comprehensive income (loss) of associates and joint ventures	**Ps. 125,417**	Ps. (286,786)	Ps. 102,746

11. Property, Plant and Equipment, Net

The analysis of the changes in property, plant and equipment is as follows:

	Buildings and Land	Technical Equipment	Satellite Transponders	Furniture and Fixtures	Transportation Equipment	Computer Equipment	Leasehold Improvements	Construction and Projects in Progress [1]	Total
Cost:									
January 1, 2020	Ps. 14,509,206	Ps. 141,966,642	Ps. 6,026,094	Ps. 1,158,745	Ps. 3,000,322	Ps. 8,548,265	Ps. 3,434,374	Ps. 13,714,368	Ps. 192,358,016
Additions	6,252	12,384,030	—	24,562	75,219	253,783	19,283	7,368,609	20,131,738
Dismantling cost	—	71,241	—	—	-	—	—	—	71,241
Retirements and reclassifications to other accounts	(53,559)	(547,789)	—	(2,426)	(45,726)	(72,113)	(627)	(2,575,544)	(3,297,784)
Transfers from intangibles assets, net	—	(2,725)	—	—	-	—	—	(1,042,340)	(1,045,065)
Transfers and reclassifications	415,289	3,381,566	—	82,855	92,370	467,754	152,591	(4,592,425)	—
Effect of translation	9,724	9,223	—	64	47	693	15	1,002	20,768
December 31, 2020	14,886,912	157,262,188	6,026,094	1,263,800	3,122,232	9,198,382	3,605,636	12,873,670	208,238,914
Additions	2,290	14,334,876	—	68,201	395,005	339,967	17,508	8,110,000	23,267,847
Dismantling cost	—	69,350	—	—	-	—	—	—	69,350
Retirements and reclassifications to other accounts	(93,883)	(2,423,831)	—	(62,210)	(280,189)	(618,714)	(19,860)	(1,055,858)	(4,554,545)
Transfers from intangibles assets, net	—	—	—	—	-	—	—	(547,940)	(547,940)
Transfers and reclassifications	412,054	3,513,272	—	28,976	170,788	594,158	125,175	(4,844,423)	—
Effect of translation	(4,773)	39,351	—	36	71	306	37	97	35,125
December 31, 2021	**Ps. 15,202,600**	**Ps. 172,795,206**	**Ps. 6,026,094**	**Ps. 1,298,803**	**Ps. 3,407,907**	**Ps. 9,514,099**	**Ps. 3,728,496**	**Ps. 14,535,546**	**Ps. 226,508,751**
Depreciation:									
January 1, 2020	Ps. (5,072,076)	Ps. (89,317,039)	Ps. (3,688,655)	Ps. (603,959)	Ps. (1,805,004)	Ps. (6,232,223)	Ps. (2,309,828)	Ps. —	Ps. (109,028,784)
Depreciation of the year	(268,684)	(15,545,278)	(282,414)	(116,651)	(267,356)	(945,389)	(263,731)	—	(17,689,503)
Retirements	37,704	1,622,089	—	2,208	41,131	71,752	35	—	1,774,919
Effect of translation	(4,703)	(8,642)	—	(69)	(37)	(452)	(16)	—	(13,919)
December 31, 2020	(5,307,759)	(103,248,870)	(3,971,069)	(718,471)	(2,031,266)	(7,106,312)	(2,573,540)	—	(124,957,287)
Depreciation of the year	(304,842)	(15,641,059)	(282,414)	(117,255)	(262,008)	(848,426)	(274,546)	—	(17,730,550)
Retirements	70,754	3,326,801	—	58,751	127,440	557,776	(133)	—	4,141,389
Effect of translation	(1,362)	(38,575)	—	(28)	(69)	(110)	(33)	—	(40,177)
December 31, 2021	**Ps. (5,543,209)**	**Ps. (115,601,703)**	**Ps. (4,253,483)**	**Ps. (777,003)**	**Ps. (2,165,903)**	**Ps. (7,397,072)**	**Ps. (2,848,252)**	**Ps. —**	**Ps. (138,586,625)**
Carrying amount:									
At January 1, 2020	Ps. 9,437,130	Ps. 52,649,603	Ps. 2,337,439	Ps. 554,786	Ps. 1,195,318	Ps. 2,316,042	Ps. 1,124,546	Ps. 13,714,368	Ps. 83,329,232
At December 31, 2020	Ps. 9,579,153	Ps. 54,013,318	Ps. 2,055,025	Ps. 545,329	Ps. 1,090,966	Ps. 2,092,070	Ps. 1,032,096	Ps. 12,873,670	Ps. 83,281,627
At December 31, 2021	**Ps. 9,659,391**	**Ps. 57,193,503**	**Ps. 1,772,611**	**Ps. 521,800**	**Ps. 1,242,004**	**Ps. 2,117,027**	**Ps. 880,244**	**Ps. 14,535,546**	**Ps. 87,922,126**

(1) Retirements and reclassifications to other accounts include: (i) set-up box refurbishment projects that are subsequently reclassified to inventory in order to be assigned or sold to a customer; and (ii) projects in progress related to certain costs that are reclassified to programming when a specific program benefits from those costs.

Depreciation charges are presented in Note 21.

Property, plant and equipment include the following technical equipment leased to subscribers in the Cable and Sky segments as of December 31:

	2021	2020
Subscriber leased set-top equipment	**Ps. 47,813,940**	Ps. 42,564,180
Accumulated depreciation	**(30,316,415)**	(26,885,031)
	Ps. 17,497,525	Ps. 15,679,149

12. Right-of-use Assets, Net

The analysis of the changes of right-of-use assets, net, is as follows:

	Buildings	Satellite Transponders	Technical Equipment	Computer Equipment	Others	Total
Cost:						
January 1, 2020	Ps. 5,085,242	Ps. 4,275,619	Ps. 1,688,829	Ps. —	Ps. 58,021	Ps. 11,107,711
Additions	655,135	—	195,153	—	66,791	917,079
Reclassifications	(107,075)	—	—	—	107,075	—
Retirements	(169,899)	—	—	—	(749)	(170,648)
Effect of translation	1,181	—	—	—	—	1,181
December 31, 2020	Ps. 5,464,584	Ps. 4,275,619	Ps. 1,883,982	Ps. —	Ps. 231,138	Ps. 11,855,323
Additions	**1,166,607**	**—**	**115,591**	**437,361**	**154,159**	**1,873,718**
Retirements	**(342,237)**	**—**	**—**	**—**	**(63,837)**	**(406,074)**
Effect of translation	**270**	—	—	—	—	**270**
December 31, 2021	**Ps. 6,289,224**	**Ps. 4,275,619**	**Ps. 1,999,573**	**Ps. 437,361**	**Ps. 321,460**	**Ps. 13,323,237**
Depreciation:						
January 1, 2020	Ps. (608,513)	Ps. (2,066,549)	Ps. (847,437)	Ps. —	Ps. (32,160)	Ps. (3,554,659)
Depreciation of the year	(607,791)	(285,041)	(140,985)	—	(62,957)	(1,096,774)
Reclassifications	35,312	—	—	—	(35,312)	—
Retirements	4,211	—	156	—	3,806	8,173
Effect of translation	102	—	—	—	—	102
December 31, 2020	Ps. (1,176,679)	Ps. (2,351,590)	Ps. (988,266)	Ps. —	Ps. (126,623)	Ps. (4,643,158)
Depreciation of the year	**(611,120)**	**(285,042)**	**(132,862)**	**(83,342)**	**(35,682)**	**(1,148,048)**
Retirements	**72,065**	**—**	**352**	**—**	**223**	**72,640**
Effect of translation	**(104)**	—	—	—	—	**(104)**
December 31, 2021	**Ps. (1,715,838)**	**Ps. (2,636,632)**	**Ps. (1,120,776)**	**Ps. (83,342)**	**Ps. (162,082)**	**Ps. (5,718,670)**
Carrying amount:						
At January 1, 2020	Ps. 4,476,729	Ps. 2,209,070	Ps. 841,392	Ps. —	Ps. 25,861	Ps. 7,553,052
At December 31, 2020	Ps. 4,287,905	Ps. 1,924,029	Ps. 895,716	Ps. —	Ps. 104,515	Ps. 7,212,165
At December 31, 2021	**Ps. 4,573,386**	**Ps. 1,638,987**	**Ps. 878,797**	**Ps. 354,019**	**Ps. 159,378**	**Ps. 7,604,567**

Depreciation charges are presented in Note 21.

13. Intangible Assets and Goodwill, Net

As of December 31, 2021 and 2020, intangible assets and goodwill are summarized as follows:

	2021			2020		
	Cost	Accumulated Amortization	Carrying Amount	Cost	Accumulated Amortization	Carrying Amount
Intangible assets and goodwill with indefinite useful lives:						
Trademarks	**Ps. 35,242**	**Ps. —**	**Ps. 35,242**	Ps. 35,242	Ps. —	Ps. 35,242
Concessions	**15,166,067**	**—**	**15,166,067**	15,166,067	—	15,166,067
Goodwill	**14,036,657**	**—**	**14,036,657**	14,113,626	—	14,113,626
	29,237,966	**—**	**29,237,966**	29,314,935	—	29,314,935
Intangible assets with finite useful lives:						
Trademarks	**2,227,096**	**(2,043,442)**	**183,654**	2,227,096	(1,971,314)	255,782
Concessions	**553,505**	**(553,505)**	**—**	553,505	(442,804)	110,701
Licenses and software	**14,831,874**	**(9,672,946)**	**5,158,928**	13,139,480	(8,446,906)	4,692,574
Subscriber lists	**8,806,951**	**(7,574,668)**	**1,232,283**	8,804,334	(7,258,070)	1,546,264
Payments for renewal of concessions	**5,825,559**	**—**	**5,825,559**	5,825,559	—	5,825,559
Other intangible assets	**5,446,636**	**(4,829,145)**	**617,491**	5,169,795	(4,191,392)	978,403
	37,691,621	**(24,673,706)**	**13,017,915**	35,719,769	(22,310,486)	13,409,283
	Ps. 66,929,587	**Ps. (24,673,706)**	**Ps. 42,255,881**	Ps. 65,034,704	Ps. (22,310,486)	Ps. 42,724,218

Changes in intangible assets and goodwill with indefinite useful lives in 2021 and 2020, were as follows:

	2021			
	Trademarks	Concessions	Goodwill	Total
Cost:				
Balance at beginning of period	**Ps. 35,242**	**Ps. 15,166,067**	**Ps. 14,113,626**	**Ps. 29,314,935**
Impairment adjustments	**—**	**—**	**(76,969)**	**(76,969)**
Balance at end of period	**Ps. 35,242**	**Ps. 15,166,067**	**Ps. 14,036,657**	**Ps. 29,237,966**

	2020			
	Trademarks	Concessions	Goodwill	Total
Cost:				
Balance at beginning of period	Ps. 175,444	Ps. 15,166,067	Ps. 14,113,626	Ps. 29,455,137
Impairment adjustments	(40,803)	—	—	(40,803)
Transfers and reclassifications	(99,399)	—	—	(99,399)
Balance at end of period	Ps. 35,242	Ps. 15,166,067	Ps. 14,113,626	Ps. 29,314,935

Changes in intangible assets with finite useful lives in 2021 and 2020, were as follows:

	2021						
	Trademarks	Concessions	Licenses and Software	Subscriber Lists	Payments for Renewal of Concessions	Other Intangible Assets	Total
Cost:							
Balance at beginning of period	**Ps. 2,227,096**	**Ps. 553,505**	**Ps. 13,139,480**	**Ps. 8,804,334**	**Ps. 5,825,559**	**Ps. 5,169,795**	**Ps. 35,719,769**
Additions	**—**	**—**	**1,599,671**	**—**	**—**	**299,793**	**1,899,464**
Transfers from (to) property, plant and equipment	**—**	**—**	**609,974**	**—**	**—**	**(62,034)**	**547,940**
Retirements and impairment adjustments	**—**	**—**	**(643,888)**	**—**	**—**	**—**	**(643,888)**
Transfers and reclassifications	**—**	**—**	**117,716**	**—**	**—**	**39,278**	**156,994**
Effect of translation	**—**	**—**	**8,921**	**2,617**	**—**	**(196)**	**11,342**
Balance at end of period	**2,227,096**	**553,505**	**14,831,874**	**8,806,951**	**5,825,559**	**5,446,636**	**37,691,621**
Amortization:							
Balance at beginning of period	**(1,971,314)**	**(442,804)**	**(8,446,906)**	**(7,258,070)**	**—**	**(4,191,392)**	**(22,310,486)**
Amortization of the year	**(72,128)**	**(110,701)**	**(1,741,517)**	**(313,981)**	**—**	**(301,444)**	**(2,539,771)**
Other amortization of the year [1]	**—**	**—**	**—**	**—**	**—**	**(329,144)**	**(329,144)**
Retirements and impairment adjustments	**—**	**—**	**516,045**	**—**	**—**	**—**	**516,045**
Effect of translation	**—**	**—**	**(568)**	**(2,617)**	**—**	**(7,165)**	**(10,350)**
Balance at end of period	**(2,043,442)**	**(553,505)**	**(9,672,946)**	**(7,574,668)**	**—**	**(4,829,145)**	**(24,673,706)**
	Ps. 183,654	**Ps. —**	**Ps. 5,158,928**	**Ps. 1,232,283**	**Ps. 5,825,559**	**Ps. 617,491**	**Ps. 13,017,915**

	2020						
	Trademarks	Concessions	Licenses and Software	Subscriber Lists	Payments for Renewal of Concessions	Other Intangible Assets	Total
Cost:							
Balance at beginning of period	Ps. 2,127,697	Ps. 553,505	Ps. 10,858,388	Ps. 8,782,852	Ps. 5,821,828	Ps. 5,198,960	Ps. 33,343,230
Additions	—	—	959,813	—	3,731	271,633	1,235,177
Transfers from (to) property, plant and equipment	—	—	1,247,347	—	—	(202,282)	1,045,065
Retirements	—	—	(28,127)	—	—	(25,013)	(53,140)
Transfers and reclassifications	99,399	—	84,823	16,428	—	(73,124)	127,526
Effect of translation	—	—	17,236	5,054	—	(379)	21,911
Balance at end of period	2,227,096	553,505	13,139,480	8,804,334	5,825,559	5,169,795	35,719,769
Amortization:							
Balance at beginning of period	(1,899,187)	(332,103)	(6,843,169)	(6,632,419)	—	(3,762,535)	(19,469,413)
Amortization of the year	(72,127)	(110,701)	(1,717,282)	(523,878)	—	(50,522)	(2,474,510)
Other amortization of the year [1]	—	—	—	—	—	(380,863)	(380,863)
Retirements	—	—	28,127	—	—	2,003	30,130
Reclassifications	—	—	96,304	(96,719)	—	415	—
Effect of translation	—	—	(10,886)	(5,054)	—	110	(15,830)
Balance at end of period	(1,971,314)	(442,804)	(8,446,906)	(7,258,070)	—	(4,191,392)	(22,310,486)
	Ps. 255,782	Ps. 110,701	Ps. 4,692,574	Ps. 1,546,264	Ps. 5,825,559	Ps. 978,403	Ps. 13,409,283

(1) Other amortization of the year relates primarily to amortization of soccer player rights, which is included in consolidated cost of sales.

All of the amortization charges are presented in Note 21.

The changes in the net carrying amount of goodwill, indefinite-lived trademarks and concessions for the year ended December 31, 2021 and 2020, were as follows:

	Balance as of January 1, 2021	Acquisitions	Retirements	Foreign Currency Translation Adjustments	Impairment Adjustments	Transfers	Balance as of December 31, 2021
Goodwill:							
Cable	Ps. 13,794,684	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 13,794,684**
Content	241,973	—	—	—	—	—	**241,973**
Other Businesses	76,969	—	—	—	(76,969)	—	**—**
	Ps. 14,113,626	Ps. —	Ps. —	Ps. —	Ps. (76,969)	Ps. —	**Ps. 14,036,657**
Indefinite-lived trademarks (see Note 3):							
Cable	Ps. 32,813	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 32,813**
Other Businesses	2,429	—	—	—	—	—	**2,429**
	Ps. 35,242	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 35,242**
Indefinite-lived concessions (see Note 3):							
Cable	Ps. 15,070,025	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 15,070,025**
Sky	96,042	—	—	—	—	—	**96,042**
	Ps. 15,166,067	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 15,166,067**

	Balance as of January 1, 2020	Acquisitions	Retirements	Foreign Currency Translation Adjustments	Impairment Adjustments	Transfers	Balance as of December 31, 2020
Goodwill:							
Cable	Ps. 13,794,684	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 13,794,684
Content	241,973	—	—	—	—	—	241,973
Other Businesses	76,969	—	—	—	—	—	76,969
	Ps. 14,113,626	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 14,113,626
Indefinite-lived trademarks (see Note 3):							
Cable	Ps. 132,212	Ps. —	Ps. —	Ps. —	Ps. —	Ps. (99,399)	Ps. 32,813
Other Businesses	43,232	—	—	—	(40,803)	—	2,429
	Ps. 175,444	Ps. —	Ps. —	Ps. —	Ps. (40,803)	Ps. (99,399)	Ps. 35,242
Indefinite-lived concessions (see Note 3):							
Cable	Ps. 15,070,025	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 15,070,025
Sky	96,042	—	—	—	—	—	96,042
	Ps. 15,166,067	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 15,166,067

During the second half of 2021 and 2020, the Group monitored the market associated with its Publishing business, which is classified into the Other Businesses segment, which has experienced a general slow-down in Latin America. Accordingly, the Group reduced its cash flow expectations for some of its foreign operations. As a result, the Group compared the fair value of the intangible assets in the reporting units with the related carrying amount and recorded an aggregate impairment charge in connection with trademarks Ps.40,803, in other expense, net, in the consolidated statements of income for the year ended December 31, 2020.

The key assumptions used for either fair value or value in use calculations of goodwill and intangible assets in 2021, were as follows (see Note 15):

	Cable	
	Minimum	**Maximum**
Value in use calculations:		
Long-term growth rate	**4.00 %**	**4.00 %**
Discount rate	**10.00 %**	**10.60 %**
Pre-tax discount rate	**13.66 %**	**16.50 %**
Fair value calculations:		
Multiple of sales	**2.2**	**3.3**
Multiple of EBITDA (as defined)	**6.8**	**7.9**

The key assumptions used for either fair value or value in use calculations of goodwill and intangible assets in 2020, were as follows (see Note 15):

	Cable	
	Minimum	**Maximum**
Value in use calculations:		
Long-term growth rate	3.70 %	3.90 %
Discount rate	10.50 %	11.60 %
Fair value calculations:		
Multiple of sales	2.3	3.4
Multiple of EBITDA (as defined)	6.3	8.2

Management has identified that a reasonable possible change in the key assumptions identified above could cause the carrying amount to exceed in 2021 the recoverable amount of one of the five CGUs with indefinite-life intangible assets tested for impairment. The change required for the carrying amount to equal the recoverable amount is a 2.8% increase in the discount rate (equivalent to a 30 basis point change) or a 2.0% decrease in the long term growth rate (equivalent to a 10 basis point change).

As described in Note 2 (l), in 2015, the Company's management estimated the remaining useful life of four years for acquired trademarks in specific locations of Mexico, in connection with the migration to an internally developed trademark in the Group's Cable segment.

In the fourth quarter of 2017, the Company's management reviewed the useful life of certain Group's television concessions accounted for as intangible assets in conjunction with the payment made in 2018 for renewal of concessions expiring in 2021, which amount was determined by the IFT before the renewal date (see Note 2 (b)). Based on such review, the Group classified these concessions as intangible assets with a finite useful life and began to amortize the related net carrying amount of Ps.553,505 in a period ending in 2021. Amortization of these concessions with a finite useful life amounted to Ps.110,701 for each of the years ended December 31, 2021 and 2020.

14. Debt and Lease Liabilities

Debt and lease liabilities outstanding as of December 31, 2021 and 2020, were as follows:

		2021				2020
	Effective Interest Rate	Interest Payable	Principal	Finance Costs	Principal, net of finance cost	Principal, net of finance cost
U.S. dollar Senior Notes:						
6.625% Senior Notes due 2025 [1]	7.60 %	Ps. 230,916	Ps. 12,301,860	Ps. (124,505)	**Ps. 12,177,355**	Ps. 12,031,444
4.625% Senior Notes due 2026 [1]	5.03 %	142,240	6,150,930	(19,457)	**6,131,473**	6,098,764
8.50% Senior Notes due 2032 [1]	9.00 %	159,753	6,150,930	(18,104)	**6,132,826**	6,120,358
6.625% Senior Notes due 2040 [1]	7.05 %	443,721	12,301,860	(114,115)	**12,187,745**	12,280,831
5% Senior Notes due 2045 [1]	5.39 %	148,078	20,503,100	(396,054)	**20,107,046**	19,680,412
6.125% Senior Notes due 2046 [1]	6.47 %	565,117	18,452,790	(114,497)	**18,338,293**	18,384,939
5.25% Senior Notes due 2049 [1]	5.59 %	80,731	15,377,325	(283,857)	**15,093,468**	14,746,315
Total U.S. dollar debt		1,770,556	91,238,795	(1,070,589)	**90,168,206**	89,343,063
Mexican peso debt:						
8.79% Notes due 2027 [2]	8.84 %	96,690	4,500,000	(13,762)	**4,486,238**	4,579,469
8.49% Senior Notes due 2037 [1]	8.94 %	31,838	4,500,000	(11,178)	**4,488,822**	4,519,935
7.25% Senior Notes due 2043 [1]	7.92 %	58,906	6,500,000	(50,723)	**6,449,277**	6,512,360
Bank loans [3]	6.64 %	57,370	16,000,000	(60,517)	**15,939,483**	15,918,322
Bank loans (Sky) [4]	6.48 %	19,217	3,650,000	—	**3,650,000**	2,762,371
Bank loans (TVI) [5]	6.14 %	—	610,404	(288)	**610,116**	852,107
Total Mexican peso debt		264,021	35,760,404	(136,468)	**35,623,936**	35,144,564
Total debt [6]		2,034,577	126,999,199	(1,207,057)	**125,792,142**	124,487,627
Less: Current portion of long-term debt		2,034,577	4,110,404	(3,972)	**4,106,432**	2,551,647
Long-term debt, net of current portion		Ps. —	Ps. 122,888,795	Ps. (1,203,085)	**Ps. 121,685,710**	Ps. 121,935,980

	2021	2020
Lease liabilities:		
Satellite transponder lease liabilities [7]	**Ps. 3,457,524**	Ps. 3,818,559
Other lease liabilities [8]	**689,483**	728,500
Lease liabilities recognized beginning on January 1, 2019 [8]	**5,533,552**	4,745,292
Total lease liabilities	**9,680,559**	9,292,351
Less: Current portion	**1,478,382**	1,277,754
Lease liabilities, net of current portion	**Ps. 8,202,177**	Ps. 8,014,597

(1) The Senior Notes due between 2025 and 2049, in the aggregate outstanding principal amount of U.S.$4,450 million and Ps.11,000,000, are unsecured obligations of the Company, rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of the Company, and are junior in right of payment to all of the existing and future liabilities of the Company's subsidiaries. Interest rate on the Senior Notes due 2025, 2026, 2032, 2037, 2040, 2043, 2045, 2046 and 2049, including additional amounts payable in respect of certain Mexican withholding taxes, is 6.97%, 4.86%, 8.94%, 8.93%, 6.97%, 7.62%, 5.26%, 6.44% and 5.52% per annum, respectively, and is payable semi-annually. These Senior Notes may not be redeemed prior to maturity, except: (i) in the event of certain changes in law affecting the Mexican withholding tax treatment of certain payments on the securities, in which case the securities will be redeemable, in whole or in part, at the option of the Company; and (ii) in the event of a change of control, in which case the Company may be required to redeem the securities at 101% of their principal amount. Also, the Company may, at its own option, redeem the Senior Notes due 2025, 2026, 2037, 2040, 2043, 2046 and 2049, in whole or in part, at any time at a redemption price equal to the greater of the principal amount of these Senior Notes or the present value of future cash flows, at the redemption date, of principal and interest amounts of the Senior Notes discounted at a fixed rate of comparable U.S. or Mexican sovereign bonds. The Senior Notes due 2026, 2032, 2040, 2043, 2045, 2046 and 2049 were priced at 99.385%, 99.431%, 98.319%, 99.733%, 96.534%, 99.677% and 98.588%, respectively, for a yield to maturity of 4.70%, 8.553%, 6.755%, 7.27%, 5.227%, 6.147% and 5.345%, respectively. The Senior Notes due 2025 were issued in two aggregate principal amounts of U.S.$400 million and U.S.$200 million, and were priced at 98.081% and 98.632%, respectively, for a yield to maturity of 6.802% and 6.787%, respectively. The agreement of these Senior Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions. The Senior Notes due 2025, 2026, 2032, 2037, 2040, 2045, 2046 and 2049, are registered with the U.S. Securities and Exchange Commission ("SEC"). The Senior Notes due 2043 are registered with both the SEC and the Mexican Banking and Securities Commission ("Comisión Nacional Bancaria y de Valores" or "CNBV").

(2) In 2017, the Company issued Notes ("Certificados Bursátiles") due 2027, through the BMV in the aggregate principal amount of Ps.4,500,000, interest rate on the Notes due 2027 is 8.79% per annum and is payable semi-annually. The Company may, at its own option, redeem the Notes due 2027, in whole or in part, at any semi-annual interest payment date at a redemption price equal to the greater of the principal amount of the outstanding Notes and the present value of future cash flows, at the redemption date, of principal and interest amounts of the Notes discounted at a fixed rate of comparable Mexican sovereign bonds. The agreement of the Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries appointed by the Company's Board of Directors, and engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions.

(3) In 2017, the Company entered into long-term credit agreements with three Mexican banks, in the aggregate principal amount of Ps.6,000,000, with an annual interest rate payable on a monthly basis of 28-day TIIE plus a range between 125 and 130 basis points , and principal maturities between 2022 and 2023. Under the terms of these loan agreements, the Company is required to: (a) maintain certain financial coverage ratios related to indebtedness and interest expense; and (b) comply with the restrictive covenant on certain spin-offs, mergers and similar transactions. In July 2019, the Company entered into a credit agreement for a five-year term loan with a syndicate of banks in the aggregate principal amount of Ps.10,000,000. The funds from this loan were used for general corporate purposes, including the refinancing of the Company's indebtedness. This loan bears interest at a floating rate based on a spread of 105 or 130 basis points over the 28-day TIIE rate depending on the Group's net leverage ratio. The credit agreement of this loan requires the maintenance of financial ratios related to indebtedness and interest expense.

(4) In March 2016, Sky entered into long-term credit agreements with two Mexican banks in the aggregate principal amount of Ps.5,500,000, with maturities between 2021 and 2023, and interest payable on a monthly basis with an annual interest rate in the range of 7.0% and 7.13%. In July 2020, Sky prepaid a portion of these loans in the aggregate cash amount of Ps.2,818,091, which included principal amount prepayment of Ps.2,750,000, and related accrued interest and transaction costs in the amount of Ps.68,091. In December 2021, Sky prepaid a portion of these loans in the aggregate cash amount of Ps.1,750,365, which included principal amount prepayment of Ps.1,750,000, and related accrued interest in the amount of Ps.365. In December 2021, Sky entered into long-term credit agreement with a Mexican Bank in the aggregate principal amount of Ps.2,650,000, with maturity in December 2026, which included a Ps.1,325,000 loan with an annual interest rate of 8.215% and a Ps.1,325,000 loan with an annual interest rate payable on a monthly basis of 28-day TIIE plus 90 basis points. The funds from these loans will be used for general corporate purposes, including the prepayment of Sky´s indebtedness. Under the terms of these credit agreements, Sky is required to: (a) maintain certain financial coverage ratios related to indebtedness and interest expense; and (b) comply with a restrictive covenant on spin-offs, mergers and similar transactions.

(5) In 2021 and 2020, included outstanding balances in the aggregate principal amount of Ps.610,404 and Ps. 852,893, respectively, in connection with credit agreements entered into by TVI with Mexican banks, with maturities between 2020 and 2022, bearing interest at an annual rate of TIIE plus a range between 100 and 125 basis points, which is payable on a monthly basis. This TVI long-term indebtedness is guaranteed by the Company. Under the terms of these credit agreements, TVI is required to comply with certain restrictive covenants and financial coverage ratios.

(6) Principal amount of total debt as of December 31, 2020, is presented net of unamortized finance costs in the aggregate amount of Ps.1,324,307.

(7) Under a capital lease agreement entered into with Intelsat Global Sales & Marketing Ltd. ("Intelsat") in March 2010, Sky is obligated to pay at an annual interest rate of 7.30%, a monthly fee through 2027 of U.S.$3.0 million for satellite signal reception and retransmission service from 24 KU-band transponders on satellite IS-21, which became operational in October 2012. The service term for IS-21 will end at the earlier of: (a) the end of 15 years or; (b) the date IS-21 is taken out of service (see Note 12).

(8) Lease liabilities recognized beginning on January 1, 2019, under IFRS 16, in the aggregate amount of Ps.5,533,552 and Ps.4,745,292, as of December 31, 2021 and 2020, respectively. These lease liabilities have terms which expired at various dates between 2021 and 2051. Lease liabilities also includes Ps.689,483 and Ps.728,500, as of December 31, 2021 and 2020, respectively, in connection with a lease agreement entered into by a subsidiary of the Company and GTAC for the right to use certain capacity of a telecommunications network through 2030 (see Note 20).

As of December 31, 2021 and 2020, the outstanding principal amounts of Senior Notes of the Company that have been designated as hedging instruments of the Group's investments in UH II, and the investment in Open-Ended Fund (hedged items) were as follows (see Notes 2 (e) and 4):

	December 31, 2021		December 31, 2020	
Hedged Items	**Millions of U.S. dollars**	**Thousands of Mexican pesos**	**Millions of U.S. dollars**	**Thousands of Mexican pesos**
Investment in shares of UH II (UHI, until May 18, 2021) (net investment hedge)	**U.S.$ 1,254.5**	**Ps. 25,721,539**	U.S.$ 1,074.0	Ps. 21,424,180
Open-Ended Fund (foreign currency fair value hedge)	**46.1**	**945,176**	56.9	1,135,803
Total	**U.S.$ 1,300.6**	**Ps. 26,666,715**	U.S.$ 1,130.9	Ps. 22,559,983

The foreign exchange gain or loss derived from the Company's U.S. dollar denominated long-term debt designated as a hedge, for the years ended December 31, 2021 and 2020, is analyzed as follows (see Notes 9 and 23):

Foreign Exchange Gain or Loss Derived from Senior Notes Designated as Hedging Instruments	**Year Ended December 31, 2021**	**Year Ended December 31, 2020**
Recognized in:		
Comprehensive loss	**Ps. (604,856)**	Ps. (7,343,244)
Total foreign exchange loss derived from hedging Senior Notes	**Ps. (604,856)**	Ps. (7,343,244)
Offset against:		
Foreign currency translation gain derived from the hedged net investment in shares of UH II and UHI	**Ps. 505,183**	Ps. 1,360,735
Foreign exchange gain derived from hedged warrants issued by UHI	**—**	5,511,412
Foreign exchange gain derived from the hedged Open-Ended Fund	**99,673**	471,097
Total foreign currency translation and foreign exchange gain derived from hedged assets	**Ps. 604,856**	Ps. 7,343,244

Maturities of Debt and Lease Liabilities

Debt maturities for the years subsequent to December 31, 2021, are as follows:

	Nominal	**Unamortized Finance Costs**
2022	Ps. 4,110,404	Ps. (3,972)
2023	3,500,000	(3,387)
2024	10,000,000	(53,446)
2025	12,301,860	(124,505)
2026	8,800,930	(19,457)
Thereafter	88,286,005	(1,002,290)
	Ps. 126,999,199	Ps. (1,207,057)

Future minimum payments under lease liabilities for the years subsequent to December 31, 2021, are as follows:

2022	Ps. 2,137,430
2023	1,813,378
2024	1,791,929
2025	1,690,478
2026	1,563,340
Thereafter	4,176,363
	13,172,918
Less: Amount representing interest	(3,492,359)
	Ps. 9,680,559

A reconciliation of long-term debt and lease liabilities arising from financing activities in the Group's consolidated statement of cash flows for the year ended December 31, 2021 and 2020, is as follows:

		Cash Flow		Non-Cash Changes			
	Balance as of January 1, 2021	New Debt	Payments	New Debt and Leases	Foreign Exchange Income	Interest	Balance as of December 31, 2021
Debt	Ps. 123,877,278	Ps. 2,650,000	Ps. (1,992,489)	Ps. —	Ps. 2,464,410	Ps. —	**Ps. 126,999,199**
Satellite transponder lease liabilities	3,818,559	—	(460,210)	—	99,175	—	**3,457,524**
Other lease liabilities	728,500	115,943	(186,317)	—	—	31,357	**689,483**
Lease liabilities	4,745,292	—	(1,082,226)	1,424,507	—	445,979	**5,533,552**
Total debt and lease liabilities	Ps. 133,169,629	Ps. 2,765,943	Ps. (3,721,242)	Ps. 1,424,507	Ps. 2,563,585	Ps. 477,336	**Ps. 136,679,758**

		Cash Flow		Non-Cash Changes			
	Balance as of January 1, 2020	New Debt	Payments	New Debt and Leases	Foreign Exchange Income	Interest	Balance as of December 31, 2020
Debt	Ps. 122,378,292	Ps. 14,770,694	Ps. (18,013,183)	Ps. —	Ps. 4,741,475	Ps. —	Ps. 123,877,278
Satellite transponder lease liabilities	4,014,567	—	(456,465)	—	260,457	—	3,818,559
Other lease liabilities	707,248	—	(211,812)	195,308	—	37,756	728,500
Lease liabilities	4,641,705	—	(953,771)	540,477	20,102	496,779	4,745,292
Total debt and lease liabilities	Ps. 131,741,812	Ps. 14,770,694	Ps. (19,635,231)	Ps. 735,785	Ps. 5,022,034	Ps. 534,535	Ps. 133,169,629

Credit Facility

During 2018, the Company executed a revolving credit facility with a syndicate of banks, for up to an amount equivalent to U.S.$618 million payable in Mexican pesos, which funds may be used for the repayment of existing indebtedness and other general corporate purposes. In March 2020, the Company drew down Ps.14,770,694 under this revolving credit facility, with a maturity in the first quarter of 2022, and interest payable on a monthly basis at a floating rate based on a spread of 87.5 or 112.5 basis points over the 28-day TIIE rate depending on the Group's net leverage ratio. This facility was used by the Company as a prudent and precautionary measure to increase the Group's cash position and preserve financial flexibility in light of uncertainty in the global and local markets resulting from the COVID-19 outbreak. On October 6, 2020, the Company prepaid in full without penalty the principal amount of Ps.14,770,694 under this revolving credit facility. The Company retained the right to reborrow the facility in an amount of up to the Mexican peso equivalent of U.S.$618 million, and the facility remained unused as of December 31, 2021 and was available through the first quarter of 2022. Under the terms of this credit facility, the Company is required to comply with certain restrictive covenants and financial coverage ratios (see Note 30).

15. Financial Instruments

The Group's financial instruments presented in the consolidated statements of financial position included cash and cash equivalents, temporary investments, accounts and notes receivable, a long-term loan receivable from GTAC, non- current investments in debt and equity securities, and in securities in the form of an open-ended fund, accounts payable, outstanding debt, lease liabilities, and derivative financial instruments. For cash and cash equivalents, accounts receivable, temporary investments, accounts payable, and the current portion of long-term debt and lease liabilities, the carrying amounts approximate fair value due to the short maturity of these instruments. The fair value of the Group's long-term debt securities is based on quoted market prices.

The fair value of long-term loans that the Group borrowed from leading Mexican banks (see Note 14), has been estimated using the borrowing rates currently available to the Group for bank loans with similar terms and average maturities. The fair value of non-current investments in financial instruments, and currency option and interest rate swap agreements were determined by using valuation techniques that maximize the use of observable market data.

The carrying and estimated fair values of the Group's non-derivative financial instruments as of December 31, 2021 and 2020, were as follows:

	2021		2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:				
Cash and cash equivalents	**Ps. 25,828,215**	**Ps. 25,828,215**	Ps. 29,058,093	Ps. 29,058,093
Trade notes and accounts receivable, net	**13,093,011**	**13,093,011**	12,343,797	12,343,797
Long-term loan and interests receivable from GTAC (see Note 10)	**755,973**	**760,143**	821,253	824,092
Open-Ended Fund (see Note 9)	**945,176**	**945,176**	1,135,803	1,135,803
Publicly traded equity instruments (see Note 9)	**3,517,711**	**3,517,711**	5,397,504	5,397,504
Other equity instruments (see Note 9)	**1,607,969**	**1,607,969**	468,552	468,552
Liabilities:				
Senior Notes due 2025, 2032 and 2040	**Ps. 30,754,650**	**Ps. 39,592,552**	Ps. 29,923,950	Ps. 40,584,237
Senior Notes due 2045	**20,503,100**	**24,205,140**	19,949,300	24,282,886
Senior Notes due 2037 and 2043	**11,000,000**	**8,722,100**	11,000,000	9,238,435
Senior Notes due 2026 and 2046	**24,603,720**	**31,714,380**	23,939,160	31,811,792
Senior Notes due 2049	**15,377,325**	**19,307,154**	14,961,975	18,978,667
Notes due 2027	**4,500,000**	**4,509,405**	4,500,000	5,035,860
Long-term notes payable to Mexican banks	**20,260,404**	**20,417,854**	19,602,893	19,801,142
Lease liabilities	**9,680,559**	**9,830,878**	9,292,351	9,343,100

The carrying amounts (based on estimated fair values), notional amounts, and maturity dates of the Group's derivative financial instruments as of December 31, 2021 and 2020, were as follows:

December 31, 2021: Derivative Financial Instruments	Carrying Amount	Notional Amount (U.S. Dollars in Thousands)	Maturity Date
Assets:			
Derivatives recorded as accounting hedges (cash flow hedges):			
TVI's interest rate swap [a]	**Ps. 127**	Ps. 87,600	May 2022
Interest rate swaps [b]	**133,197**	Ps. 10,000,000	June 2024
Total assets	**Ps. 133,324**		
Liabilities:			
Derivatives recorded as accounting hedges (cash flow hedges):			
TVI's interest rate swap [c]	**Ps. 2,015**	Ps. 522,804	April 2022
Interest rate swaps [d]	**9,749**	Ps. 2,000,000	October 2022
Interest rate swaps [e]	**7,243**	Ps. 1,500,000	October 2022
Interest rate swaps [f]	**23,798**	Ps. 2,500,000	February 2023
Forwards [g]	**35,524**	U.S.$ 67,125	January 2022 through March 2022
Derivatives not recorded as accounting hedges:			
Interest rate swap [h]	**2,943**	Ps. 9,385,347	March 2022
TVI's forwards [i]	**10,057**	U.S.$ 12,600	January 2022 through February 2022
Empresas Cablevisión's forwards [j]	**11,006**	U.S.$ 13,820	January 2022 through February 2022
Sky's forwards [k]	**14,054**	U.S.$ 15,000	February 2022
Forwards [l]	**56,496**	U.S.$ 57,620	January 2022 through February 2022
Total liabilities	**Ps. 172,885**		

December 31, 2020: Derivative Financial Instruments	Carrying Amount	Notional Amount (U.S. Dollars in Thousands)	Maturity Date
Liabilities:			
Derivatives recorded as accounting hedges (cash flow hedges):			
TVI's interest rate swap [a]	Ps. 1,759	Ps. 122,400	May 2022
TVI's interest rate swap [c]	23,784	Ps. 730,493	April 2022
Interest rate swaps [d]	109,146	Ps. 2,000,000	October 2022
Interest rate swaps [e]	86,171	Ps. 1,500,000	October 2022
Interest rate swaps [f]	180,941	Ps. 2,500,000	February 2023
Interest rate swaps [b]	762,827	Ps. 10,000,000	June 2024
Forwards [g]	714,763	U.S.$ 330,500	January 2021 through March 2022
Derivatives not recorded as accounting hedges:			
Interest rate swap [h]	204,250	Ps. 9,385,347	March 2022
TVI's forwards [i]	176,868	U.S.$ 88,353	January 2021 through February 2022
Empresas Cablevisión's forwards [j]	190,726	U.S.$ 96,789	January 2021 through February 2022
Sky's forwards [k]	318,701	U.S.$ 135,000	February 2021 through February 2022
Forwards [l]	706,287	U.S.$ 344,898	January 2021 through February 2022
Total liabilities	Ps. 3,476,223		

(a) TVI has entered into several derivative transaction agreements (interest rate swaps) with two financial institutions from August 2013 through May 2022 to hedge the variable interest rate exposure resulting from Mexican peso loans of a total principal amount of Ps.87,600 and Ps.122,400 as of December 31, 2021 and 2020, respectively. Under these agreements, the Company receives monthly payments based on aggregate notional amounts of Ps.87,600 and Ps.122,400 and makes payments based on the same notional amount at an annual weighted average fixed rate of 5.585%. TVI has recognized the change in fair value of this transaction as an accounting hedge, and recorded a loss of Ps.58,847 and Ps.60,730 in other comprehensive income or loss as of December 31, 2021 and 2020, respectively. In the years ended as of December 31, 2021 and 2020, TVI recorded a (loss) gain of Ps.(1,118) and Ps.2,046, respectively, in consolidated other finance income or expense.

(b) In June and July 2019 and October 2020, the Company entered into derivative transaction agreements (interest rate swaps) through June 2024, to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.10,000,000 as of December 31, 2021 and 2020. Under these agreements, the Company receives monthly payments based on aggregate notional amounts of Ps.10,000,000 as of December 31, 2021 and 2020, at an annual variable rate of 28 days of TIIE and makes monthly payments based on the same notional amount at an annual weighted average fixed rate of 6.7620%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative loss of Ps.143,819 in other comprehensive income or loss as of December 31, 2021. In 2021, the Company recorded a loss of Ps.226,192 in consolidated other finance income or expense.

(c) In March and April 2017, TVI entered into several derivative transaction agreements (interest rate swaps) with two financial institutions through April 2022 to hedge the variable interest rate exposure resulting from Mexican peso loan of a total principal amount of Ps.522,804 and Ps.730,493 as of December 31, 2021 and 2020, respectively. Under these agreements, the Company receives monthly payments based on aggregate notional amounts of Ps.522,804 and Ps.730,493 as of December 31, 2021 and 2020, respectively, at an annual variable rate of 28- days TIIE and makes monthly payments based on the same notional amounts at an annual weighted average fixed rate of 7.2663%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a loss of Ps.2,015 and Ps.23,784 in other comprehensive income or loss as of December 31, 2021 and 2020, respectively. TVI recorded a loss of Ps.17,501 and Ps.11,700 for this transaction agreement in consolidated other finance income or expense as of December 31, 2021 and 2020, respectively.

(d) In November 2017, the Company entered into derivative transaction agreements (interest rate swaps) through October 2022, to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.2,000,000. Under this transaction, the Company receives monthly payments based on an aggregate notional amount of Ps.2,000,000, at an annual variable rate of 28 days of TIIE and makes monthly payments based on the same notional amount at an annual fixed rate of 7.3275%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative loss of Ps.9,031 and Ps.107,884 in other comprehensive income or loss as of December 31, 2021 and 2020, respectively. In 2021 and 2020, the Company recorded a loss of Ps.56,263 and Ps.28,719, respectively, in consolidated other finance income or expense.

(e) In November and December 2017, the Company entered into derivative transaction agreements (interest rate swaps) through October 2022, to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.1,500,000. Under this transaction, the Company receives monthly payments based on an aggregate notional amount of Ps.1,500,000, at an annual variable rate of 28 days of TIIE and makes monthly payments based on the same notional amount at an annual fixed rate of 7.35%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative loss of Ps.6,697 and Ps.85,217 in other comprehensive income or loss as of December 31, 2021 and 2020, respectively. In 2021, the Company recorded a loss of Ps.42,555 in consolidated other finance income or expense.

(f) In January 2018, the Company entered into derivative transaction agreements (interest rate swaps) through February 2023, to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.2,500,000. Under this transaction, the Company receives monthly payments based on aggregate notional amount of Ps.2,500,000, at an annual variable rate of 28 days of TIIE and makes monthly payments based on the same notional amount at an annual fixed rate of 7.7485%. The Company has recognized the change in fair value of this transaction as an accounting hedge and recorded a cumulative loss of Ps.19,612 and Ps.175,498 in other comprehensive income or loss as of December 31, 2021 and 2020, respectively. In 2021, the Company recorded a loss of Ps.81,759 in consolidated other finance income or expense.

(g) As of December 31, 2021 and 2020, the Company had entered into derivative contracts of foreign currency (forwards) to fix the exchange rate for the purchase of U.S.$67.1 million and U.S.$330.5 million, respectively, at an average exchange rate of Ps.21.1433 and Ps.22.5859, respectively. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative loss of Ps.35,524 and Ps.714,763 for this transaction agreement in other comprehensive income or loss as of December 31, 2021, and 2020, respectively. In 2021 and 2020, the Company recorded a (loss) gain of Ps.(725,209) and Ps.308,562 in consolidated other finance income or expense, respectively.

(h) In March 2020, the Company entered into derivative transaction agreements (interest rate swaps) through March 2022, to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.9,385,347. Under this transaction, the Company receives monthly payments based on aggregate notional amounts of Ps.9,385,347, at an annual variable rate of 28 days of TIIE, and makes monthly payments based on the same notional amount at an annual fixed rate of 6.0246%. In 2021 and 2020, the Company recorded a gain (loss) of Ps.62,679 and Ps.(274,285) in consolidated other finance income or expense, respectively.

(i) As of December 31, 2021, TVI had foreign currency contracts (forwards) in the aggregate notional amount of U.S.$12.6 million at an average rate of Ps.21.4394. As a result of the change in fair value of these agreements in the year ended December 31, 2021, the Company recorded a loss of Ps.9,812 in consolidated other finance income or expense.

(j) As of December 31, 2021, Empresas Cablevisión had foreign currency contracts (forwards) in the aggregate notional amount of U.S.$13.8 million at an average rate of Ps.21.4352. As a result of the change in fair value of these agreements in the year ended December 31, 2021, the Company recorded a loss of Ps.8,926 in consolidated other finance income or expense.

(k) As of December 31, 2021, Sky had foreign currency contracts (forwards) in the aggregate notional amount of U.S.$15.0 million at an average rate of Ps.21.6000. As a result of the change in fair value of these agreements in the year ended December 31, 2021, the Company recorded a loss of Ps.20,077 in consolidated other finance income or expense.

(l) As of December 31, 2021 and 2020, the Company had foreign currency contracts (forwards) in the aggregate notional amount of U.S.$57.6 million and U.S.$344.9 million at an average rate of Ps.21.5927 and Ps.22.4872, respectively. As a result of the change in fair value of these agreements, in the years ended December 31, 2021 and 2020, the Company recorded a (loss) gain of Ps.(56,447) and Ps.207,412, in consolidated other finance income or expense, respectively.

Fair Value Measurement

Assets and Liabilities Measured at Fair Value on a Recurring Basis

All fair value adjustments as of December 31, 2021 and 2020, represent assets or liabilities measured at fair value on a recurring basis. In determining fair value, the Group's financial instruments are separated into two categories: investments in financial assets at FVOCIL and derivative financial instruments.

Financial assets and liabilities measured at fair value as of December 31, 2021 and 2020:

	Balance as of December 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
At FVOCIL:				
Open-Ended Fund	**Ps. 945,176**	Ps. —	Ps. 945,176	Ps. —
Publicly traded equity instruments	**3,517,711**	3,517,711	—	—
Derivative financial instruments	**133,324**	—	133,324	—
Total	**Ps. 4,596,211**	Ps. 3,517,711	Ps. 1,078,500	Ps. —
Liabilities:				
Derivative financial instruments	**Ps. 172,885**	Ps. —	Ps. 172,885	Ps. —
Total	**Ps. 172,885**	Ps. —	Ps. 172,885	Ps. —

	Balance as of December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
At FVOCIL:				
Open-Ended Fund	Ps. 1,135,803	Ps. —	Ps. 1,135,803	Ps. —
Publicly traded equity instruments	5,397,504	5,397,504	—	—
Total	Ps. 6,533,307	Ps. 5,397,504	Ps. 1,135,803	Ps. —
Liabilities:				
Derivative financial instruments	Ps. 3,476,223	Ps. —	Ps. 3,476,223	Ps. —
Total	Ps. 3,476,223	Ps. —	Ps. 3,476,223	Ps. —

The table below presents the reconciliation for all assets and liabilities measured at fair value using internal models with significant unobservable inputs (Level 3) during the years ended December 31, 2021 and 2020:

	2021	2020
Balance at beginning of year	**Ps. —**	Ps. 33,775,451
Included in other comprehensive income	**—**	(16,387,752)
Warrants exercised for common stock of UHI	**—**	(17,387,699)
Balance at the end of year	**Ps. —**	Ps. —

Non-current Financial Assets

Investments in debt securities or with readily determinable fair values, are classified as non-current investments in financial instruments, and are recorded at fair value with unrealized gains and losses included in consolidated stockholders' equity as accumulated other comprehensive result.

Non-current financial assets are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. Such instruments are classified in Level 1, Level 2, and Level 3, depending on the observability of the significant inputs.

Open-Ended Fund

The Group has an investment in an Open-Ended Fund that has as a primary objective to achieve capital appreciation by using a broad range of strategies through investments in securities, including without limitation stock, debt and other financial instruments, a principal portion of which are considered as Level 1 financial instruments, in telecom, media and other sectors across global markets, including Latin America and other emerging markets. Shares may be redeemed on a quarterly basis at the NAV per share as of such redemption date (see Notes 4 and 9).

UHI Warrants

On December 29, 2020, the Group exercised all of its remaining warrants for common shares of UHI to increase its equity stake in UHI from 10% to 35.9% on a fully diluted basis (see Notes 9 and 10).

The Group determined the fair value of its investment in warrants as of December 29, 2020, by using the income approach based on post-tax discounted cash flows. The income approach requires management to make judgments and involves the use of significant estimates and assumptions. These estimates and assumptions include long-term growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates based on weighted average cost of capital within a range of 8% to 9%, among others. The Group´s estimates for market growth were based on historical data, various internal estimates and observable external sources when available and are based on assumptions that are consistent with the strategic plans and estimates used to manage the underlying business. Since the described methodology is an internal model with significant unobservable inputs, the UHI warrants were classified as Level 3. Additionally, the Group determined the fair value of its investment in warrants by using the Black-Scholes model ("BSPM"). The BSPM involved the use of significant estimates and assumptions. The assumptions used as of December 29, 2020 , included the UHI stock´s spot price of U.S.$190 per share on a fully-diluted, as–converted basis, and the UHI stock's expected volatility of 64%.

Disclosures for Each Class of Assets and Liabilities Subject to Recurring Fair Value Measurements Categorized Within Level 3

The Corporate Finance Department of the Company has established rules for a proper portfolio asset classification according to the fair value hierarchy defined by the IFRS Standards. On a monthly basis, any new assets recognized in the portfolio are classified according to this criterion. Subsequently, there is a quarterly review of the portfolio in order to analyze the need for a change in classification of any of these assets.

Sensitivity analysis is performed on the Group's investments with significant unobservable inputs (Level 3) in order to obtain a reasonable range of possible alternative valuations. This analysis is carried out by the Corporate Finance Department of the Company.

Derivative Financial Instruments

Derivative financial instruments include swaps, forwards and options (see Notes 2 (w), 4 and 15).

The Group's derivative portfolio is entirely over-the-counter ("OTC"). The Group's derivatives are valued using industry standard valuation models; projecting future cash flows discounted to present value, using market-based observable inputs including interest rate curves, foreign exchange rates, and forward and spot prices for currencies.

When appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads and credit spreads considerations. Such adjustments are generally based on available market evidence. In the absence of such evidence, management's best estimate is used. All derivatives are classified in Level 2.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

The majority of the Group's non-financial instruments, which include the investment in shares of UH II, goodwill, intangible assets, inventories, transmission rights and programming, property, plant and equipment and right-of-use assets are not required to be carried at fair value on a recurring basis. However, if certain triggering events occur (or at least annually in the fourth quarter for goodwill and indefinite-lived intangible assets) such that a non-financial instrument is required to be evaluated for impairment, a resulting asset impairment would require that, the non-financial instrument be recorded at the lower of carrying amount or its recoverable amount.

The impairment test for goodwill involves a comparison of the estimated fair value of each of the Group's reporting units to its carrying amount, including goodwill. The Group determines the fair value of a reporting unit using the higher between the value in use and the fair value less costs to sell, which utilize significant unobservable inputs (Level 3) within the fair value hierarchy. The impairment test for intangible assets not subject to amortization involves a comparison of the estimated fair value of the intangible asset with its carrying amount. The Group determines the fair value of the intangible asset using a discounted cash flow analysis, which utilizes significant unobservable inputs (Level 3) within the fair value hierarchy. Determining fair value requires the exercise of significant judgment, including judgment about appropriate discount rates, perpetual growth rates, the amount and timing of expected future cash flows for a period of time that comprise five years, as well as relevant comparable company earnings multiples for the market-based approach.

Once an asset has been impaired, it is not remeasured at fair value on a recurring basis; however, it is still subject to fair value measurements to test for recoverability of the carrying amount.

16. Post-employment Benefits

Certain companies in the Group have collective bargaining contracts which include defined benefit pension plans and other retirement benefits for substantially all of their employees. Additionally, the Group has defined benefit pension plans for certain eligible executives and employees. All pension benefits are based on salary and years of service rendered.

Under the provisions of the Mexican Labor Law, seniority premiums are payable based on salary and years of service to employees who resign or are terminated prior to reaching retirement age. Some companies in the Group have seniority premium benefits which are greater than the legal requirement. After retirement age employees are no longer eligible for seniority premiums.

Post-employment benefits are actuarially determined by using nominal assumptions and attributing the present value of all future expected benefits proportionately over each year from date of hire to age 65.

The Group used actuarial assumptions to determine the present value of defined benefit obligations, as follows:

	2021	2020
Discount rate	**7.8 %**	6.6 %
Salary increase	**5.0 %**	5.0 %
Inflation rate	**3.5 %**	3.5 %

Had the discount rate of 7.8% used by the Group in 2021 been decreased by 50 basis points, the impact on defined benefit obligation would have been an increase to Ps.3,308,348 as of December 31, 2021.

Had the discount rate of 6.6% used by the Group in 2020 been decreased by 50 basis points, the impact on defined benefit obligation would have been an increase to Ps.3,382,711 as of December 31, 2020.

The reconciliation between defined benefit obligations and post-employment benefit liability in the consolidated statements of financial position as of December 31, 2021 and 2020, is presented as follows:

	Pensions	Seniority Premiums	2021
Vested benefit obligations	Ps. 560,723	Ps. 335,294	**Ps. 896,017**
Unvested benefit obligations	1,881,974	406,374	**2,288,348**
Defined benefit obligations	2,442,697	741,668	**3,184,365**
Fair value of plan assets	978,892	291,793	**1,270,685**
Underfunded status of the plans	Ps. 1,463,805	Ps. 449,875	**Ps. 1,913,680**
Post-employment benefit liability	Ps. 1,463,805	Ps. 449,875	**Ps. 1,913,680**

	Pensions	Seniority Premiums	2020
Vested benefit obligations	Ps. 556,619	Ps. 376,122	Ps. 932,741
Unvested benefit obligations	2,077,506	266,153	2,343,659
Defined benefit obligations	2,634,125	642,275	3,276,400
Fair value of plan assets	909,324	286,425	1,195,749
Underfunded status of the plans	Ps. 1,724,801	Ps. 355,850	Ps. 2,080,651
Post-employment benefit liability	Ps. 1,724,801	Ps. 355,850	Ps. 2,080,651

The components of net periodic pensions and seniority premiums cost for the years ended December 31, consisted of the following:

	2021	2020
Service cost	**Ps. 175,648**	Ps. 148,987
Interest cost	**193,313**	187,470
Prior service cost for plan amendments	**(40,124)**	40,542
Interest on plan assets	**(69,546)**	(84,973)
Net periodic cost	**Ps. 259,291**	Ps. 292,026

The Group's defined benefit obligations, plan assets, funded status and balances in the consolidated statements of financial position as of December 31, 2021 and 2020, associated with post-employment benefits, are presented as follows:

	Pensions	Seniority Premiums	2021	2020
Defined benefit obligations:				
Beginning of year	Ps. 2,634,125	Ps. 642,275	**Ps. 3,276,400**	Ps. 2,847,608
Service cost	101,550	74,098	**175,648**	148,987
Interest cost	146,941	46,372	**193,313**	187,470
Benefits paid	(157,261)	(64,774)	**(222,035)**	(221,184)
Remeasurement of post-employment benefit obligations	(243,332)	44,495	**(198,837)**	272,977
Past service cost	(39,326)	(798)	**(40,124)**	40,542
End of year	2,442,697	741,668	**3,184,365**	3,276,400
Fair value of plan assets:				
Beginning of year	909,324	286,425	**1,195,749**	1,379,496
Return on plan assets	52,506	17,040	**69,546**	84,973
Contributions	—	6,972	**6,972**	600
Remeasurement on plan assets	84,566	(3,578)	**80,988**	(71,336)
Benefits paid	(67,504)	(15,066)	**(82,570)**	(197,984)
End of year	978,892	291,793	**1,270,685**	1,195,749
Unfunded status of the plans	Ps. 1,463,805	Ps. 449,875	**Ps. 1,913,680**	Ps. 2,080,651

The changes in the net post-employment liability in the consolidated statements of financial position as of December 31, 2021 and 2020, are as follows:

	Pensions	Seniority Premiums	2021	2020
Net post-employment liability at beginning of year	Ps. 1,724,801	Ps. 355,850	**Ps. 2,080,651**	Ps. 1,468,112
Net periodic cost	156,659	102,632	**259,291**	292,026
Contributions	—	(6,972)	**(6,972)**	(600)
Remeasurement of post-employment benefits	(327,898)	48,073	**(279,825)**	344,313
Benefits paid	(89,757)	(49,708)	**(139,465)**	(23,200)
Net post-employment liability at end of year	Ps. 1,463,805	Ps. 449,875	**Ps. 1,913,680**	Ps. 2,080,651

The post-employment benefits as of December 31, 2021 and 2020, and remeasurements adjustments for the years ended December 31, 2021 and 2020, are summarized as follows:

	2021	2020
Pensions:		
Defined benefit obligations	**Ps. 2,442,697**	Ps. 2,634,125
Plan assets	**978,892**	909,324
Unfunded status of plans	**1,463,805**	1,724,801
Remeasurements adjustments [1]	**(327,898)**	250,283
Seniority premiums:		
Defined benefit obligations	**Ps. 741,668**	Ps. 642,275
Plan assets	**291,793**	286,425
Unfunded status of plans	**449,875**	355,850
Remeasurements adjustments [1]	**48,073**	94,030

(1) On defined benefit obligations and plan assets.

Pensions and Seniority Premiums Plan Assets

The plan assets are invested according to specific investment guidelines determined by the technical committees of the pension plan and seniority premiums trusts and in accordance with actuarial computations of funding requirements. These investment guidelines require a minimum investment of 30% of the plan assets in fixed rate instruments, or mutual funds comprised of fixed rate instruments. The plan assets that are invested in mutual funds are all rated "AA" or "AAA" by at least one of the main rating agencies. These mutual funds vary in liquidity characteristics ranging from one day to one month. The investment goals of the plan assets are to preserve principal, diversify the portfolio, maintain a high degree of liquidity and credit quality, and deliver competitive returns subject to prevailing market conditions. Currently, the plan assets do not engage in the use of financial derivative instruments. The Group's target allocation in the foreseeable future is to maintain approximately 30% in equity securities and 70% in fixed rate instruments.

The weighted average asset allocation by asset category as of December 31, 2021 and 2020, was as follows:

	2021	2020
Equity securities [1]	**32.7 %**	28.8 %
Fixed rate instruments	**67.3 %**	71.2 %
Total	**100.0 %**	100.0 %

(1) Included within plan assets at December 31, 2021 and 2020, are shares of the Company held by the trust with a fair value of Ps.119,851 and Ps.101,690, respectively.

The weighted average expected long-term rate of return of plan assets of 7.79% and 6.59% were used in determining net periodic pension cost in 2021 and 2020, respectively. The rate used reflected an estimate of long-term future returns for the plan assets. This estimate was primarily a function of the asset classes (equities versus fixed income) in which the plan assets were invested and the analysis of past performance of these asset classes over a long period of time.

This analysis included expected long-term inflation and the risk premiums associated with equity investments and fixed income investments.

The following table summarizes the Group's plan assets measured at fair value on a recurring basis as of December 31, 2021 and 2020:

	Balance as of December 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Common Stocks [1]	**Ps. 119,851**	Ps. 119,851	Ps. —	Ps. —
Mutual funds (fixed rate instruments) [2]	**115,185**	115,185	—	—
Money market securities [3]	**726,781**	726,781	—	—
Other equity securities	**308,868**	308,868	—	—
Total investment assets	**Ps. 1,270,685**	Ps. 1,270,685	Ps. —	Ps. —

	Balance as of December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Common Stocks [1]	Ps. 101,690	Ps. 101,690	Ps. —	Ps. —
Mutual funds (fixed rate instruments) [2]	231,837	231,837	—	—
Money market securities [3]	607,658	607,658	—	—
Other equity securities	254,564	254,564	—	—
Total investment assets	Ps. 1,195,749	Ps. 1,195,749	Ps. —	Ps. —

(1) Common stocks are valued at the closing price reported on the active market on which the individual securities are traded. All common stock included in this line item relate to the Company's CPOs.

(2) Mutual funds consist of fixed rate instruments. These are valued at the net asset value provided by the administrator of the fund.

(3) Money market securities consist of government debt securities, which are valued based on observable prices from the new issue market, benchmark quotes, secondary trading and dealer quotes.

The Group did not make significant contributions to its plan assets in 2021 and 2020, and does not expect to make significant contributions to its plan assets in 2022.

The weighted average duration of the defined benefit plans as of December 31, 2021 and 2020, were as follows:

	2021	2020
Seniority Premiums	**9.0 years**	8.6 years
Pensions	**5.1 years**	5.7 years

17. Capital Stock and Long-term Retention Plan

Capital Stock

The Company has four classes of capital stock: Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, with no par value. The Series "A" Shares and Series "B" Shares are common shares. The Series "D" Shares are limited-voting and preferred dividend shares, with a preference upon liquidation. The Series "L" Shares are limited-voting shares.

The Company's shares are publicly traded in Mexico, primarily in the form of Ordinary Participation Certificates ("CPOs"), each CPO representing 117 shares comprised of 25 Series "A" Shares, 22 Series "B" Shares, 35 Series "D" Shares and 35 Series "L" Shares; and in the United States in the form of Global Depositary Shares ("GDS"), each GDS representing five CPOs. Non-Mexican holders of CPOs do not have voting rights with respect to the Series "A", Series "B" and Series "D" Shares.

At December 31, 2021, shares of capital stock and CPOs consisted of (in millions):

	Authorized and Issued [1]	Repurchased by the Company [2]	Held by a Company's Trust [3]	Outstanding
Series "A" Shares	121,073.9	—	(6,988.9)	114,085.0
Series "B" Shares	57,046.9	—	(5,583.4)	51,463.5
Series "D" Shares	87,006.6	—	(5,132.9)	81,873.7
Series "L" Shares	87,006.6	—	(5,132.9)	81,873.7
Total	352,134.0	—	(22,838.1)	329,295.9
Shares in the form of CPOs	290,849.7	—	(17,158.6)	273,691.1
Shares not in the form of CPOs	61,284.3	—	(5,679.5)	55,604.8
Total	352,134.0	—	(22,838.1)	329,295.9
CPOs	2,485.9	—	(146.7)	2,339.2

(1) As of December 31, 2021, the authorized and issued capital stock amounted to Ps.4,836,708 (nominal Ps.2,423,549).

(2) In connection with a share repurchase program that was approved by the Company's stockholders and is exercised at the discretion of management. During the year ended December 31, 2021, the Company did not buy any shares under this program. In 2020, the Company repurchased 616.0 million shares, 5.3 million CPOs, in the amount of Ps.195,597. In April 2021, the Company's stockholders approved the cancellation of 5,173.2 million shares of capital stock in the form of 44.2 million CPOs which were repurchased by the Company in 2019 and 2020 under this program.

(3) Primarily, in connection with the Company's LTRP described below.

A reconciliation of the number of shares and CPOs outstanding for the years ended December 31, 2021 and 2020, is presented as follows (in millions):

	Series "A" Shares	Series "B" Shares	Series "D" Shares	Series "L" Shares	Shares Outstanding	CPOs Outstanding
As of January 1, 2020	116,223.9	52,852.8	84,083.8	84,083.8	337,244.3	2,402.4
Repurchased [1]	(131.6)	(115.8)	(184.3)	(184.3)	(616.0)	(5.3)
Cancelled and forfeited [2]	(3,097.4)	(1,830.0)	(2,911.3)	(2,911.3)	(10,750.0)	(83.2)
Acquired [2]	(86.0)	(75.6)	(120.3)	(120.3)	(402.2)	(3.4)
Released [2]	110.3	97.1	154.5	154.5	516.4	4.4
As of December 31, 2020	113,019.2	50,928.5	81,022.4	81,022.4	325,992.5	2,314.9
Forfeited [2]	(187.9)	(165.4)	(263.1)	(263.1)	(879.5)	(7.5)
Acquired [2]	(429.8)	(378.2)	(601.7)	(601.7)	(2,011.4)	(17.2)
Released [2]	1,683.5	1,078.6	1,716.1	1,716.1	6,194.3	49.0
As of December 31, 2021	**114,085.0**	**51,463.5**	**81,873.7**	**81,873.7**	**329,295.9**	**2,339.2**

(1) Repurchased or cancelled by the Company in connection with a share repurchase program.

(2) Acquired, released, cancelled or forfeited by a Company's trust in connection with the Company's Long-Term Retention Plan described below.

Under the Company's bylaws, the Company's Board of Directors consists of 20 members, of which the holders of Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, each voting as a class, are entitled to elect eleven members, five members, two members and two members, respectively.

Holders of Series “D” Shares are entitled to receive a preferred dividend equal to 5% of the nominal capital attributable to those Shares (nominal Ps.0.00034412306528 per share) before any dividends are payable in respect of Series “A” Shares, Series “B” Shares or Series “L” Shares. Holders of Series “A” Shares, Series “B” Shares and Series “L” Shares are entitled to receive the same dividends as holders of Series “D” Shares if stockholders declare dividends in addition to the preferred dividend that holders of Series “D” Shares are entitled to. If the Company is liquidated, Series “D” Shares are entitled to a liquidation preference equal to the nominal capital attributable to those Shares nominal Ps.0.00688246130560 per share before any distribution is made in respect of Series “A” Shares, Series “B” Shares and Series “L” Shares.

At December 31, 2021, the restated for inflation tax value of the Company’s common stock was Ps.56,346,582. In the event of any capital reduction in excess of the tax value of the Company’s common stock, such excess will be treated as dividends for income tax purposes (see Note 18).

Long-Term Retention Plan

The Company has adopted a LTRP for the conditional sale of the Company’s capital stock to key Group officers and employees under a special purpose trust.

At the Company’s annual general ordinary stockholders’ meeting held on April 2, 2013, the Company’s stockholders approved that the number of CPOs that may be granted annually under the LTRP shall be up to 1.5% of the capital of the Company. As of December 31, 2021, approximately 11.7 million CPOs or CPO equivalents that were transferred to LTRP participants were sold in the open market during 2019 and 2021. Additional sales will continue to take place during or after 2022.

The special purpose trust created to implement the LTRP as of December 31, 2021 had approximately 194.0 million CPOs or CPO equivalents. This figure is net of approximately 32.3, 4.4 and 52.9 million CPOs or CPO equivalents vested in 2019, 2020 and 2021, respectively. Of the 194.0 million CPOs or CPO equivalents approximately 75.0% are in the form of CPOs and the remaining 25.0% are in the form of Series “A”, Series “B”, Series “D” and Series “L” Shares, not in the form of CPO units. As of December 31, 2021, approximately 116.7 million CPOs or CPO equivalents are held by a company trust and will become vested between 2022 and 2024 at prices ranging from Ps.38.69 to Ps.1.60 per CPO, which may be reduced by dividends, a liquidity discount and the growth of the consolidated or relevant segment Operating Income Before Depreciation and Amortization, or OIBDA (including OIBDA affected by acquisitions) between the date of award and the vesting date, among others.

During the first half of 2020, the trust for the LTRP increased the number of shares and CPOs held for the purposes of this Plan in the amount of: (i) 5,526.3 million shares of the Company in the form of 47.2 million CPOs, and 666.9 million Series “A” Shares, not in the form of CPO units, in connection with the cancellation of these shares in the fourth quarter of 2019, which were conditionally sold to certain of the Company’s officers and employees in 2015 and 2016, and (ii) 1,009.7 million shares in the form of 8.6 million CPOs, in connection with forfeited rights under this Plan.

In the fourth quarter of 2020, the trust for the LTRP increased the number of shares and CPOs held for the purposes of this Plan in the amount of: 3,196.1 million shares in the form of 27.4 million CPOs, and 351.0 million Series “A” Shares, not in the form of CPO units, in connection with forfeited rights under this Plan.

In the third quarter of 2020, the Company recognized as a decrease to the balance of shares repurchased a refund in the amount of Ps.100,000, which was made to the Company in 2019 by the trust for the LTRP.

During the year ended December 31, 2021, the trust for the LTRP increased the number of shares and CPOs held for the purposes of this Plan in the amount of: (i) 2,011.4 million shares of the Company in the form of 17.2 million CPOs, which were acquired in the amount of Ps.774,073 and (ii) 879.5 million shares of the Company in the form of 7.5 million CPOs, in connection with forfeited rights under this Plan.

During the years ended December 31, 2020 and 2021, the Company made a funding for acquisition of shares in the aggregate amount of Ps.197,000 and Ps.328,500, respectively, to the trust held for the Company’s LTRP.

As of December 31, 2021, the designated Retention Plan trust owned approximately 0.8 million CPOs or CPOs equivalents, which have been reserved to a group of employees, and may be sold at a price at least of Ps.36.52 per CPO, subject to certain conditions, in vesting periods between 2022 and 2023.

The Group has determined its share-based compensation expense (see Note 2 (y)), by using the BSPM at the date on which the stock was conditionally sold to personnel under the Company's LTRP, on the following arrangements and weighted-average assumptions:

	Long-Term Retention Plan				
Arrangements:					
Year of grant	2017	2018	2019	2020	2021
Number of CPOs or CPOs equivalent granted	37,000	32,500	72,558	39,200	38,800
Contractual life	3 years	3 years	2.67 years	3 years	3 years
Assumptions:					
Dividend yield	0.38 %	0.55 %	0.82 %	1.38 %	0.94 %
Expected volatility [(1)]	24.58 %	25.38 %	30.47 %	35.13 %	43.74 %
Risk-free interest rate	7.04 %	7.17 %	6.88 %	5.74 %	5.51 %
Expected average life of awards	2.96 years	3.00 years	2.67 years	3.00 years	3.00 years

(1) Volatility was determined by reference to historically observed prices of the Company's CPOs.

A summary of the stock conditionally sold to employees under the LTRP as of December 31, is presented below (in Mexican pesos and thousands of CPOs):

	2021		2020	
	CPOs or CPOs Equivalent	Weighted- Average Exercise Price	CPOs or CPOs Equivalent	Weighted- Average Exercise Price
Long-Term Retention Plan:				
Outstanding at beginning of year	**160,365**	**39.36**	243,472	65.19
Conditionally sold	**38,800**	**8.62**	39,200	6.84
Paid by employees	**(8,633)**	**38.30**	—	—
Forfeited	**(13,674)**	**64.96**	(122,307)	81.36
Outstanding at end of year	**176,858**	**31.22**	160,365	39.36
To be paid by employees at end of year	**60,155**	**52.69**	23,361	80.72

As of December 31, 2021 and 2020, the weighted-average remaining contractual life of the stock conditionally sold to employees under the LTRP is 1.28 years and 1.38 years respectively.

In addition to the LTRP, the Company entered into conditional sale contracts with members of its Board of Directors for 1.0 million CPOs in August 2021, and with certain officers of the Group for 7.5 million CPOs in December 2021, with vesting periods of eight months and three years, respectively.

18. Retained Earnings and Accumulated Other Comprehensive Income

(a) Retained Earnings:

	Legal Reserve	Unappropriated Earnings	Net Income for the Year	Retained Earnings
Balance at January 1, 2020	Ps. 2,139,007	Ps. 75,887,132	Ps. 4,626,139	Ps. 82,652,278
Appropriation of net income relating to 2019	—	4,626,139	(4,626,139)	—
Recognized share of income of OCEN (see Note 10)	—	147,975	—	147,975
Sale of repurchased shares	—	(997,174)	—	(997,174)
Cancellation of sale of shares	—	2,764,854	—	2,764,854
Share-based compensation	—	962,806	—	962,806
Net loss for the year 2020	—	—	(1,250,342)	(1,250,342)
Balance at December 31, 2020	2,139,007	83,391,732	(1,250,342)	84,280,397
Appropriation of net income relating to 2020	—	(1,250,342)	1,250,342	—
Dividends	—	(1,053,392)	—	(1,053,392)
Shares cancellation	—	(1,510,290)	—	(1,510,290)
Sale of repurchased shares	—	(1,126,573)	—	(1,126,573)
Cancellation of sale of shares	—	505,357	—	505,357
Share-based compensation	—	1,066,863	—	1,066,863
Net income for the year 2021	—	—	6,055,826	6,055,826
Balance at December 31, 2021	**Ps. 2,139,007**	**Ps. 80,023,355**	**Ps. 6,055,826**	**Ps. 88,218,188**

In accordance with Mexican law, the legal reserve must be increased by 5% of annual net profits until it reaches 20% of the capital stock amount. As of December 31, 2021 and 2020, the Company's legal reserve amounted to Ps.2,139,007 for both years, respectively and was classified into retained earnings in consolidated equity. As the legal reserve reached 20% of the capital stock amount, no additional increases were required in 2021, 2020 and 2019. This reserve is not available for dividends, but may be used to reduce a deficit or may be transferred to stated capital. Other appropriations of profits require the vote of the Company's stockholders.

In April 2019, the Company's stockholders approved for the payment of a dividend of Ps.0.35 per CPO and Ps.0.002991452991 per share of Series "A," "B," "D" and "L" Shares, not in the form of a CPO, which was paid in May 2019, in the aggregate amount of Ps.1,066,187 (see Note 17).

In April 2020, to further maximize liquidity and as a precautionary measure, the Company's Board of Directors did not propose the payment of a 2020 dividend for approval of the Company's general stockholders' meeting held on April 28, 2020.

In April 2021, the Company's stockholders approved the payment of a dividend of Ps.0.35 per CPO and Ps.0.002991452991 per share of Series "A," "B," "D" and "L" Shares, not in the form of a CPO, which was paid in cash in May 2021, in the aggregate amount of Ps.1,053,392.

Dividends, either in cash or in other forms, paid by the Mexican companies in the Group will be subject to income tax if the dividends are paid from earnings that have not been subject to Mexican income tax computed on an individual company basis under the provisions of the Mexican Income Tax Law. In this case, dividends will be taxable by multiplying such dividends by a 1.4286 factor and applying to the resulting amount the income tax rate of 30%. This income tax will be paid by the company paying the dividends.

In addition, the entities that distribute dividends to its stockholders who are individuals or foreign residents must withhold 10% thereof for income tax purposes, which will be paid in Mexico. The foregoing will not be applicable when distributed dividends arise from the "taxed net earnings account" computed on an individual company basis generated through December 31, 2013.

As of December 31, 2021, cumulative earnings that have been subject to income tax and can be distributed by the Company free of Mexican income tax amounted to Ps.81,346,875.

(b) Accumulated Other Comprehensive Income:

Changes	Open-Ended Fund	Other Equity Instruments	Other Financial Assets	Warrants Exercisable for Common Stock of UHI	Exchange Differences on Translating Foreign Operations	Remeasurement of Post-Employment Benefit Obligations	Derivative Financial Instruments Cash Flow Hedges	Share of Income (Loss) of Associates and Joint Ventures	Income Tax	Total
Accumulated at January 1, 2020	Ps. 2,429,283	Ps. 991,902	Ps. —	Ps. (1,703,056)	Ps. 734,676	Ps. (1,010,132)	Ps. (545,363)	Ps. (75,415)	Ps. 498,556	Ps. 1,320,451
Changes in other comprehensive income	(904,423)	(353,496)	—	(21,899,164)	115,565	(340,319)	(1,370,145)	(61,033)	7,935,716	(16,877,299)
Accumulated at December 31, 2020	1,524,860	638,406	—	(23,602,220)	850,241	(1,350,451)	(1,915,508)	(136,448)	8,434,272	(15,556,848)
Changes in other comprehensive income	(19,718)	(123,359)	—	—	84,232	291,697	1,927,601	245,714	(471,311)	1,934,856
Accumulated at December 31, 2021	**Ps. 1,505,142**	**Ps. 515,047**	**Ps. —**	**Ps. (23,602,220)**	**Ps. 934,473**	**Ps. (1,058,754)**	**Ps. 12,093**	**Ps. 109,266**	**Ps. 7,962,961**	**Ps. (13,621,992)**

19. Non-controlling Interests

Non-controlling interests as of December 31, 2021 and 2020, consisted of:

	2021	2020
Capital stock	**Ps. 1,100,312**	Ps. 1,102,334
Additional paid-in capital	**2,986,354**	2,986,360
Legal reserve	**215,736**	216,071
Retained earnings from prior years (1) (2) (3) (4)	**9,649,348**	8,483,413
Net income for the year	**1,298,959**	1,553,166
Accumulated other comprehensive income (loss):		
Cumulative result from foreign currency translation	**174,598**	166,275
Remeasurement of post-employment benefit obligations on defined benefit plans	**(18,905)**	(10,595)
	Ps. 15,406,402	Ps. 14,497,024

(1) In 2021, 2020 and 2019, the holding companies of the Sky segment paid a dividend to its equity owners in the aggregate amount of Ps.750,000, Ps.2,750,000 and Ps.3,800,000, respectively, of which Ps.309,174, Ps.1,134,808 and Ps.1,570,659, respectively, were paid to its non-controlling interests.

(2) In 2021, Publicidad Virtual, S.A. de C.V. paid a dividend to its equity owners in the aggregate amount of Ps.40,000, of which Ps.19,600 was paid to its non-controlling interests.

(3) In 2020, the stockholders of Pantelion approved the payment of a dividend in the amount of Ps.394,269, of which Ps.193,192 was paid to for its non-controlling interests.

(4) In 2020, the stockholders of Radiópolis approved the payment of a dividend in the amount of Ps.650,346, of which Ps.325,173 was paid to its non-controlling interests.

Amounts of consolidated current assets, non-current assets, current liabilities and non-current liabilities of Empresas Cablevisión and Sky as of December 31, 2021 and 2020, are set forth as follows:

	Empresas Cablevisión		Sky	
	2021	2020	2021	2020
Assets:				
Current assets	**Ps. 6,653,310**	Ps. 6,046,592	**Ps. 5,689,494**	Ps. 6,632,763
Non-current assets	**24,099,561**	22,499,913	**19,590,056**	18,515,500
Total assets	**30,752,871**	28,546,505	**25,279,550**	25,148,263
Liabilities:				
Current liabilities	**5,755,703**	5,267,184	**3,685,208**	5,182,302
Non-current liabilities	**4,308,115**	3,943,909	**7,041,237**	5,967,680
Total liabilities	**10,063,818**	9,211,093	**10,726,445**	11,149,982
Net assets	**Ps. 20,689,053**	Ps. 19,335,412	**Ps. 14,553,105**	Ps. 13,998,281

Amounts of consolidated net sales, net income and total comprehensive income of Empresas Cablevisión and Sky for the years ended December 31, 2021 and 2020, are set forth as follows:

	Empresas Cablevisión		Sky	
	2021	2020	2021	2020
Net sales	**Ps. 16,849,160**	Ps. 15,906,914	**Ps. 22,026,616**	Ps. 22,134,943
Net-income	**1,135,053**	1,828,000	**1,281,472**	1,848,374
Total comprehensive income	**1,134,181**	1,820,135	**1,304,822**	1,864,408

As of December 31, 2020, the Group did not have dividends payable.

Amounts of consolidated summarized cash flows of Sky and Empresas Cablevisión for the years ended December 31, 2021 and 2020, are set forth as follows:

	Empresas Cablevisión		Sky	
	2021	2020	2021	2020
Cash flows from operating activities	**Ps. 5,594,662**	Ps. 3,959,679	**Ps. 6,004,261**	Ps. 8,645,025
Cash flows used in investing activities	**(5,144,521)**	(5,824,827)	**(5,236,815)**	(5,547,152)
Cash flows (used in) from financing activities	**(740,046)**	2,104,416	**(1,350,432)**	(6,392,614)
Net (decrease) increase in cash and cash equivalents	**Ps. (289,905)**	Ps. 239,268	**Ps. (582,986)**	Ps. (3,294,741)

20. Transactions with Related Parties

The principal transactions carried out by the Group with affiliated companies, including equity investees, stockholders and entities in which stockholders have an equity interest, for the years ended December 31, 2021, 2020 and 2019, were as follows:

	2021	2020	2019
Revenues, other income and interest income:			
Royalties (Univision) [a]	**Ps. 8,548,036**	Ps. 8,155,338	Ps. 7,527,364
Programming production and transmission rights [b]	**738,650**	707,247	485,157
Telecom services [c]	**57,759**	97,754	71,979
Administrative services [d]	**7,371**	13,561	20,598
Advertising [e]	**10,417**	36,385	151,296
Interest income [f]	**49,736**	64,809	83,625
	Ps. 9,411,969	Ps. 9,075,094	Ps. 8,340,019
Costs and expenses:			
Donations	**Ps. 26,606**	Ps. 26,729	Ps. 26,285
Administrative services [d]	**19,410**	1,529	24,899
Technical services [g]	**295,915**	459,960	465,250
Programming production, transmission rights and telecom [h]	**787,487**	674,270	666,312
	Ps. 1,129,418	Ps. 1,162,488	Ps. 1,182,746

[a] The Group receives royalties from Univision for programming provided pursuant to an amended PLA, pursuant to which Univision has the right to broadcast certain Televisa content in the United States for a term that commenced on January 1, 2011 to end 7.5 years after the Group has sold two-thirds of its initial investment in UHI made in December 2010. The amended PLA includes a provision for certain yearly minimum guaranteed advertising, with a value of U.S.$35.1 million (Ps.712,417), U.S.$42.6 million (Ps.909,159) and U.S.$32.3 million (Ps.625,410), for the fiscal years 2021, 2020 and 2019, respectively, to be provided by Univision, at no cost, for the promotion of certain Group businesses. This advertising does not have commercial substance for the Group, as it is related to activities that are considered ancillary to Group's normal operations in the United States. The Group received these royalties through January 31, 2022, as a result of the Transaction with UH II, which was closed on that date (see Notes 3, 9, 10 and 30).

[b] Services rendered to Univision in 2021, 2020 and 2019.

[c] Services rendered to a subsidiary of AT&T, Inc. ("AT&T") in 2021, 2020 and 2019, and Univision in 2021.

(d) The Group receives revenue from and is charged by affiliates for various services, such as: property and equipment rental, security and other services, at rates which are negotiated. The Group provides management services to affiliates, which reimburse the Group for the incurred payroll and related expenses.

(e) Advertising services rendered to Univision in 2021, OCEN and Univision in 2020, OCEN, Univision and Editorial Clío, Libros y Videos, S.A. de C.V. ("Editorial Clío") in 2019.

(f) Includes mainly interest income from GTAC.

(g) In 2021, 2020 and 2019, Sky received services from a subsidiary of AT&T, Inc. for play-out, uplink and downlink of signals.

(h) Paid mainly to Univision and GTAC in 2021, 2020 and 2019. The Group pays royalties to Univision for programming provided pursuant to a Mexico License Agreement, under which the Group has the right to broadcast certain Univision content in Mexico for the same term as that of the PLA. The Group paid these royalties through January 31, 2022, as a result of the Transaction with UH II, which was closed on that date (see Notes 3, 9, 10 and 30). It also includes payments by telecom services to GTAC in 2021, 2020 and 2019. In 2021, includes payments by transmission rights to AT&T.

Other transactions with related parties carried out by the Group in the normal course of business include the following:

(1) A consulting firm controlled by a relative of one of the Company's directors, has provided consulting services and research in connection with the effects of the Group's programming on its viewing audience. Total fees for such services during 2021, 2020 and 2019 amounted to Ps.19,983, Ps.19,433 and Ps.19,758, respectively.

(2) Two Mexican banks have made loans to the Group. Some members of the Company's Board serve as Board members of these banks.

(3) Several other current members of the Company's Board serve as members of the Boards and/or are stockholders of other companies, some of which purchased advertising services from the Group in connection with the promotion of their respective products and services.

(4) During 2021, 2020 and 2019, a professional services firm in which the current Secretary of the Company´s Board maintains an interest, provided legal advisory services to the Group in connection with various corporate matters. Total fees for such services amounted to Ps.57,925, Ps.52,848 and Ps.34,603, respectively.

(5) During 2021, 2020 and 2019, a professional services firm in which two current directors of the Company maintain an interest provided finance advisory services to the Group in connection with various corporate matters. Total fees for such services amounted to Ps.20,006, Ps.121,789 and Ps.20,554, respectively.

(6) In 2021, 2020 and 2019, the Group entered into contracts leasing office space directly or indirectly from certain of our directors and officers for an aggregate annual amount of Ps.34,478, Ps.32,784 and Ps.29,613, respectively.

During 2021, 2020 and 2019, the Group paid to its directors, alternate directors and officers an aggregate compensation of Ps.1,115,354, Ps.936,794 and Ps.869,556, respectively, for services in all capacities. This compensation included certain amounts related to the use of assets and services of the Group, as well as travel expenses reimbursed to directors and officers. Projected benefit obligations related to the Group's directors, alternate directors and officers amounted to Ps.212,310, Ps.196,584 and Ps.170,856 as of December 31, 2021, 2020 and 2019, respectively. Cumulative contributions made by the Group to the pension and seniority premium plans on behalf of these directors and officers amounted to Ps.76,241, Ps.71,744 and Ps.82,768 as of December 31, 2021, 2020 and 2019, respectively. In addition, the Group has made conditional sales of the Company's CPOs to its directors and officers under the LTRP.

In 2015, the Group established a deferred compensation plan for certain officers of its Cable segment, which was payable in certain revenue and EBITDA targets (as defined) of a five-year plan were met. The present value of this long-term employee benefit obligation as of December 31, 2020 and 2019 amounted to Ps.1,224,000 and Ps.1,258,013, respectively, and the related service net cost for the years ended December 31, 2020 and 2019, amounted to Ps.225,804 and Ps.199,195, respectively. In 2020 and 2019, the Group made contributions to a trust (plan assets) for funding this deferred compensation in the aggregate amount of Ps.435,500 and Ps.700,000, respectively. In 2020, the Group paid an amount of Ps.470,000, related to this deferred compensation plan. The deferred compensation liability, net of related plan assets, amounted to Ps.1,208 and Ps.199,726 as of December 31, 2020 and 2019, respectively, and was presented in other current liabilities and other long-term liabilities in the Group's consolidated statements of financial position as of those dates. The related expense was classified in other expense in the Group's consolidated statements of income (see Note 22). In March 2021, the Group made a final payment of Ps.1,107,658, related to this deferred compensation plan, which amount was funded by plan assets.

In 2021, the Group established a new deferred compensation plan for certain key officers of its Cable segment, which will be payable if certain revenue and EBITDA targets (as defined) of a five-year plan are met. The present value of this long-term employee benefit obligation as of December 31, 2021, amounted to Ps.207,640 and was presented in other long-term liabilities in the Group's consolidated statement of financial position as of that date, and the net cost of related services for the year ended December 31, 2021, amounted to Ps.207,640, and was classified in other expense in the Group's consolidated statement of income for the year ended on that date.

The balances of receivables and payables between the Group and related parties as of December 31, 2021 and 2020, were as follows:

	2021	2020
Current receivables:		
UH II in 2021 and UHI in 2020, including Univision [1]	**Ps. 819,355**	Ps. 692,282
OCEN	**—**	34,137
Editorial Clío	**337**	2,308
Other	**55,160**	58,225
	Ps. 874,852	Ps. 786,952
Current payables:		
AT&T	**Ps. 54,598**	Ps. 32,310
Other	**27,472**	50,697
	Ps. 82,070	Ps. 83,007

(1) As of December 31, 2021 and 2020, receivables from UH II and UHI related primarily to the PLA amounted to Ps.819,355 and Ps.692,282, respectively. Through December 29, 2020, the Group recognized a provision associated with a consulting arrangement entered into by the Group, UHI and an entity controlled by the former chairman of the Board of Directors of UHI, by which upon consummation of a qualified initial public offering of the shares of UHI or an alternative exit plan for the main current investors in UHI, the Group would pay the entity a portion of a defined appreciation in excess of certain preferred returns and performance thresholds of UHI. In connection with the sale of shares by the former control stockholders of UHI, which was concluded on December 29, 2020, and the dissolution of the special-purpose entity for this arrangement, the Company cancelled this provision on that date, and recognized a non-cash other income in the amount of Ps.691,221 in the statement of income for the year ended December 31, 2020 (see Note 22).

All significant account balances included in amounts due from affiliates bear interest, in 2021 and 2020, average interest rates of 6.6% and 6.9% were charged, respectively. Advances and receivables are short-term in nature; however, these accounts do not have specific due dates.

Customer deposits and advances as of December 31, 2021 and 2020, included deposits and advances from affiliates and other related parties, in an aggregate amount of Ps.146,354 and Ps.119,736, respectively, which were primarily made by UH II and UHI, including Univision.

In 2012, a subsidiary of the Company entered into an amended lease contract with GTAC for the right to use certain capacity in a telecommunication network. This amended lease agreement contemplates annual payments to GTAC in the amount of Ps.41,400 through 2029, with an annual interest rate of the lower of TIIE plus 122 basis points or 6% (see Notes 10, 11 and 14).

21. Cost of Sales, Selling Expenses and Administrative Expenses

Cost of sales represents primarily the production cost of programming, acquired programming and transmission rights at the moment of broadcasting or at the time the produced programs are sold and became available for broadcast (see Note 8). Such cost of sales also includes benefits to employees and post-employment benefits, network maintenance and interconnections, satellite links, paper and printing, depreciation of property, plant and equipment, leases of real estate property, and amortization of intangible assets.

Selling expenses and administrative expenses include primarily benefits to employees, sale commissions, postemployment benefits, share-based compensation to employees, depreciation of property, plant and equipment, leases of real estate property, and amortization of intangibles.

The amounts of depreciation, amortization and other amortization included in cost of sales, selling expenses and administrative expenses for the years ended December 31, 2021, 2020 and 2019, were as follows:

	2021	2020	2019
Cost of sales	**Ps. 17,461,411**	Ps. 16,775,214	Ps. 16,035,227
Selling expenses	**979,783**	1,473,940	1,695,616
Administrative expenses	**3,306,319**	3,392,496	3,809,379
	Ps. 21,747,513	Ps. 21,641,650	Ps. 21,540,222

The amounts of expenses related to IFRS 16 included in cost of sales, selling expenses and administrative expenses for the year ended December 31, 2021, were as follows:

	2021
Expenses relating to variable lease payment not included in the measurement of the lease liability	**Ps. 241,268**
Expenses relating to short-term leases and leases of low-value assets	**196,902**
Total	**Ps. 438,170**

Expenses related to short-term employee benefits, share-based compensation and post-employment benefits and incurred by the Group for the years ended December 31, 2021, 2020 and 2019, were as follows:

	2021	2020	2019
Short-term employee benefits	**Ps. 19,035,899**	Ps. 17,921,266	Ps. 16,821,651
Other short-term employee benefits	**1,711,945**	1,396,804	1,210,671
Share-based compensation	**1,088,413**	984,356	1,129,644
Post-employment benefits	**259,291**	292,026	259,064
	Ps. 22,095,548	Ps. 20,594,452	Ps. 19,421,030

22. Other Income or Expense, Net

Other income (expense) for the years ended December 31, 2021, 2020 and 2019, is analyzed as follows:

	2021	2020	2019
Net gain on disposition of OISE/OCEN [1]	**Ps. 4,547,029**	Ps. —	Ps. —
Net gain on disposition of Radiópolis [2]	**—**	932,449	—
Net gain on disposition of investments	**—**	—	627
Donations (see Note 20)	**(27,701)**	(62,155)	(27,786)
Legal and financial advisory and professional services [3]	**(683,311)**	(534,448)	(353,937)
Accrued expense related to the disposal of the Content business and other net assets (see Notes 3 and 30)	**(530,000)**	—	—
Gain (loss) on disposition of property and equipment	**45,921**	57,949	(158,658)
Deferred compensation (see Note 20) [4]	**(207,640)**	(225,804)	(199,195)
Dismissal severance expense [5]	**(312,337)**	(273,281)	(533,233)
Surcharges for payments of taxes of prior years [6]	**(400,641)**	—	—
Impairment adjustments [7]	**(97,293)**	(40,803)	(67,574)
Income for cash reimbursement received from Imagina [8]	**—**	167,619	—
Interest income for recovered Asset Tax from prior years	**—**	—	139,995
Other, net	**53,981**	212,102	(116,826)
	Ps. 2,388,008	Ps. 233,628	Ps. (1,316,587)

(1) In 2021, included a payment in cash on disposal of OISE/OCEN in the amount of Ps.4,806,549 (see Note 3).

(2) In 2020, included a pretax gain on disposal of Radiópolis, the Group's former Radio business in the amount of Ps.932,449 (see Note 3).

(3) Includes primarily advisory and professional services in connection with certain litigation, financial advisory, and other matters (see Notes 3 and 20).

(4) Includes the service cost of long-term deferred compensation plans for certain officers of the Group's Cable segment, which payment becomes payable when certain financial targets (as defined in the plans) are met.

(5) Includes severance expense in connection with the dismissals of personnel, as a part of a continued cost reduction plan. In 2019 includes Ps.150,000 related to an accrual for restructuring certain administrative areas in the first quarter of 2020.

(6) Surcharges resulting from payments made in 2021 by three companies in the Group's Cable, Sky and Content segments for income taxes of prior years.

(7) In 2021 and 2020, includes impairment adjustments in connection with long-lived assets in the Group's Other Business segment (see Note 13).

(8) In the second quarter of 2020, the Company received a cash reimbursement from Imagina Media Audiovisual, S.L. ("Imagina"), in connection with a legal outcome that was favorable to Imagina, a former associate of the Company.

23. Finance Expense, Net

Finance (expense) income, net, for the years ended December 31, 2021, 2020 and 2019, included:

	2021	2020	2019
Interest expense [1]	**Ps. (9,135,531)**	Ps. (10,482,168)	Ps. (10,402,021)
Other finance expense, net [2]	**(1,183,180)**	—	(873,177)
Foreign exchange loss, net [4]	**(2,050,096)**	—	—
Finance expense	**(12,368,807)**	(10,482,168)	(11,275,198)
Interest income [3]	**620,222**	1,132,935	1,529,112
Other finance income, net [2]	—	89,323	—
Foreign exchange gain, net [4]	—	3,004,934	935,291
Finance income	**620,222**	4,227,192	2,464,403
Finance expense, net	**Ps. (11,748,585)**	Ps. (6,254,976)	Ps. (8,810,795)

(1) In 2021, 2020 and 2019, interest expense included interest related to lease liabilities that were recognized in accordance with the guidelines of IFRS 16, in the aggregate amount of Ps.445,979, Ps.426,672 and Ps.426,541, respectively (see Notes 2 and 14).

(2) In 2021, 2020 and 2019, other finance income or expense, net, included fair value gain or loss from derivative financial instruments (see Note 15), and in 2019, also included a loss from changes in fair value from other financial instruments.

(3) In 2021, 2020 and 2019, included primarily interest income from cash equivalents.

(4) In 2021, 2020 and 2019, foreign exchange gain or loss, net, included: (i) foreign exchange gain or loss resulted primarily from the appreciation or depreciation of the Mexican peso against the U.S. dollar on the Group's U.S. dollar-denominated monetary liability position, excluding designated hedging long-term debt of the Group's investments in UH II, UHI and Open-Ended Fund, during the years ended December 31, 2021, 2020 and 2019; and (ii) foreign exchange gain or loss resulted primarily from the appreciation or depreciation of the Mexican peso against the U.S. dollar on the Group's U.S. dollar-denominated monetary asset position during the years ended December 31, 2021, 2020 and 2019 (see Notes 2 (e), 4 and 14). The exchange rate of the Mexican peso against the U.S. dollar as of December 31, 2021, 2020 and 2019 was of Ps.20.5031, Ps.19.9493 and Ps.18.8838, respectively.

24. Income Taxes

The income tax expense (benefit) for the years ended December 31, 2021, 2020 and 2019 was comprised of:

	2021	2020	2019
Income taxes, current [1]	**Ps. 6,376,268**	Ps. 6,802,510	Ps. 5,267,157
Income taxes, deferred	**369,510**	(1,574,610)	(2,598,712)
	Ps. 6,745,778	Ps. 5,227,900	Ps. 2,668,445

(1) The current income tax of Mexican companies payable in Mexico represented 96%, 93% and 95% of total current income taxes in 2021, 2020 and 2019, respectively.

The Mexican corporate income tax rate was 30% in 2021, 2020 and 2019, and will be 30% in 2022.

2014 Tax Reform

As a result of a 2014 Mexican Tax Reform (the "2014 Tax Reform"), which included the elimination of the tax consolidation regime allowed for Mexican controlling companies, beginning on January 1, 2014, the Company is no longer allowed to consolidate income or loss of its Mexican subsidiaries for income tax purposes and: (i) accounted for an additional income tax liability for the elimination of the tax consolidation regime in the aggregate amount of Ps.6,813,595 as of December 31, 2013; (ii) recognized a benefit from tax loss carryforwards of Mexican companies in the Group in the aggregate amount of Ps.7,936,044 as of December 31, 2013; and (iii) adjusted the carrying amount of deferred income taxes from temporary differences by recognizing such effects on a separate company basis by using the enacted corporate income tax rate as of December 31, 2013.

The income tax payable as of December 31, 2021 and 2020, in connection with the 2014 Tax Reform, is as follows:

	2021	2020
Tax losses of subsidiaries, net	**Ps. 771,873**	Ps. 1,759,301
Less: Current portion [(a)]	**667,048**	992,186
Non-current portion [(b)]	**Ps. 104,825**	Ps. 767,115

(a) Accounted for as current income taxes payable in the consolidated statement of financial position as of December 31, 2021 and 2020.

(b) Accounted for as non-current income taxes payable in the consolidated statement of financial position as of December 31, 2021 and 2020.

Maturities of income tax payable as of December 31, 2021, in connection with the 2014 Mexican Tax Reform, are as follows:

2022	Ps. 667,048
2023	104,825
	Ps. 771,873

The following items represent the principal differences between income taxes computed at the statutory rate and the Group's provision for income taxes.

	% 2021	% 2020	% 2019
Statutory income tax rate	**30**	30	30
Differences between accounting and tax bases, including tax inflation gain that is not recognized for accounting purposes	**20**	25	5
Asset tax	**—**	—	(2)
Tax loss carryforwards	**4**	7	(13)
2014 Tax Reform	**—**	—	1
Foreign operations	**(1)**	(2)	8
Disposition of investments	**(3)**	—	3
Disposition of Radiópolis	**—**	3	—
Share of income in associates and joint ventures, net	**6**	2	(2)
(Reversal of impairment loss) Impairment loss in investment in shares of UHI	**(8)**	30	—
Effective income tax rate	**48**	95	30

The Group has recognized the benefits from tax loss carryforwards of Mexican companies in the Group as of December 31, 2021 and 2020. The years of expiration of tax loss carryforwards as of December 31, 2021, are as follows:

Year of Expiration	Tax Loss Carryforwards for Which Deferred Taxes Were Recognized
2022	Ps. 79,295
2023	9,883
2024	325,535
2025	8,817,805
2026	7,076,201
Thereafter	7,878,620
	Ps. 24,187,339

As of December 31, 2021, tax loss carryforwards of Mexican companies in the Group for which deferred tax assets were not recognized amounted to Ps.8,318,914, and will expire between 2022 and 2031.

During 2021, 2020 and 2019, certain Mexican subsidiaries utilized operating tax loss carryforwards in the amounts of Ps.2,618,821, Ps.6,160,740 and Ps.6,457,550, respectively.

In addition to the tax loss carryforwards of Mexican companies in the Group referred as of December 31, 2021, the Group has tax loss carryforwards derived from the disposal in 2014 of its former investment in GSF Telecom Holdings, S.A.P.I. de C.V. ("GSF") in the amount of Ps.13,818,831. As of December 31, 2021, tax loss carryforwards derived from this disposal for which deferred taxes were recognized amounted to Ps.13,818,831, and will expire in 2025.

As of December 31, 2021, tax loss carryforwards of subsidiaries in South America, the United States, and Europe amounted to Ps.2,934,613, and will expire between 2022 and 2037.

The deferred income taxes as of December 31, 2021 and 2020, were principally derived from the following temporary differences and tax loss carryforwards:

	2021	2020
Assets:		
Accrued liabilities	**Ps. 7,128,606**	Ps. 6,219,312
Loss allowance	**946,559**	1,235,658
Customer advances	**1,854,424**	1,600,334
Derivative financial instruments	**615**	972,991
Property, plant and equipment, net	**3,704,746**	2,084,550
Prepaid expenses and other items	**4,508,914**	5,868,717
Tax loss carryforwards:		
Operating	**6,240,930**	5,481,738
Capital [1]	**5,160,921**	5,767,847
Tax credit carryforward [2]	**5,738,832**	—
Liabilities:		
Investments	**(1,733,507)**	(729,910)
Intangible assets and transmission rights	**(2,807,484)**	(2,549,784)
Deferred income tax assets of Mexican companies	**30,743,556**	25,951,453
Deferred income tax assets of certain foreign subsidiaries	**218,983**	261,929
Deferred income tax assets, net	**Ps. 30,962,539**	Ps. 26,213,382

(1) Net of the benefit from tax loss carryforwards derived from the disposal in 2014 of the Group's investment in GSF, in the amount of Ps.4,145,649 and Ps.4,668,717 in 2021 and 2020, respectively.

(2) Tax credit carryforward derived from a capital reduction made by one of the Company´s subsidiaries in December 2021, which can be credited in a three-year period in accordance with applicable tax law.

The deferred tax assets are in tax jurisdictions in which the Group considers that based on financial projections of its cash flows, results of operations and synergies between subsidiaries, will generate taxable income in subsequent periods.

The gross roll-forward of deferred income tax assets, net, is as follows:

	2021	2020
At January 1	**Ps. 26,213,382**	Ps. 17,132,915
Statement of (expense charge) income credit	**(369,510)**	1,574,610
Other comprehensive income ("OCI") credit	**(619,304)**	7,528,693
Tax credit	**5,738,832**	—
Reserve for low value	**(861)**	—
Disposed operations	—	(22,836)
At December 31	**Ps. 30,962,539**	Ps. 26,213,382

The roll-forward of deferred income tax assets and liabilities for the year 2021, was as follows:

	At January 1, 2021	Credit (Charge) to Consolidated Statement of Income	Credit (Charge) to OCI and Retained Earnings	Credit (Charge) to Other Accounts	At December 31, 2021
Assets:					
Accrued liabilities	Ps. 6,219,312	Ps. 909,294	Ps. —	Ps. —	**Ps. 7,128,606**
Loss allowance	1,235,658	(289,099)	—	—	**946,559**
Customer advances	1,600,334	254,090	—	—	**1,854,424**
Derivative financial instruments	972,991	(394,096)	(578,280)	—	**615**
Property, plant and equipment, net	2,084,550	1,620,196	—	—	**3,704,746**
Prepaid expenses and other items	5,868,717	(1,274,995)	(83,947)	(861)	**4,508,914**
Tax loss carryforwards	11,249,585	152,266	—	—	**11,401,851**
Deferred income tax assets of foreign subsidiaries	261,929	(42,946)	—	—	**218,983**
Tax Credit	—	—	—	5,738,832	**5,738,832**
Liabilities:					
Investments	(729,910)	(1,046,520)	42,923	—	**(1,733,507)**
Intangible assets and transmission rights	(2,549,784)	(257,700)	—	—	**(2,807,484)**
Deferred income tax assets, net	Ps. 26,213,382	Ps. (369,510)	Ps. (619,304)	Ps. 5,737,971	**Ps. 30,962,539**

The roll-forward of deferred income tax assets and liabilities for the year 2020, was as follows:

	At January 1, 2020	Credit (Charge) to Consolidated Statement of Income	Credit (Charge) to OCI and Retained Earnings	Disposed Operations	At December 31, 2020
Assets:					
Accrued liabilities	Ps. 4,352,021	Ps. 1,867,291	Ps. —	Ps. —	Ps. 6,219,312
Loss allowance	1,550,482	(314,824)	—	—	1,235,658
Customer advances	1,499,462	100,872	—	—	1,600,334
Derivative financial instruments	273,210	288,737	411,044	—	972,991
Property, plant and equipment, net	1,650,860	433,690	—	—	2,084,550
Prepaid expenses and other items	3,700,673	2,087,586	103,294	(22,836)	5,868,717
Tax loss carryforwards	13,025,006	(1,516,219)	(259,202)	—	11,249,585
Deferred income tax assets of foreign subsidiaries	163,747	98,182	—	—	261,929
Liabilities:					
Investments	(6,676,401)	(1,327,066)	7,273,557	—	(729,910)
Intangible assets and transmission rights	(2,406,145)	(143,639)	—	—	(2,549,784)
Deferred income tax assets, net	Ps. 17,132,915	Ps. 1,574,610	Ps. 7,528,693	Ps. (22,836)	Ps. 26,213,382

The tax (charge) credit relating to components of other comprehensive income is as follows:

	2021		
	Before Tax	Tax (Charge) Credit	After Tax
Remeasurement of post-employment benefit obligations	**Ps. 279,825**	**Ps. (83,947)**	**Ps. 195,878**
Exchange differences on translating foreign operations	**92,555**	**151,555**	**244,110**
Derivative financial instruments cash flow hedges	**1,927,601**	**(578,280)**	**1,349,321**
Open-Ended Fund	**(19,718)**	**5,915**	**(13,803)**
Other equity instruments	**(123,359)**	**37,008**	**(86,351)**
Share of income or loss of associates and joint ventures	**245,714**	**—**	**245,714**
Other comprehensive loss	**Ps. 2,402,618**	**Ps. (467,749)**	**Ps. 1,934,869**
Current tax		**Ps. 151,555**	
Deferred tax		**(619,304)**	
		Ps. (467,749)	

	2020		
	Before Tax	Tax (Charge) Credit	After Tax
Remeasurement of post-employment benefit obligations	Ps. (344,313)	Ps. 103,294	Ps. (241,019)
Exchange differences on translating foreign operations	133,522	408,221	541,743
Derivative financial instruments cash flow hedges	(1,370,145)	411,044	(959,101)
Warrants exercised for common stock of UHI	(21,899,164)	6,639,400	(15,259,764)
Open-Ended Fund	(904,423)	268,906	(635,517)
Other equity instruments	(353,496)	106,049	(247,447)
Share of loss of associates and joint ventures	(61,033)	—	(61,033)
Other comprehensive loss	Ps. (24,799,052)	Ps. 7,936,914	Ps. (16,862,138)
Current tax		Ps. 408,221	
Deferred tax		7,528,693	
		Ps. 7,936,914	

	2019		
	Before Tax	Tax (Charge) Credit	After Tax
Remeasurement of post-employment benefit obligations	Ps. (247,092)	Ps. 74,128	Ps. (172,964)
Remeasurement of post-employment benefit obligations of assets held for sale	(3,445)	1,033	(2,412)
Exchange differences on translating foreign operations	(98,422)	(101,323)	(199,745)
Derivative financial instruments cash flow hedges	(1,521,912)	456,574	(1,065,338)
Warrants exercisable for common stock of UHI	257,306	(77,192)	180,114
Open-Ended Fund	(351,202)	112,590	(238,612)
Other equity instruments	(794,624)	238,387	(556,237)
Other financial assets	111	(33)	78
Share of loss of associates and joint ventures	(236,159)	—	(236,159)
Other comprehensive loss	Ps. (2,995,439)	Ps. 704,164	Ps. (2,291,275)
Current tax		Ps. (449,933)	
Deferred tax		1,154,097	
		Ps. 704,164	

The Group does not recognize deferred income tax liabilities related to its investments in certain associates and joint ventures, as either (i) the Group is able to control the timing of the reversal of temporary differences arising from these investments, and it is probable that these temporary differences will not reverse in the foreseeable future or (ii) no temporary difference arises due to the application of Mexican income tax law. As of December 31, 2021 and 2020, the deferred tax liabilities in connection with the Group's investment in PDS amounted to an aggregate of Ps.44,945 and Ps.44,820, respectively. In 2019 included primarily the investment in UHI (see Note 10).

In December 2018, the Mexican Federal Congress approved reforms to the Economic Plan for 2019, which did not include relevant changes in the Mexican tax legislation, except for the limitation to use overpayments of taxes against the same kind of tax (Value Added Taxes ("VAT") against VAT), and some incentives for taxpayers operating in the Northern border region of Mexico. Until December 2018, taxpayers were able to offset overpayments of different type of taxes against each other and against taxes withheld. With the tax reform, this ability was eliminated, and taxpayers are only allowed to offset tax overpayments that derive from the same tax. This limitation may affect some of our subsidiaries that recurrently have VAT or Income Tax overpayments but could offset those overpayments against each other (i.e. VAT against Income Tax). Beginning on January 1, 2019, they will only be able to: (i) to request a refund of the overpayment or (ii) to offset tax overpayments against the same tax.

In December 2019, the Mexican Federal Congress approved reforms to the Economic Plan for 2020. These tax reforms included amendments to the Mexican Income Tax Law, Value Added Tax Law, Special Tax on Production and Services Law, and Federal Tax Code, and they became effective as of January 1, 2020. Some of the most relevant changes to the Mexican tax legislation incorporated some of the Actions included in the Base Erosion and Profit Shifting Final Report (BEPS) published by the OCDE in February 2013, such as: (i) limitations to the deduction of net interest paid by companies as well as to some other deductions, (ii) update of the Controlled Foreign Corporation (CFC) Rules, (iii) new provisions to tax transparent entities, (iv) modification of the definition of permanent establishment, and (v) incorporation of new rules to tax digital economy. Some other relevant amendments to avoid tax evasion included: (i) a new obligation of tax advisors and taxpayers to disclose reportable schemes, and (ii) inclusion of general anti-avoidance rule.

In December 2020, the Mexican Federal Congress approved minimum amendments to the Income Tax Law, Value Added Tax Law and Federal Tax Code as part of the Economic Plan for 2021. Regarding the Income Tax Law several changes were made to the general regime applicable to Tax-Exempt Organizations, that aimed to control and restrict the application of such regime to ensure that only the companies that perform non-for-profit activities benefit from the dispositions of such Regime. Another important amendment was the decrease of the rate of annual withholding tax applicable to the capital that produces interest paid by the financial system, which changed from 1.45% to 0.97%. In terms of value added tax, derived from the entry into force of the digital economy dispositions, some more dispositions were included to specify the way to comply with those obligations, as well as penalties to ensure such compliance.

In December 2021, the Mexican Federal Congress approved minimum amendments to the Income Tax Law, Value Added Tax Law, Special Tax on Production and Services Law, and Federal Tax Code as part of the Economic Plan for 2022. These amendments do not propose the addition of new taxes or increases to the existing ones. With respect to the Income Tax Law, a new simplified regime applicable to individuals and corporations was added. This new regime applies under certain conditions and is based on cash flow received and paid. With respect to the Value Added Tax Law, a few modifications were included such as the concept of non-subject activities. Most of the reforms were made to the Federal Tax Code, the most relevant of which are: (i) several cases where the Certificate of Digital Signature can be canceled or restricted to the taxpayer were included, this certificate is used to issue invoices; (ii) the definition of resident was modified; (iii) new requirements were added or modified regarding the procedure to perform a split or a merger to ensure that any splits or mergers are done for a business reason; and (iv) new information has to be added in invoices and the time for canceling them was limited for certain period.

2021 Labor Reform

In April 2021, the Mexican Congress approved modifications to various laws in connection with outsourcing structures, including the Income Tax law, VAT Law, and the Labor Law (the "2021 Labor Reform"). Outsourcing is defined as a Mexican entity contracting with a related or unrelated legal entity/individual for services and the employees of the service provider are at the disposition and benefit of the service recipient. The most significant modifications to outsourcing included in the 2021 Labor Reform are the following:

- The 2021 Labor Reform, generally, prohibits outsourcing activities. An exception was created to allow for the rendering of specialized services or the execution of special projects that are not within the business purpose stated in the formation documents or are no part of the primary economic activity of the service recipient ("Specialized Services") so long as the service provided is duly registered. Entities that will provide Specialized Services must comply with a new registration procedure with the Mexican Ministry of Labor. The registry will be made public.

- The employee profit sharing obligation are capped at an amount per employee. The maximum employee profit sharing payable will be the higher of a three-months' salary or the average employee profit sharing received over the last three years.

- Significant penalties apply to entities that do not comply with the outsourcing limitations, including potential characterization as tax fraud. Payments for outsourcing will not be deductible for income tax purposes unless they qualify as Specialized Services and comply with all relevant formalities. Payments that are not deductible for the Income Tax law will also not be creditable for purposes of the VAT Law. The tax law changes became effective on September 1, 2021.

During 2021, the Group's management analyzed the effects of these changes on its Mexican operations, made the changes prescribed by the 2021 Labor Reform, including the transfer of employees among companies in the Group, and established controls to comply with the modifications to the various laws.

25. Earnings per CPO/Share

At December 31, 2021 and 2020, the weighted average of outstanding total shares, CPOs and Series "A", Series "B", Series "D" and Series "L" Shares (not in the form of CPO units), was as follows (in thousands):

	2021	2020
Total Shares	**327,524,800**	330,685,559
CPOs	**2,326,366**	2,351,464
Shares not in the form of CPO units:		
Series "A" Shares	**55,339,297**	55,563,596
Series "B" Shares	**187**	187
Series "D" Shares	**239**	239
Series "L" Shares	**239**	239

Basic earnings per CPO and per each Series "A", Series "B", Series "D" and Series "L" Share (not in the form of a CPO unit) for the years ended December 31, 2021, 2020 and 2019, are presented as follows:

	2021		2020		2019	
	Per CPO	Per Share (*)	Per CPO	Per Share (*)	Per CPO	Per Share (*)
Net (loss) income attributable to stockholders of the Company	**Ps. 2.17**	**Ps. 0.02**	Ps. (0.44)	Ps. 0.00	Ps. 1.60	Ps. 0.01

(*) Series "A", "B", "D" and "L" Shares not in the form of CPO units.

Diluted earnings per CPO and per Share attributable to stockholders of the Company calculated in connection with CPOs and shares in the LTRP, are as follows:

	2021	2020
Total Shares	**352,134,036**	352,237,926
CPOs	**2,485,895**	2,486,783
Shares not in the form of CPO units:		
Series "A" Shares	**58,926,613**	58,926,613
Series "B" Shares	**2,357,208**	2,357,208
Series "D" Shares	**239**	239
Series "L" Shares	**239**	239

Diluted earnings per CPO and per each Series "A", Series "B", Series "D" and Series "L" Share (not in the form of a CPO unit) for the years ended December 31, 2021, 2020 and 2019, are presented as follows:

	2021		2020		2019	
	Per CPO	Per Share (*)	Per CPO	Per Share (*)	Per CPO	Per Share (*)
Net (loss) income attributable to stockholders of the Company	**Ps. 2.01**	**Ps. 0.02**	Ps. (0.41)	Ps. 0.00	Ps. 1.53	Ps. 0.01

(*) Series "A", "B", "D" and "L" Shares not in the form of CPO units.

26. Segment Information

Reportable segments are those that are based on the Group's method of internal reporting.

The Group is organized on the basis of services and products. The Group's segments are strategic business units that offer different entertainment services and products. Through December 31, 2021, the Group's reportable segments were as follows:

Cable

The Cable segment includes the operation of cable multiple systems covering the Mexico City metropolitan area, Monterrey and suburban areas, and over 200 other cities of Mexico; and the operation of telecommunication facilities through a fiber-optic network that covers the most important cities and economic regions of Mexico and the cities of San Antonio and San Diego in the United States (Bestel).

The cable multiple system businesses derive revenues from cable subscribers, principally from basic and premium television services subscription, pay-per-view fees, installation fees, Internet services subscription, telephone and mobile services subscription as well as from local and national advertising sales.

The telecommunication facilities business derives revenues from providing data and long-distance services solutions to carriers and other telecommunications service providers through its fiber-optic network.

Sky

The Sky segment includes DTH broadcast satellite pay television services in Mexico, Central America and the Dominican Republic. Sky revenues are primarily derived from program services, installation fees and equipment rental to subscribers, and national advertising sales.

Content

The Content segment categorizes the Group's sources of content revenue as follows: (a) Advertising; (b) Network Subscription Revenue; and (c) Licensing and Syndication. Given the cost structure of the Group's Content business, operating segment income is reported as a single line item.

The Advertising revenue is derived primarily from the sale of advertising time on the Group's television broadcast operations, which include the production of television programming and broadcasting of Channels 2, 4, 5 and 9 ("television networks"), as well as the sale of advertising time on programs provided to pay television companies in Mexico and advertising revenue in the Group's Internet business and the production of television programming and broadcasting for local television stations in Mexico. The broadcasting of television networks is performed by television repeater stations in Mexico, either wholly-owned, majority-owned or minority-owned by the Group or otherwise affiliated with the Group's networks.

The Network Subscription revenue is derived from domestic and international programming services provided to independent cable television systems in Mexico and the Group's direct-to-home ("DTH") satellite and cable television businesses. These programming services for cable and pay-per-view television companies are provided in Mexico, other countries in Latin America, the United States and Europe. The programming services consist of both programming produced by the Group and programming produced by others.

The Licensing and Syndication revenue was derived from international program licensing and syndication fees. The Group's television programming is licensed and syndicated to customers abroad, including Univision.

On January 31, 2022, the Group disposed of most of its Content segment and other net assets. Through December 31, 2021, the Content segment was reported separately as the disposal of this Group's segment had not been concluded as of that date. Beginning in the first quarter of 2022, the Group's operating results of its disposed businesses through January 31, 2022, will be classified as discontinued operations, including the corresponding comparative information for earlier periods (see Notes 3 and 30).

Other Businesses

Through December 31, 2021, the Other Businesses segment included the Group's feature-film production and distribution, domestic operations in sports and show business promotion, soccer, publishing and publishing distribution, and gaming. Through the third quarter of 2019, the Radio business was classified in the Group's Other Businesses segment. Beginning in the fourth quarter of 2019, the Radio operating results were classified as held-for-sale operations through June 30, 2020, and as disposed operations following the disposition of this business in July 2020 (see Notes 2 (b) and 3). On January 31, 2022, the feature-film production and distribution business, was disposed of by the Group in conjunction with the disposal of most of its Content segment. Beginning in the first quarter of 2022, the Group's operating results of the feature-film production and distribution business through January 31, 2022, will be classified as discontinued operations, including the corresponding comparative information for earlier periods (see Notes 3 and 30).

The table below presents information by segment and a reconciliation to consolidated total for the years ended December 31, 2021, 2020 and 2019:

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income
2021:				
Cable	**Ps. 48,020,929**	**Ps. 737,536**	**Ps. 47,283,393**	**Ps. 20,285,023**
Sky	**22,026,616**	**594,773**	**21,431,843**	**8,504,169**
Content	**35,941,918**	**5,137,690**	**30,804,228**	**13,778,960**
Other Businesses	**5,029,067**	**1,026,708**	**4,002,359**	**907,382**
Segment totals	**111,018,530**	**7,496,707**	**103,521,823**	**43,475,534**
Reconciliation to consolidated amounts:				
Corporate expenses	—	—	—	**(2,203,548)**
Intersegment operations	**(7,496,707)**	**(7,496,707)**	—	**(64,354)**
Depreciation and amortization expense	—	—	—	**(21,418,369)**
Consolidated net sales and operating income before other income	**103,521,823**	—	**103,521,823**	**19,789,263** (1)
Other income, net	—	—	—	**2,388,008**
Consolidated net sales and operating income	**Ps. 103,521,823**	**Ps. —**	**Ps. 103,521,823**	**Ps. 22,177,271** (2)

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income
2020:				
Cable	Ps. 45,367,108	Ps. 710,357	Ps. 44,656,751	Ps. 18,898,301
Sky	22,134,701	581,270	21,553,431	9,135,346
Content	32,613,007	4,679,805	27,933,202	12,360,797
Other Businesses	4,276,074	1,281,096	2,994,978	116,480
Segment totals	104,390,890	7,252,528	97,138,362	40,510,924
Reconciliation to consolidated amounts:				
Disposed operations (3)	223,272	—	223,272	(3,991)
Corporate expenses	—	—	—	(1,882,923)
Intersegment expenses	(7,252,528)	(7,252,528)	—	(71,483)
Depreciation and amortization expense	—	—	—	(21,260,787)
Consolidated net sales and operating income before other income	97,361,634	—	97,361,634	17,291,740 (1)
Other income, net	—	—	—	233,628
Consolidated net sales and operating income	Ps. 97,361,634	Ps. —	Ps. 97,361,634	Ps. 17,525,368 (2)

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income
2019:				
Cable	Ps. 41,701,982	Ps. 591,618	Ps. 41,110,364	Ps. 17,797,571
Sky	21,347,078	437,275	20,909,803	9,121,221
Content	35,060,534	3,589,407	31,471,127	12,649,135
Other Businesses [3]	8,200,212	772,793	7,427,419	1,464,249
Segment totals	106,309,806	5,391,093	100,918,713	41,032,176
Reconciliation to consolidated amounts:				
Disposed operations [3]	841,437	2,969	838,468	258,885
Corporate expenses	—	—	—	(1,888,398)
Intersegment expenses	(5,394,062)	(5,394,062)	—	(72,250)
Depreciation and amortization expense	—	—	—	(21,008,796)
Consolidated net sales and operating income before other expense	101,757,181	—	101,757,181	18,321,617 [1]
Other expense, net	—	—	—	(1,316,587)
Consolidated net sales and operating income	Ps. 101,757,181	Ps. —	Ps. 101,757,181	Ps. 17,005,030 [2]

(1) This amount represents income before other income or expense, net.

(2) This amount represents consolidated operating income.

(3) In 2018, the Radio operations were previously reported as part of the Other Businesses segment. In 2019 and 2020, the Radio operations were classified as disposed operations for comparison purposes.

Accounting Policies

The accounting policies of the segments are the same as those described in the Group's summary of significant accounting policies (see Note 2). The Group evaluates the performance of its segments and allocates resources to them based on operating income before depreciation and amortization.

Intersegment Revenue

Intersegment revenue consists of revenues derived from each of the segments principal activities as provided to other segments.

The Group accounts for intersegment revenues as if the revenues were from third parties, that is, at current market prices.

Allocation of Corporate Expenses

Non-allocated corporate expenses primarily include share-based compensation expense for certain key officers and employees in connection with the Company's LTRP, as well as other general expenses that because of their nature and characteristics are not subject to be allocated within the Group's business segments.

The table below presents segment information about assets, liabilities, and additions to property, plant and equipment as of and for the years ended December 31, 2021, 2020 and 2019:

	Segment Assets at Year-End	Segment Liabilities at Year-End	Additions to Property, Plant and Equipment
2021:			
Continuing operations:			
Cable	**Ps. 119,102,077**	**Ps. 24,449,798**	**Ps. 17,339,270**
Sky	**25,615,006**	**10,745,984**	**4,949,039**
Content	**93,463,141**	**37,286,277**	**909,164**
Other Businesses	**8,744,886**	**3,203,932**	**70,374**
Total	**Ps. 246,925,110**	**Ps. 75,685,991**	**Ps. 23,267,847**
2020**:**			
Continuing operations:			
Cable	Ps. 112,478,015	Ps. 22,295,808	Ps. 14,182,848
Sky	26,423,707	10,696,397	5,361,494
Content	80,237,558	27,427,941	479,731
Other Businesses	8,177,183	3,936,289	107,665
Total	Ps. 227,316,463	Ps. 64,356,435	Ps. 20,131,738
2019:			
Continuing operations:			
Cable	Ps. 105,841,104	Ps. 21,637,395	Ps. 12,995,448
Sky	27,755,967	12,902,845	4,039,020
Content	78,336,679	31,555,070	1,690,805
Other Businesses	10,268,185	4,530,712	383,011
Total	Ps. 222,201,935	Ps. 70,626,022	Ps. 19,108,284

Segment assets reconcile to total assets as of December 31, 2021 and 2020, as follows:

	2021	2020
Segment assets	**Ps. 246,925,110**	Ps. 227,316,463
Investments attributable to:		
Cable	**614,146**	515,002
Content [(1)]	**31,920,796**	29,096,777
Other Businesses	**245,372**	204,464
Goodwill attributable to:		
Cable	**13,794,684**	13,794,684
Content	**241,973**	241,973
Other Businesses	**—**	76,969
Total assets	**Ps. 293,742,081**	Ps. 271,246,332

(1) Includes goodwill attributable to equity investments of Ps.359,613 in 2020 (see Notes 3 and 10).

Equity method gain (loss) recognized in income for the years ended December 31, 2021, 2020 and 2019 attributable to equity investments in Cable, was Ps.161,468, Ps.(7,826) and Ps.(62,329), respectively.

Equity method gain (loss) recognized in income for the years ended December 31, 2021, 2020 and 2019 attributable to equity investments in Content, was Ps.3,503,357, Ps.(5,739,833) and Ps.642,768, respectively.

Equity method gain recognized in income for the years ended December 31, 2021, 2020 and 2019 attributable to equity investments in Other Businesses, was Ps.7,052, Ps.7,991 and Ps.584, respectively.

Segment liabilities reconcile to total liabilities as of December 31, 2021 and 2020, as follows:

	2021	2020
Segment liabilities	**Ps. 75,685,991**	Ps. 64,356,435
Debt not allocated to segments	**121,532,026**	118,950,864
Total liabilities	**Ps. 197,218,017**	Ps. 183,307,299

Geographical segment information:

	Total Net Sales	Segment Assets at Year-End	Additions to Property, Plant and Equipment
2021:			
Mexico	**Ps. 90,815,023**	**Ps. 230,559,883**	**Ps. 22,859,403**
Other countries [1]	**12,706,800**	**16,365,227**	**408,444**
	Ps. 103,521,823	**Ps. 246,925,110**	**Ps. 23,267,847**
2020:			
Mexico	Ps. 84,664,293	Ps. 215,395,954	Ps. 19,707,436
Other countries [1]	12,697,341	11,920,509	424,302
	Ps. 97,361,634	Ps. 227,316,463	Ps. 20,131,738
2019:			
Mexico	Ps. 88,388,569	Ps. 211,592,987	Ps. 18,804,629
Other countries [1]	13,368,612	10,608,948	303,655
	Ps. 101,757,181	Ps. 222,201,935	Ps. 19,108,284

[1] The United States is the largest country from which revenue is derived.

Net sales are attributed to geographical segment based on the location of customers.

Disaggregation of Total Revenues

The table below present total revenues for each reportable segment disaggregated by major service/product lines and primary geographical market for the years ended December 31, 2021, 2020 and 2019:

	Domestic	Export	Abroad	Total
2021:				
Cable:				
Digital TV Service [a]	**Ps. 15,883,520**	**Ps. —**	**Ps. —**	**Ps. 15,883,520**
Advertising	**1,971,853**	**—**	**—**	**1,971,853**
Broadband Services [a]	**18,648,098**	**—**	**—**	**18,648,098**
Telephony [a]	**4,977,671**	**—**	**—**	**4,977,671**
Other Services	**598,890**	**—**	**—**	**598,890**
Enterprise Operations	**5,699,425**	**—**	**241,472**	**5,940,897**
Sky:				
DTH Broadcast Satellite TV [a]	**19,210,652**	**—**	**1,514,377**	**20,725,029**
Advertising	**1,233,537**	**—**	**—**	**1,233,537**
Pay-Per-View	**56,883**	**—**	**11,167**	**68,050**
Content:				
Advertising	**18,925,794**	**236,248**	**—**	**19,162,042**
Network Subscription Revenue	**4,525,815**	**864,952**	**—**	**5,390,767**
Licensing and Syndication	**1,781,380**	**9,607,729**	**—**	**11,389,109**
Other Businesses:				
Gaming	**1,673,911**	**—**	**—**	**1,673,911**
Soccer, Sports and Show Business Promotion	**1,658,928**	**71,661**	**—**	**1,730,589**
Publishing - Magazines	**341,159**	**—**	**—**	**341,159**
Publishing - Advertising	**143,622**	**—**	**—**	**143,622**
Publishing Distribution	**286,454**	**—**	**—**	**286,454**
Feature Film Production and Distribution	**694,138**	**—**	**159,194**	**853,332**
Segment total	**98,311,730**	**10,780,590**	**1,926,210**	**111,018,530**
Intersegment eliminations	**(7,496,707)**	**—**	**—**	**(7,496,707)**
Consolidated total revenues	**Ps. 90,815,023**	**Ps. 10,780,590**	**Ps. 1,926,210**	**Ps. 103,521,823**

	Domestic	Export	Abroad	Total
2020:				
Cable:				
Digital TV Service [a]	Ps. 16,549,458	Ps. —	Ps. —	Ps. 16,549,458
Advertising	1,633,201	—	—	1,633,201
Broadband Services [a]	16,540,687	—	—	16,540,687
Telephony [a]	4,382,964	—	—	4,382,964
Other Services	702,023	—	—	702,023
Enterprise Operations	5,245,443	—	313,332	5,558,775
Sky:				
DTH Broadcast Satellite TV [a]	19,398,285	—	1,569,999	20,968,284
Advertising	1,112,662	—	—	1,112,662
Pay-Per-View	42,291	—	11,464	53,755
Content:				
Advertising	16,180,397	169,362	—	16,349,759
Network Subscription Revenue	4,322,535	1,143,657	—	5,466,192
Licensing and Syndication	1,572,659	9,224,397	—	10,797,056
Other Businesses:				
Gaming	959,985	—	—	959,985
Soccer, Sports and Show Business Promotion	1,382,708	146,324	—	1,529,032
Publishing - Magazines	269,768	—	942	270,710
Publishing - Advertising	173,645	—	—	173,645
Publishing Distribution	309,673	—	—	309,673
Feature Film Production and Distribution	915,165	—	117,864	1,033,029
Segment total	91,693,549	10,683,740	2,013,601	104,390,890
Disposed operations: Radio - Advertising (see Note 3)	223,272	—	—	223,272
Intersegment eliminations	(7,252,528)	—	—	(7,252,528)
Consolidated total revenues	Ps. 84,664,293	Ps. 10,683,740	Ps. 2,013,601	Ps. 97,361,634

	Domestic	Export	Abroad	Total
2019:				
Cable:				
Digital TV Service [a]	Ps. 16,298,079	Ps. —	Ps. —	Ps. 16,298,079
Advertising	1,507,831	—	—	1,507,831
Broadband Services [a]	14,544,473	—	—	14,544,473
Telephony [a]	3,658,121	—	—	3,658,121
Other Services	801,937	—	—	801,937
Enterprise Operations	4,626,396	—	265,145	4,891,541
Sky:				
DTH Broadcast Satellite TV [a]	18,918,077	—	1,359,079	20,277,156
Advertising	953,634	—	—	953,634
Pay-Per-View	98,539	—	17,749	116,288
Content:				
Advertising	19,236,014	223,434	—	19,459,448
Network Subscription Revenue	3,832,716	1,160,459	—	4,993,175
Licensing and Syndication	1,794,636	8,813,275	—	10,607,911
Other Businesses:				
Gaming	2,974,284	—	—	2,974,284
Soccer, Sports and Show Business Promotion	1,821,605	1,182,972	—	3,004,577
Publishing - Magazines	393,763	—	18,076	411,839
Publishing - Advertising	246,309	—	23,461	269,770
Publishing Distribution	337,685	—	—	337,685
Feature Film Production and Distribution	890,927	787	310,343	1,202,057
Segment total	92,935,026	11,380,927	1,993,853	106,309,806
Disposed operations: Radio - Advertising (see Note 3)	841,437	—	—	841,437
Intersegment eliminations	(5,387,894)	—	(6,168)	(5,394,062)
Consolidated total revenues	Ps. 88,388,569	Ps. 11,380,927	Ps. 1,987,685	Ps. 101,757,181

[a] Digital TV Service revenues include revenue from leasing set-top equipment to subscribers in the Cable segment in the amount of Ps.5,678,042, Ps.5,514,984 and Ps.5,289,996, for the years ended December 31, 2021, 2020 and 2019, respectively. DTH Broadcast Satellite TV revenues include revenue from leasing set-top equipment to subscribers in the Sky segment in the amount of Ps.9,338,664, Ps.9,212,317 and Ps.9,232,152, for the years ended December 31, 2021, 2020 and 2019, respectively. Revenue from leasing set-top equipment to subscribers is recognized when services are rendered to such subscribers. Set-top equipment is part of the Group's property, plant and equipment and is leased to subscribers through operating lease contracts.

Net sales from external customers for the years ended December 31, 2021, 2020 and 2019 are presented by sale source, as follows:

	2021	2020	2019
Services	**Ps. 77,050,269**	Ps. 71,745,105	Ps. 75,988,820
Royalties	**10,439,063**	9,907,313	10,005,977
Goods	**806,907**	805,690	932,198
Leases [1]	**15,225,584**	14,903,526	14,830,186
Total	**Ps. 103,521,823**	Ps. 97,361,634	Ps. 101,757,181

[1] This line includes primarily revenue from leasing set-top equipment to subscribers in the Cable and Sky segments, which is recognized when services are rendered to such subscribers. Set-top equipment is part of the Group's property and equipment and is leased to subscribers through operating lease contracts.

27. Commitments and Contingencies

Commitments

As of December 31, 2021, the Group had commitments for programming and transmission rights to be acquired or licensed from third party producers and suppliers, mainly related to special events, in the aggregate amount of U.S.$69.7 million (Ps.1,429,392) and U.S.$1,198.1 million (Ps.24,565,445), respectively, with various payment commitments to be made between 2022 and 2030.

As of December 31, 2021, the Group had third party commitments for transmission rights to be sublicensed by the Group in the aggregate amount of U.S.$47.6 million (Ps.977,004) with various cash payments to be received by the Group between 2022 and 2030.

At December 31, 2021, the Group had commitments in an aggregate amount of Ps.2,888,260, of which Ps.8,441, were commitments related to gaming operations, Ps.136,208, were commitments to acquire television technical equipment, Ps.664,454, were commitments for the acquisition of software and related services, and Ps.2,079,157, were construction commitments for building improvements and technical facilities.

In connection with a long-term credit facility, the Group expects to provide financing to GTAC in 2022 in the principal amount of U.S.$8.9 million (Ps.191,900) (see Note 10).

At December 31, 2021, the Group had the following aggregate minimum annual commitments (undiscounted) for the use of satellite transponders:

	Thousands of U.S. Dollars	
2022	U.S.$	6,605
2023		4,760
2024		4,678
2025 and thereafter		2,646
	U.S.$	18,689

A reconciliation of the non-cancellable lease commitments as of December 31, 2018 and the initial measurement of the lease liabilities under IFRS 16 were as follow:

Operating lease commitments disclosed under IAS 17 in the Group's consolidated financial statements as of December 31, 2018	Ps.	7,160,431
Discounted using the incremental borrowing rate at January 1, 2019		(2,669,751)
Finance lease liabilities recognized at December 31, 2018		5,317,944
Adjustments as a result of a different treatment of extension, termination options and short-term and low-value exemptions		306,632
Lease liabilities recognized at January 1, 2019	Ps.	10,115,256

Preponderant Economic Agent

On March 6, 2014, the IFT issued a decision whereby it determined that the Company, together with certain subsidiaries with concessions that provide broadcast television, are preponderant economic agents in the broadcasting sector in Mexico (together, the "Preponderant Economic Agent"). The preponderance decision imposes on the Preponderant Economic Agent various measures, terms, conditions and restrictive obligations, some of which may adversely affect the activities of the Group's broadcasting businesses, as well as their results of operations and financial condition. Among these measures, terms, conditions and restrictive obligations are included the following:

Infrastructure sharing - The Preponderant Economic Agent must make its passive broadcasting infrastructure (as defined in the preponderance decision) available to third-party concessionaries of broadcast television (as defined in the preponderance decision) for commercial purposes in a non-discriminatory and non-exclusive manner, with the exception of broadcasters that, at the time the measures enter into force, have 12 MHz or more of radio-electric spectrum in the geographic area concerned.

Advertising sales – The Preponderant Economic Agent must deliver to IFT and publish the terms and conditions of certain broadcast advertising services and fee structures, including, without limitation, commercials, packages, bonuses and discount plans and any other commercial practice, and publish them on its webpage.

Prohibition on acquiring certain exclusive content - The Preponderant Economic Agent may not acquire transmission rights, on an exclusive basis, for any location within Mexico with respect to certain relevant content, determined by IFT in the Ruling whereby IFT identifies the relevant audiovisual contents in terms and for the purposes of the fourth measure and the second transitory article of the fourth attachment whereby the Preponderant Economic Agent in the telecommunication sector was resolved and the eighteenth and thirteenth transitory articles of the first attachment of the resolution whereby the Preponderant Economic Agent in the broadcasting sector as resolved (the "Relevant Content Ruling"), which may be updated every two years by IFT.

Over-the-air channels - When the Preponderant Economic Agent offers any of its over-the-air channels, or channels that have at least 50% of the programming broadcasted between 6:00 and 24:00 hours on such channels in the same day, to its affiliates, subsidiaries, related partiers and third parties, for distribution through a different technological platform than over-the-air-broadcast television, the Preponderant Economic Agent must offer these channels to any other person that asks for distribution over the same platform as the Preponderant Economic Agent has offered, on the same terms and conditions.

Prohibition on participating in "buyers' clubs" or syndicates to acquire audiovisual content, without IFT's prior approval - The Preponderant Economic Agent may not enter into or remain in any "buyers' club" or syndicates of audiovisual content unless it has received the prior approval of IFT.

There are currently no resolutions from the IFT, judgments or orders that would require the Group to divest any of the assets as a result of being declared a Preponderant Economic Agent in the broadcasting sector.

On February 27, 2017, as part of a biennial review of the broadcasting sector preponderance rules, the IFT issued a ruling that amended some of the existing preponderance rules in broadcasting and included some additional obligations on the Company and some of its subsidiaries (the "New Preponderance Measures"), as follows:

Infrastructure sharing - In addition to the previously imposed obligations regarding the sharing of passive infrastructure, the New Preponderance Measures have included the service of signal emissions only in the event that no passive infrastructure exists on the requested site. In addition, the New Preponderance Measures strengthen the supervision of the infrastructure services provided by the Group, including certain rules relating to the publicity of its tariffs. In addition, more specifications for the Electronic Management System as part of the new measures are included. Likewise, the IFT determined specific tariffs for our infrastructure offer.

Prohibition to acquire certain exclusive content for broadcasting - This measure has been modified by enabling the Group to acquire relevant content under certain circumstances, as long as it obtains the right to sublicense such transmission rights to the other broadcasters in Mexico on non-discriminatory terms. In December 2018, the Relevant Content Ruling was updated.

Advertising sales - IFT modified this measure mainly by including specific requirements to the Group in its provision of over-the-air advertising services, particularly, to telecommunications companies. Such requirements include, among others: a) publishing and delivering to IFT specific information regarding tariffs, discount plans, contracting and sales terms and conditions, contract forms and other relevant practices; and b) terms and conditions that prohibit discrimination or refusal to deal, conditioned sales and other conditions that inhibit competition. The Group began the process of providing very detailed information to IFT on a recurrent basis of over the air advertising services related to telecommunications companies.

Accounting separation – The Group, as Preponderant Economic Agent, is required to implement an accounting separation methodology under the criteria defined by IFT, published in the Official Gazette of the Federation on December 29, 2017, as amended.

On March 28, 2014, the Company, together with its subsidiaries determined to be the Preponderant Economic Agent in the broadcasting sector, filed an *amparo* proceeding challenging the constitutionality of the Preponderance Decision. The Supreme Court resolved the *amparo* proceeding, resolving the constitutionality of the Preponderance Resolution and therefore, it is still valid.

Additionally, on March 31, 2017, the Company, together with its subsidiaries, filed an *amparo* proceeding challenging the constitutionality of the New Preponderance Measures. On November 21, 2019 the Second Court of the Supreme Court granted the amparo and revoked the New Preponderance Measures. Consequently, the valid and applicable measures in force are the resolved in accordance with the Preponderance Resolution.

The earliest bi-annual review of the preponderance measures for broadcasting sector that began in 2019 was concluded as a result of the amparo resolution.

The Company will continue to assess the extent and impact of the various measures, terms, conditions and restrictive obligations in connection with its designation by IFT as Preponderant Economic Agent, including the New Preponderance Measures, and will analyze carefully any actions and/or remedies (legal, business and otherwise) that the Company should take and/or implement regarding these matters.

Substantial Power Economic Agent

On November 26, 2020, the IFT notified the Company of the final resolution confirming the existence of substantial power in the 35 relevant markets of restricted television and audio services. Consequently, on December 17, 2020, the Company filed three amparos challenging the constitutionality of the resolution, which are now under review by the competent court. However, we are unable to predict the outcome of these procedures. Some of the consequences derived from the determination of substantial market power, are applicable as a matter of law and others may be imposed by IFT in a new procedure in accordance with the LFTR; these may consist of: (i) the obligation to obtain IFT's approval and to register the rates for our services; (ii) to inform the IFT in case of the adoption of new technology or modifications to the network; (iii) the agent with substantial power may not be entitled to the benefits of some rules of the "must carry" and "must offer" provisions; and (iv) the implementation of accounting separation.

Contingencies

On March 5, 2018, a purported stockholder class action lawsuit was filed in the United States District Court for the Southern District of New York (the "District Court"), alleging securities law violations in connection with allegedly misleading statements and/or omissions in the Company's public disclosures. The lawsuit alleges that the Company and two of its executives failed to disclose alleged involvement in bribery activities relating to certain executives of Fédération Internationale de Football Association ("FIFA"), and wrongfully failed to disclose weaknesses in the Company's internal control over its financial reporting as of December 31, 2016.

On May 17, 2018, the Court appointed a lead plaintiff for the putative stockholder class. On August 6, 2018, the lead plaintiff filed an amended complaint. The Company thereupon filed a motion to dismiss the amended complaint. On March 25, 2019, the court issued a decision denying the Company's motion to dismiss, holding that plaintiff's allegations, if true, were sufficient to support a claim. The parties began to exchange discovery materials, and the discovery process has continued into 2021. On June 8, 2020, the court issued a decision denying class certification based on the inadequacy of the proposed class representative. On June 29, 2020, the court issued a decision granting class certification to a new class representative. The Company sought permission for leave to appeal the District Court's order.

On October 6, 2020, the United States Court of Appeals for the Second Circuit (the "Court of Appeals") denied the Company's request for leave to appeal the District Court's class certification order.

On May 19, 2021, the District Court issued an order disqualifying class counsel and stayed the case for thirty days so the class representative could identify replacement counsel. On June 17, 2021, the District Court granted a request from the class representative and disqualified counsel to extend the stay for an additional sixty days. On June 18, 2021, a petition for a writ of mandamus was filed in the Court of Appeals, seeking reinstatement of disqualified counsel. On June 23, 2021, the Court of Appeals granted a request from the petitioners to stay proceedings in the District Court pending the Court of Appeals' decision on the petition. On August 24, 2021, the Court of Appeals denied the petition. On September 14, 2021, the case was returned to the District Court. On October 8, 2021, the District Court appointed new class counsel. Discovery has continued, but is scheduled to conclude, with exceptions, on March 31, 2022.

The Company continues to believe that the lawsuit, and the material allegations and claims therein, are without merit and intends to vigorously defend against the lawsuit. With regard to plaintiff's allegations regarding FIFA, outside counsel long previously investigated the circumstances surrounding the Company's acquisition of the Latin American media rights for the Canada, Mexico and USA 2026 FIFA World Cup and 2030 FIFA World Cup and uncovered no credible evidence that would form the basis for liability for the Company or for any executive, employee, agent or subsidiary thereof. In particular, the Company itself made no payment to any FIFA person and in no way knew of, or condoned, any payment by any third party to any FIFA person. The Company also notes that no proceedings have been initiated against it by any governmental agency.

On April 27, 2017, the tax authorities initiated a tax audit to the Company, with the purpose of verifying compliance with tax provisions for the fiscal period from January 1 to December 31, 2011, regarding federal taxes as direct subject of Income Tax (*Impuesto sobre la Renta* or ISR), Flat tax (*Impuesto Empresarial a Tasa Única*) and Value Added Tax (*Impuesto al Valor Agregado*). On April 25, 2018, the authorities informed the observations determined as a result of such audit, that could entail a default on the payment of the abovementioned taxes. On May 25, 2018, by a document submitted before the authority, the Company asserted arguments and offered evidence to undermine the authority's observations. On June 27, 2019, the Company was notified of the outcome of the audit, in which a tax liability was determined for an amount of Ps.682 million for ISR, penalties, surcharges and inflation adjustments. On August 22, 2019, the Company filed an administrative proceeding (*recurso de revocación*) against such tax liability, before the Legal area of the Tax Authorities, which is in the process of being resolved. As of the date of this report, there are no elements to determine if the outcome would be adverse to the Company's interests.

On June 1, 2016, the tax authority initiated a tax audit to a Company's indirect subsidiary that carries out operations in the Gaming business, which is presented in the Other Businesses segment, with the purpose of verifying compliance with tax provisions for the period from January 1 to December 31, 2014, regarding federal taxes as direct subject, as well as withholder. On April 24, 2017, the authorities informed the facts and omissions detected during the development of the verification process, that could entail a default on the payment of the abovementioned taxes. On May 30, 2017, by a document submitted before the authorities, the Company's subsidiary asserted arguments and offered evidence to undermine the facts and omissions included in the authority's last partial record. On June 21, 2019, such entity was notified of the outcome of the audit, in which a tax liability was determined for an amount of Ps.1,334 million, essentially related to IEPS (*Impuesto Especial sobre Producción y Servicios* or Excise Tax); on August 16, 2019, an administrative proceeding (*recurso de revocación*) was filed before the Legal area of the Tax Authorities. On January 7, 2021, the resolution to the administrative proceeding was notified, in which the appealed resolution was confirmed. On February 19, 2021 a claim (*juicio de nulidad*) against the resolution issued in the referred administrative proceeding was filed in the Second Regional Court of Puebla of the Federal Court of Administrative Justice (*Tribunal Federal de Justicia Administrativa*), which is still pending of resolution. As of the date of this report, there are no elements to determine if the outcome would be adverse to the Company's interests.

On August 12, 2019, the tax authority initiated a Foreign Trade Audit of one of the Company's indirect subsidiaries (Cablebox. S.A. de C.V.), with the purpose of verifying the correct payment of the contributions and levies on the import of the merchandise, as well as compliance with non-customs regulations and restrictions applicable to 26 foreign trade operations carried out during fiscal year 2016. On April 30, 2020, the tax authority released the observations determined as a result of the aforementioned review, which could lead to non-compliance with the payment of the referred contributions. On April 30, 2020, the tax authority informed the facts and omissions detected during the development of the verification process, that could entail a default on several provisions of the Customs Act (*Ley Aduanera*). On June 2 and 29, 2020, by several documents submitted before the authorities, the Company's subsidiary asserted arguments and offered evidence to undermine the facts and omissions included in the tax authority's last partial record. On July 16, 2020 such entity was notified of the outcome of the audit, in which a tax liability was determined for an amount of Ps.290 million for a fine consisting of 70% of the commercial value of the merchandise subject to review, due to the alleged failure to comply with the *Norma Oficial Mexicana*, or Official Mexican Standards (NOM-019-SCFI-1998), as well as on the amount of the commercial value of the merchandise due to the material impossibility of the merchandise becoming property of the Federal Treasury. On August 27, 2020, an administrative proceeding (*recurso de revocación*) was filed before the Legal department of the Tax Authority, which is in the process of being resolved. As of the date of this report, it is not possible to determine if the outcome would be adverse or favorable to the Company's interests.

On July 29, 2019, the tax authority initiated a Foreign Trade Audit of one of the Company's indirect subsidiaries (CM Equipos y Soporte, S.A. de C.V.), with the purpose of verifying the correct payment of the contributions and levies on the import of the merchandise, as well as compliance with non-customs regulations and restrictions applicable to 32 foreign trade operations carried out during fiscal year 2016. On July 10, 2020, the tax authority released the observations determined as a result of the aforementioned review, which could lead to a determination of non-compliance with the payment of the referred contributions. On August 21, 2020, through several documents submitted to the authorities, the Company's subsidiary asserted arguments and offered evidence to undermine the facts and omissions included in the tax authority's most recent partial record. On May 28, 2021, the subsidiary was notified of the outcome of the audit, in which a tax liability was determined for an amount of Ps.256.3 million for a fine consisting of 70% of the commercial value of the merchandise subject to review, due to the alleged failure to comply with the *Normas Oficiales Mexicanas*, or Official Mexican Standards (NOM-019-SCFI-1998, NOM-EM-015-SCFI-2015 and NOM-024-SCFI-2013), as well as on the amount of the commercial value of the merchandise due to the material impossibility of the merchandise becoming property of the Federal Treasury. On July 12, 2021, an administrative proceeding (*recurso de revocación*) was filed before the Legal department of the Tax Authority, which is in the process of being resolved. As of the date of these financial statements, it is not possible to determine if the outcome would be adverse or favorable to the Company.

The matters discussed in the previous paragraphs did not require the recognition of a provision as of December 31, 2021.

There are several legal actions and claims pending against the Group, which are filed in the ordinary course of business. In the opinion of the Company's management, none of these actions and claims is expected now to have a material adverse effect on the Group's financial statements as a whole; however, the Company's management is unable to predict the outcome of any of these legal actions and claims.

28. Changes in Accounting Policies Required by the Initial Application of IFRS 16

IFRS 16 was issued in January 2016, replaced IAS 17, and became effective for annual periods beginning on January 1, 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation, and disclosure of leases. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the former IFRS Standard: lessors continue to classify leases as finance or operating leases.

Beginning in the first quarter of 2019, the Group adopted the guidelines of IFRS 16 by using the retrospective cumulative effect, which consists of recognizing any cumulative adjustment due to the new IFRS Standard at the date of initial adoption in consolidated assets and liabilities. Accordingly, as a lessee, the Group recognized lease liabilities as of January 1, 2019, for leases classified as operating leases through December 31, 2018, and measured these lease liabilities at the present value of the remaining lease payments, discounted using the incremental borrowing rate as of January 1, 2019. The carrying amounts of leases classified as a finance leases through December 31, 2018, became the initial carrying amounts of right-of-use assets and lease liabilities under the guidelines of IFRS 16 beginning on January 1, 2019.

The initial impact of recording lease liabilities, and the corresponding right-of-use assets in accordance with the guidelines of IFRS 16, increased the Group's consolidated total assets and liabilities as of January 1, 2019, as described below. Also, as a result of the adoption of IFRS 16, the Group recognizes a depreciation of rights-of-use assets for long-term lease agreements, and a finance expense for interest from related lease liabilities, instead of affecting consolidated operating costs and expenses for lease payments made, as they were recognized through December 31, 2018, under the guidelines of the former IFRS Standard.

The Company's management has concluded the analysis and assessment of any changes to be made in the Group's accounting policies for long-term lease agreements as a lessee, including the implementation of controls over financial reporting in the different business segments of the Group, in connection with the measurement and disclosures required by IFRS 16.

As a result of the adoption of IFRS 16, the Group recognized as right-of-use assets and lease liabilities in its consolidated statements of financial position as of December 31, 2021, December 31, 2020 and January 1, 2019, long-term lease agreements that were recognized as operating leases through December 31, 2018, as follows:

Long-term Lease Agreements	December 31, 2021 Assets (Liabilities)	December 31, 2020 Assets (Liabilities)	January 1, 2019 Assets (Liabilities)
Right-of-use assets, net	**Ps. 5,086,783**	Ps. 4,392,420	Ps. 4,797,312
Lease liabilities [(1)]	**(5,533,552)**	(4,745,292)	(4,797,312)
Net effect	**Ps. (446,769)**	Ps. (352,872)	Ps. —

(1) Current portion of lease liabilities as of December 31, 2021, December 31, 2020 and January 1, 2019, amounted to Ps.718,501, Ps.524,458 and Ps.462,513, respectively.

Depreciation of right-of-use assets referred to in the table above and charged to income for the year ended December 31, 2021 and 2020, amounted to Ps.730,145 and Ps.670,749, respectively.

The Group also classified as right-of-use assets and lease liabilities in its consolidated statements of financial position as of December 31, 2021, December 31, 2020 and January 1, 2019, property and equipment and obligations under long-term lease agreements that were recognized as finance leases through December 31, 2018, as follows:

Long-term Lease Agreements	December 31, 2021 Assets (Liabilities)	December 31, 2020 Assets (Liabilities)	January 1, 2019 Assets (Liabilities)
Right-of-use assets, net	**Ps. 2,517,784**	Ps. 2,819,745	Ps. 3,402,869
Lease liabilities [1]	**(4,147,007)**	(4,547,059)	(5,317,944)
Net effect	**Ps. (1,629,223)**	Ps. (1,727,314)	Ps. (1,915,075)

[1] Current portion of lease liabilities as of December 31, 2021, December 31, 2020 and January 1, 2019, amounted to Ps.759,881, Ps.753,296 and Ps.651,800, respectively.

Depreciation of right-of-use assets referred to in the table above and charged to income for the years ended December 31, 2021 and 2020, amounted to Ps.417,903 and Ps.426,025, respectively.

In applying IFRS 16 for the first time, the Group used the following practical expedients permitted by the standard:

- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as of January 1, 2019
- Accounting for operating leases with a remaining lease term of less than 12 months as of January 1, 2019 as short-term leases
- Excluding initial direct cost for the measurement of the right-of-use asset at the date of initial application, and
- Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease

The Group also elected not to reassess whether a contract is or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying IAS 17 and IFRIC 4 *Determining whether an Arrangement contains a Lease.*

29. Impact of COVID-19

On March 11, 2020, the World Health Organization declared the outbreak of Coronavirus (“COVID-19”) as a pandemic. Most governments in the world have been implementing different restrictive measures to contain the spread of this pandemic. This situation is significantly affecting the global economy, including Mexico, due to the disruption or slowdown of supply chains and the increase in economic uncertainty, as evidenced by the increase in volatility of asset prices, exchange rates and increases/decreases in long-term interest rates. For the year ended December 31,2021, the financial crisis caused by the COVID-19 pandemic still had a negative effect on the Group’s businesses, financial position, and results of operations, and it is currently difficult to predict the degree of the impact in the future. During 2021 and 2020, the Company’s management made an assessment of potential adverse impacts of COVID-19 in its business segments, primarily in connection with impairment indicators and testing of significant long-lived assets, expected credit losses for accounts receivable, recovery of deferred income tax assets and workforce considerations. The Company’s management will continue to assess the potential adverse impacts of COVID-19, including the monitoring of impairment indicators and testing, forecasts and budgets, fair values and/or estimated future cash flows related to the recoverability of significant financial and non-financial assets of its business segments. As of the authorization date of these consolidated financial statements, the Company’s management cannot predict the adverse impact of COVID-19 in the Group’s consolidated financial statements for the year ending December 31, 2022.

The Company´s management cannot guarantee that conditions in the bank lending, capital and other financial markets will not continue to deteriorate as a result of the pandemic, or that its access to capital and other sources of funding will not become constrained, which could adversely affect the availability and terms of future borrowings, renewals or refinancings. In addition, the deterioration of global economic conditions as a result of the pandemic may ultimately reduce the demand for the Group´s products across its segments, as its clients and customers reduce or defer their spending.

Although vaccination efforts have continued, the Mexican Government is still implementing its plan to reactivate economic activities in accordance with color-based phases determined in every state of the country. Most non-essential economic activities are open, and there are some limitations in place with respect to capacity and hours of operation. Notwithstanding the foregoing, during the year ended December 31, 2021, this has affected, and is still affecting the ability of the Group´s employees, suppliers and customers to conduct their functions and businesses in their typical manner.

The Group continued operating its media business (until the merger with Univision on January 31, 2022) and its telecommunications businesses uninterrupted to continue benefiting the country with connectivity, entertainment and information, and during the year ended December 31, 2021, the Group continued with the production of new content following the requirements and health guidelines imposed by the Mexican Government. The Group´s Content business continued to recover during the year ended December 31, 2021, as a result of the easing of lockdown restrictions in most jurisdictions in which its customers are located.

In the Group's Other Businesses segment, sporting and other entertainment events for which it has broadcast rights, or which it produces, organizes, promotes and/or are located in venues it owns, are operating with some restrictions and taking the corresponding sanitary measures, and the Group´s casinos are operating with reduced capacity and hours of operation, with some casinos closing and reopening in regions with a high number of COVID-19 cases, as mandated by the authorities. Local authorities may impose additional, including restrictions on capacity and operating hours, which may affect the results of the Group's Other Businesses segment in the following months.

In addition, the authorities may impose restrictions on non-essential activities, including but not limited to temporary shutdowns or additional guidelines, which could be expensive or burdensome to implement, and which may affect the Group´s operations.

The magnitude of the impact on the Group's businesses will depend on the duration and extent of the COVID-19 pandemic, and the impact of federal, state, local and foreign governmental actions, including continued or future social distancing, and consumer behavior in response to the COVID-19 pandemic and such governmental actions. Due to the evolving and uncertain nature of this situation, the Company´s management is not able to estimate the full extent of the impact of the COVID-19 pandemic, but it may continue affecting the Group´s businesses, financial position and results of operations over the near, medium or long-term.

30. Events after the Reporting Period

As described in Note 3, on January 24, 2022, the Group and UH II announced that all required regulatory approvals sought in connection with the proposed merger of the Group's media, content and production assets with Univision had been received by the parties in the Transaction Agreement dated April 13, 2021. On January 31, 2022, the Group and TelevisaUnivision (formerly known as UH II) announced that this transaction was concluded on that date. As a result, in the first quarter of 2022, the Group expects to (i) increase its cash and cash equivalents in the amount of approximately U.S.$3,220 million; (ii) increase its investment in common and preferred shares of TelevisaUnivision in the amount of U.S.$1,500 million; (iii) recognize a net gain on disposition of most of its former Content business segment and other net assets in its consolidated statement of income for the first quarter of 2022; and (iv) increase its share of income or loss in associates derived from a larger ownership in TelevisaUnivision. The expected results of this transaction will be partially offset in the Group's consolidated statement of income for the first quarter of 2022, by a reduction in its consolidated operating income resulting primarily from the disposal of its former Content business segment. Also, beginning in the first quarter of 2022, the Group will present the results of operations from its disposed businesses as discontinued operations in its consolidated statements of income for any prior period presented for comparative purposes and for the month ended January 31, 2022.

The Company entered into conditional sale contracts with certain officers of the Group, primarily in February 2022, for 24.7 million CPOs. For accounting purposes, these contracts were treated as a share-based expense in the Group´s consolidated financial statements for the first quarter of 2022. Additionally, in the first quarter of 2022, the Company cancelled contracts for 10.6 million CPOs and recognized in its consolidated statement of income for the first quarter of 2022 the release of contracts for 8.0 million CPOs, which were originally assigned under the LTRP to certain officers and employees of the Group in 2019, 2020 and 2021.

In February 2022, the Company'fs revolving credit facility with a syndicate of banks was increased by U.S.$32 million reaching a total amount of U.S.$650 million payable in Mexican pesos, and extended for a three-year term, with maturity in February 2025 (see Note 14).

In March 2022, the Company made a partial redemption of U.S.$200 million aggregate principal amount of its U.S.$600 million 6.625% Senior Notes due 2025 in the aggregate amount of U.S.$221.3 million, including the applicable redemption price and accrued and unpaid interest on the redemption date (see Note 14).

In February and March 2022, the Company prepaid outstanding long-term loans with three Mexican banks, in the aggregate principal amount of Ps.6,000 million, and related accrued interest for an aggregate amount of Ps.37.1 million. The original maturities of these loans were in the fourth quarter 2022 and first quarter of 2023.

On April 27, 2022, the Company's stockholders approved , among other resolutions, (i) the audited consolidated financial statements of the Company as of December 31, 2021, and for the year ended on that date; and (ii) the payment of a dividend of Ps.0.35 per CPO and Ps.0.002991452991 per share of Series "A," "B,""D," and "L" Shares, not in the form of a CPO, which will be paid in May 2022.

Exhibit 8.1

Grupo Televisa, S.A.B.

Subsidiaries, Associates, Joint Ventures and Other Invetsment

as of December 31, 2021

Name of Company	Country of Incorporation
Alektis Consultores, S. de R.L. de C.V.	Mexico
TVU Enterprises, Inc.	United States of America
ET Publishing International, LLC	United States of America
Sunny Isle, LLC	United States of America
Televisa Alternative Originals, LLC (1) (4)	United States of America
Televisa Internacional, LLC (4)	United States of America
Televisa International Marketing Group, Inc. (4)	United States of America
CBD Life Holding, S.A.P.I. de C.V. (3) (4)	Mexico
Kavak Holdings Limited (3) (4)	Cayman Islands
Konfío Limited (3) (4)	Cayman Islands
M&M Media, Inc D/B/A Trebel (3) (4)	United States of America
PayClip, Inc. (3) (4)	United States of America
Rappi, Inc. (3) (4)	United States of America
ZeGroup Holdings, LLC (3) (4)	United States of America
W-TV Studios, LLC (4)	United States of America
Coisa, Consultores Industriales, S.A. de C.V.	Mexico
Corporación Kante, S.A. de C.V.	Mexico
Controladora de Juegos y Sorteos de México, S.A. de C.V.	Mexico
Apuestas Internacionales, S.A. de C.V.	Mexico
Magical Entertainment, S. de R.L. de C.V.	Mexico
Sattora, S.A. de C.V. (5)	Mexico
Corporativo Vasco de Quiroga, S.A. de C.V.	Mexico
Administradora de Sistemas de Comunicación, S.A. de C.V.	Mexico
Alvafig Holdings, S.A. de C.V.	Mexico
Aryadeba, S.A. de C.V.	Mexico
Cable y Comunicación de Morelia, S.A. de C.V.	Mexico
Cablemás Telecomunicaciones, S.A. de C.V.	Mexico
Cablemás International Telecomm, LLC (1)	United States of America
CM Equipos y Soporte, S.A. de C.V.	Mexico
Equipos e Insumos de Telecomunicaciones, S.A. de C.V.	Mexico
Grupo Mapsani, S.A. de C.V.	Mexico
IZZI GT, S.A. de C.V.	Mexico
Sumant, S.A. de C.V.	Mexico
Amur Importaciones, S.A. de C.V.	Mexico
Apocali, S.A. de C.V.	Mexico
Apoyo Telefónico Cablemás, S.A. de C.V.	Mexico
Arretis, S.A.P.I. de C.V.	Mexico
Cable Administradora, S.A. de C.V.	Mexico
Grupo Cable Asesores, S.A. de C.V.	Mexico
Cable Servicios Corporativos, S.A. de C.V.	Mexico
México Red de Telecomunicaciones, S. de R.L. de C.V.	Mexico
Corp MR II, S. de R.L. de C.V.	Mexico
Metrored Telecom Services, Inc.	United States of America
Televicable Regional, S.A. de C.V.	Mexico
TIN, S.A. de C.V.	Mexico
TV Cable de Oriente, S.A. de C.V.	Mexico
FTTH de México, S.A. de C.V.	Mexico
Wuru Telecom, Inc. (1)	United States of America
Brokers Mol, S.A. de C.V.	Mexico
Cable TV Internacional, S.A. de C.V.	Mexico
Cablemás Holdings, S.A. de C.V.	Mexico
Cablevisión Red, S.A. de C.V.	Mexico
Caredteletv Servicios Administrativos FTTH de México, S.A. de C.V.	Mexico
Constructora Cablemás, S.A. de C.V.	Mexico
Desarrollos H5, S.A. de C.V.	Mexico
Digital TV, S.A. de C.V. (2)	Mexico
DKM Broker, S.A. de C.V.	Mexico
Empresas Cablevisión, S.A.B. de C.V.	Mexico
Milar, S.A. de C.V.	Mexico
Cablebox, S.A. de C.V.	Mexico

Name of Company	Country of Incorporation
Cablestar, S.A. de C.V.	Mexico
Bestel USA, Inc.	United States of America
Letseb, S.A. de C.V.	Mexico
Operbes, S.A. de C.V.	Mexico
Servicios Letseb, S.A. de C.V.	Mexico
Servicios Operbes, S.A. de C.V.	Mexico
Cablevisión, S.A. de C.V.	Mexico
Grupo Mexicano de Cable, S.A. de C.V.	Mexico
Integravisión de Occidente, S.A. de C.V.	Mexico
Servicios Cablevisión, S.A. de C.V.	Mexico
Servicios Técnicos Cablevisión, S.A. de C.V.	Mexico
Telestar del Pacífico, S.A. de C.V.	Mexico
Fodels, S.A. de C.V.	Mexico
Gerit Profesionales, S.A. de C.V.	Mexico
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. and subsidiary (*)	Mexico
Inmobiliaria Cablemás, S.A. de C.V.	Mexico
Bekyc Apoyo y Servicios de Ventas, S.A. de C.V.	Mexico
La Esquina de Prado Norte, S.A. de C.V.	Mexico
Mega Com-M Servicios, S.A. de C.V.	Mexico
Operadora de Redes, S.A. de C.V. (*) (1)	Mexico
Profesionales en Ventas y Mercadeo, S.A. de C.V.	Mexico
Punta Mita H5, S.A. de C.V.	Mexico
Ruta de Árte y Cultura, S.A. de C.V.	Mexico
San Ángel Telecom, S.A. de C.V.	Mexico
Servicios Administrativos Cablemás, S.A. de C.V.	Mexico
Servicios Integrales para Sistemas de Cable, S.A. de C.V.	Mexico
SJT Restaurantes, S.A. de C.V.	Mexico
Sky DTH, S.A. de C.V.	Mexico
Innova Holdings, S. de R.L. de C.V.	Mexico
Innova, S. de R.L. de C.V.	Mexico
Corporación Novaimagen, S. de R.L. de C.V.	Mexico
Corporación Novavisión, S. de R.L. de C.V.	Mexico
Corporación Satelital Novavisión Dominicana, S.A.S	Dominican Republic
Novavision Group, Inc.	United States of America
Novavisión Honduras, S.A. de C.V.	Honduras
Novavisión Panamá, S.A.	Panama
Media Visión de Panamá, S.A.	Panama
Ridge Manor, S.R.L.	Spain
Servicios Directos de Satélite, S.A.	Costa Rica
Sky El Salvador, S.A. de C.V.	El Salvador
Televisión Novavisión de Guatemala, S.A.	Guatemala
Corporación de Radio y Televisión del Norte de México, S. de R.L. de C.V.	Mexico
Galaxy Nicaragua, S.A.	Nicaragua
Innovación Sistemática y Comercial, S. de R.L. de C.V.	Mexico
Novabox, S. de R.L. de C.V.	Mexico
Nova Call-Center, S. de R.L. de C.V.	Mexico
Servicios Corporativos de Telefonía, S. de R.L. de C.V.	Mexico
Servicios Novasat, S. de R.L. de C.V.	Mexico
Tele Cable de Michoacán, S.A. de C.V.	Mexico
Televisión Internacional, S.A. de C.V.	Mexico
Grupo Servicomunicación, S.A. de C.V.	Mexico
Multibip, S.A. de C.V. (1)	Mexico
R.H. Servicios Administrativos, S.A. de C.V.	Mexico
R.H. Servicios Ejecutivos, S.A. de C.V.	Mexico
Servicios Telum, S.A. de C.V.	Mexico
Sintonia Fina, S.A. de C.V. (1)	Mexico
Técnica Avanzada en Cableados, S.A. de C.V.	Mexico
Telum, S.A. de C.V. (1)	Mexico
Traslados Electrónicos, S.A. de C.V.	Mexico
Unisat Mexicana, S.A. de C.V.	Mexico
DTH Europa, S.A.U.	Spain
Editorial Televisa, S.A. de C.V.	Mexico
Auto Rent Acuario, S. de R.L. de C.V.	Mexico
Televisa Argentina, S.A. (2)	Argentina
Editorial Televisa Colombia, S.A. (2)	Colombia
Editorial Televisa Colombia Cultural, S.A. (2)	Colombia

Name of Company	Country of Incorporation
Distribuidoras Unidas, S.A. (2)	Colombia
Editorial Televisa Puerto Rico, Inc. (2)	Puerto Rico
Editorial Televisa Venezuela, S.A. (1)	Venezuela
Editorial Zinet Televisa, S.A. de C.V.	Mexico
VeneTel Servicios Publicitarios, S.A. (1)	Venezuela
Factum Más, S.A. de C.V.	Mexico
Grupo Distribuidoras Intermex, S.A. de C.V.	Mexico
Distribuidora Bolivariana, S.A. (2)	Peru
Distribuidora Intermex, S.A. de C.V.	Mexico
Distribuidora Panamex, S.A. (1)	Panama
Editorial Televisa Chile, S.A. (2)	Chile
Gonarmex, S.A. de C.V.	Mexico
Samra, S.A. (1)	Ecuador
Distribuidora Los Andes, S.A. (1)	Ecuador
Vanipubli Ecuatoriana, S.A. (1)	Ecuador
Grupo Telesistema, S.A. de C.V.	Mexico
Altavista Sur Inmobiliaria, S.A. de C.V.	Mexico
Canal XXI, S.A. de C.V. (4)	Mexico
Corporativo TD Sports, S.A. de C.V.	Mexico
En Vivo Espectáculos, S. de R.L. de C.V. (1)	Mexico
G. Televisa-D, S.A. de C.V	Mexico
Grupo Bissagio, S.A. de C.V.	Mexico
Multimedia Telecom, S.A. de C.V.	Mexico
Comunicaciones Tieren, S.A. de C.V.	Mexico
Univision Holdings II, Inc. and subsidiaries (including Univision Communications Inc.)(*)	United States of America
Villacezán, S.A. de C.V.	Mexico
CVQ Espectáculos, S.A. de C.V.	Mexico
Club de Fútbol América, S.A. de C.V.	Mexico
Flyacross, S.A. de C.V. (*)	Mexico
Periódico Digital Sendero, S.A.P.I. de C.V. and subsidiary (*)	Mexico
Teatro de los Insurgentes, S.A. de C.V.	Mexico
CVQ Series, S.A. de C.V. (1) (7)	Mexico
Espacio de Vinculación, A.C. (1)	Mexico
Fútbol del Distrito Federal, S.A. de C.V.	Mexico
Grupo Comunicación y Esfuerzo Comercial, S.A. de C.V. (1)	Mexico
Marcas y Desarrollos, S.A. de C.V. (*) (1)	Mexico
Mednet, S.A. de C.V. (*) (2)	Mexico
Plataforma OTT, S.A. de C.V. (7)	Mexico
Productora Contadero, S.A. de C.V. (*) (1)	Mexico
Promo-Certamen, S.A. de C.V. (7)	Mexico
Gyali, S.A. de C.V. (4)	Mexico
Cedecom, S.A. de C.V. (3) (4)	Mexico
Inmobiliaria Amber, S.A. de C.V.	Mexico
Intellectus T, S.A. de C.V. (7)	Mexico
Medios y Estrategias Promocionales, S.A. de C.V.	Mexico
Mexvisa Ltd.	Switzerland
Mountrigi Management Group, Ltd.	Switzerland
Operadora Dos Mil, S.A. de C.V. (1)	Mexico
Recursos Administrativos Televisa, S.A. de C.V. (4)	Mexico
Cadena de las Américas, S.A. de C.V. (4)	Mexico
Canales de Televisión Populares, S.A. de C.V. (4)	Mexico
Corporativo Televisa, S.A. de C.V. (Formerly, Corporativo Bosque de Canelos, S.A. de C.V.) (4)	Mexico
Desarrollo Vista Hermosa, S.A. de C.V. (4)	Mexico
ECO Producciones, S.A. de C.V. (4)	Mexico
Grupo Montdoval, S.A. de C.V. (4)	Mexico
Intellectus Comunicación, S.C. (4)	Mexico
Intellectus Técnico, S.C. (4)	Mexico
Producciones Deportivas TUDN, S.A. de C.V. (4)	Mexico
Servicios Administrativos Coapa, S.A. de C.V.	Mexico
Servicios RTMN, S.A. de C.V. (Formerly, Radiotelevisora de México Norte, S.A. de C.V.) (4)	Mexico
Televisa Producciones, S.A. de C.V. (4)	Mexico
Televisa Talento, S.A. de C.V. (4)	Mexico
Transmisiones Nacionales de Televisión, S.A. de C.V. (4)	Mexico
TV Conceptos, S.A. de C.V. (4)	Mexico
Rodium, A.C. (1)	Mexico

Name of Company	Country of Incorporation
SOC Servicio Operativo Centralizado, S.A. de C.V.	Mexico
T.V. de los Mochis, S.A. de C.V. (4)	Mexico
Teleinmobiliaria, S. de R.L. de C.V.	Mexico
Televisa Music Publishing, S.A. de C.V. (4)	Mexico
Televisa Transmedia, S.A. de C.V.	Mexico
Televisa, S. de R.L. de C.V. (Formerly, Televisa, S.A. de C.V.) (4)	Mexico
Argos Comunicación, S.A. de C.V. and subsidiaries (*) (4)	Mexico
Centros de Conocimiento Tecnológico, S.A. de C.V. and subsidiary (3) (4)	Mexico
Editorial Clío, Libros y Videos, S.A. de C.V. and subsidiaries (*) (4)	Mexico
Endemol México, S.A. de C.V. (*) (4)	Mexico
Ollin VFX, S.A.P.I. de C.V. and subsidiary (*) (4)	Mexico
Ollin VFX Servicios, S.A. de C.V. (*) (4)	Mexico
Publicidad Virtual, S.A. de C.V. and subsidiary (4)	Mexico
Televisión de Puebla, S.A. de C.V. (4)	Mexico
Televisión Independiente de México, S.A. de C.V.	Mexico
Desarrollo Milaz, S.A. de C.V.	Mexico
Radio Televisión, S.A. de C.V.	Mexico
Teleimagen del Noroeste, S.A. de C.V.	Mexico
Telemercado Alameda, S. de R.L. de C.V. (*) (2)	Mexico
Televimex, S.A. de C.V.	Mexico
Televisora de Navojoa, S.A.	Mexico
Televisora de Occidente, S.A. de C.V.	Mexico
Televisora del Yaqui, S.A. de C.V. (3)	Mexico
Televisora Peninsular, S.A. de C.V.	Mexico
Televisora de Mexicali, S.A. de C.V. (4)	Mexico
Terma, S.A. de C.V.	Mexico
Todos los Jugadores, S.A. de C.V. (*)	Mexico
Torali, S.A. de C.V. (4)	Mexico
Videocine, S.A. de C.V. (4)	Mexico
Coyoacán Films, S.A. de C.V. (4)	Mexico
Pantelion, LLC (4)	United States of America
Idzumedia, S.A. de C.V. (1) (7)	Mexico
Kapa Capital, S.A. de C.V.	Mexico
Multimedia CTI, S.A. de C.V.	Mexico
PI Metropolitanas, S.A. de C.V. (5)	Mexico
Telestar de Occidente, S.A. de C.V.	Mexico
Promo-Industrias Metropolitanas, S.A. de C.V.	Mexico
Servicios Administrativos DYE, S.A. de C.V.	Mexico
Telesistema Mexicano, S.A. de C.V. (2)	Mexico
Ulvik, S.A. de C.V.	Mexico
Corporatel, S.A. de C.V. (6)	Mexico
Empresas Baluarte, S.A. de C.V. (6)	Mexico
Servicios Deportivos Amec, S.A. de C.V. (6)	Mexico
Servicios Deportivos Luportas, S.A. de C.V. (6)	Mexico
Televisa Corporación, S.A. de C.V.	Mexico
Administradora de Prestaciones Sociales, S.C.	Mexico

(*) Associate or Joint Venture.
(1) Without current operations.
(2) In process of liquidation.
(3) Equity financial instrument.
(4) Disposed of on January 31, 2022
(5) Merged into Controladora de juegos y Sorteos México, S.A. de C.V. (surviving company) in March 2022.
(6) Merged into Televisa Corporación, S.A. de C.V. (surviving company) in March 2022.
(7) Merged into Servicios Administrativos DYE, S.A. de C.V. (surviving company) in March 2022.

Exhibit 4.11

***CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS AGREEMENT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE AND CONFIDENTIAL

STRICTLY CONFIDENTIAL
Execution Version

SECOND AMENDED AND RESTATED

STOCKHOLDERS AGREEMENT

by and among

TELEVISAUNIVISION, INC.

UNIVISION HOLDINGS, INC.

BROADCAST MEDIA PARTNERS HOLDINGS, INC.

UNIVISION COMMUNICATIONS INC.

and

Certain Stockholders of TelevisaUnivision, Inc.

Dated as of January 31, 2022

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SECOND AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

This Second Amended and Restated Stockholders Agreement (the "Agreement") is made as of January 31, 2022 by and among:

(i) TelevisaUnivision, Inc., a Delaware corporation (together with its successors and permitted assigns, the "Company");

(ii) Univision Holdings, Inc., a Delaware corporation (f/k/a Broadcasting Media Partners, Inc. and together with its successors and permitted assigns, the "UHI");

(iii) Broadcast Media Partners Holdings, Inc., a Delaware corporation (together with its successors and permitted assigns, "Midco");

(iv) Univision Communications Inc., a Delaware corporation (together with its successors and permitted assigns, "UCI");

(v) ForgeLight (Univision) Holdings, LLC, a Delaware limited liability company (solely in its capacity as a holder of Common Stock, "Flame");

(vi) ForgeLight Holdings LP, a Delaware limited partnership ("Fire");

(vii) Searchlight III UTD AGG, L.P., a limited partnership organized under the laws of the Cayman Islands ("Smoke");

(viii) Multimedia Telecom, S.A. de C.V., a *sociedad anónima de capital variable* organized under the laws of Mexico ("Torch");

(ix) Grupo Telesistema, S.A. de C.V., a *sociedad anónima de capital variable* organized under the laws of Mexico ("Glow");

(x) Communicaciones Tieren, S.A. de C.V., a *sociedad anónima de capital variable* organized under the laws of Mexico ("Cinder");

(xi) the investor parties indicated as such on the signature pages hereto (collectively, the "Inferno");

(xii) Torch Investment Holdings LLC, a Delaware limited liability company ("SB Series C Holder") and, together with Google LLC, a Delaware limited liability company ("Granite"), Roast, and ForgeLight (Univision) Holdings II, LLC, a Delaware limited liability company, in each case, solely in their capacity as holders of Series C Preferred Stock, the "Series C Holders"). For the avoidance of doubt, no other Person that holds beneficially and of record Series C Preferred Stock (other than a Permitted Transferee of the Series C Holders) shall be a Series C Holder as such term is used in this Agreement;

(xiii) Liberty Global Ventures Holding B.V., a private limited liability company organized under Dutch law ("Lava"); and

(xiv) each Person executing this Agreement as a Manager and such other Persons, if any, that from time to time become party hereto as Managers (collectively, the "Managers"); and

(xv) the other holders of Series C Preferred Stock set forth on Exhibit A hereto and such other holders of Shares that from time to time become party hereto as Other Stockholders (collectively the "Other Stockholders", and together with Flame, Fire, Smoke, Torch, Glow, Cinder, the Inferno, Lava, the Series C Holders and the Managers, the "Stockholders").

RECITALS

1. On December 20, 2010, UHI, Midco, UCI, and the stockholders of UHI named therein entered into an Amended and Restated Stockholders Agreement, as subsequently amended February 28, 2011 and January 30, 2014 (the "2010 Stockholders Agreement").

2. On December 29, 2020, pursuant to that certain Stock Purchase Agreement, dated as of February 24, 2020 (the "Purchase Agreement"), all of the outstanding shares of capital of stock of UHI other than (a) shares of Class C Common Stock, par value $.001 per share, of UHI ("UHI Class C Common Stock") and/or shares of UHI Class D Common Stock, par value $.001 per share, of UHI ("UHI Class D Common Stock") and warrants to acquire shares of UHI Class C Common Stock or UHI Class D Common Stock, in each case, held by Torch and (b) equity awards providing for the issuance of shares of Class A Common Stock, par value $.001 per share, of UHI ("UHI Class A Common Stock") in certain circumstances, but not vested on or prior to the Closing Date (as defined in the Purchase Agreement), held by Managers were transferred to Smoke and Flame and/or redeemed by UHI (the "2020 Stock Purchase"). In connection with the consummation of the 2020 Stock Purchase and pursuant to that certain Omnibus Material Affiliate Contract Termination Agreement, dated as of November 20, 2020, by and among UHI and the other parties thereto, the 2010 Stockholders Agreement and certain other Material Affiliate Contracts (as defined in the Purchase Agreement) then in effect were terminated in accordance with, and subject to the exceptions provided in, such Omnibus Material Affiliate Contract Termination Agreement.

3. In connection with the consummation of the 2020 Stock Purchase, (a) UHI (i) amended and restated its certificate of incorporation (the "UHI Charter") to, among other things, reflect certain terms agreed among the parties hereto consistent with this Agreement and to reclassify all UHI Class C Common Stock into UHI Class A Common Stock and all UHI Class D Common Stock into Class B Common Stock, par value $.001 per share, of UHI ("UHI Class B Common Stock") and (ii) filed a certificate of designations to authorize and define the terms of the Series A Preferred Stock of UHI ("UHI Series A Preferred Stock"), and (b) UHI and Torch amended and restated certain UHI warrants exercisable for shares of UHI Class A Common Stock and/or Class B Common Stock, as applicable, held by Torch (the transactions described in clauses (a) and (b), the "2020 Reclassification").

4. Immediately after the 2020 Reclassification, pursuant to that certain Subscription Agreement, dated as of December 29, 2020, between Liberty Global Ventures Limited ("Liberty Ventures UK") and UHI (the "Lava Subscription Agreement"), Liberty Ventures UK subscribed

for and purchased UHI Series A Preferred Stock having an aggregate liquidation preference of $*** (such issuance, together with the 2020 Stock Purchase and the 2020 Reclassification, the "2020 Transaction", and the consummation thereof, the "2020 Transaction Closing"), which UHI Series A Preferred Stock was subsequently Transferred to Lava pursuant to an Assignment and Assumption Agreement, dated as of May 15, 2021.

5. In connection with the 2020 Transaction, UHI, Midco, UCI, and the stockholders of UHI named therein entered into a Stockholders Agreement, dated as of December 29, 2020 (the "2020 Stockholders Agreement").

6. On December 29, 2020, Torch and its Affiliate exercised all of UHI warrants held by them in exchange for a total number of shares of UHI Class A Common Stock equal to five million, seven hundred and one thousand, three hundred and thirty-five shares (5,701,335).

7. On March 12, 2021, Searchlight III UTD, L.P., a Delaware limited partnership ("SL3 LP"), UHI, Flame, Fire, Torch, Cinder, Liberty Ventures UK and certain other parties thereto entered into a Reorganization Agreement (the "Reorganization Agreement"), pursuant to which, among other things, (a) the direct holder(s) of all of the equity interests in SL3 LP exchanged all such interests for corresponding equity interests in Smoke, (b) SL3 LP was converted into the Company, by which the certificate of incorporation of the Company (the "Charter") became effective, which Charter authorizes Class A Common Stock, Class B Common Stock and Class C Subordinated Common Stock, par value $.001 per share, of the Company ("Class C Subordinated Common Stock", which is subdivided into "Class C-1 Subordinated Common Stock", "Class C-2 Subordinated Common Stock", "Class C-3 Subordinated Common Stock" and "Class C-4 Subordinated Common Stock", (c) the direct holder(s) of all of the shares of UHI capital stock (including each of Flame, Fire, Torch, Cinder and Lava) exchanged all of their respective shares of UHI capital stock to the Company in exchange for the same number and class of newly issued shares of the Company (the "Exchange"), (d) certain subscription agreements were entered into by each Inferno, pursuant to which Inferno consummated the New Investment (as defined in the Reorganization Agreement), and (e) (i) the Company filed a certificate of designations to authorize and define the terms of the Series A Participating Convertible Preferred Stock, par value $.001 per share, of the Company ("Series A Preferred Stock") and (ii) substantially concurrently therewith, the Company and UHI caused UHI's certificate of incorporation and by-laws to be amended and restated.

8. On January 31, 2022, pursuant to that certain Transaction Agreement, dated as of April 13, 2021, by and among Grupo Televisa, S.A.B. and the Company (the "Transaction Agreement") and the Merger Documents (as defined in the Transaction Agreement), among other things, Affiliates of Glow organized under the laws of Mexico merged with a subsidiary of the Company organized under the laws of Company, in which OpCo (as defined in the Transaction Agreement) was the surviving entity ("NewCo") (the "Merger").

9. In connection with the consummation of the transactions contemplated by the Transaction Agreement, the Company (i) amended and restated its Charter to, among other things, reflect certain terms agreed among the parties hereto consistent with this Agreement, (ii) filed a certificate of designations to authorize and define the terms of the Series B Cumulative Participating Convertible Preferred Stock of the Company ("Series B Preferred Stock"), and (iii)

filed a certificates of designations to authorize and define the terms of the Series C Participating Convertible Preferred Stock of the Company ("Series C Preferred Stock").

10. Following the consummation of the Merger and pursuant to the Merger Agreement, Glow contributed to the Company all of its equity interest in NewCo (the "Contribution"), and, as consideration therefor, the Company issued to Glow, and Glow acquired, 3,589,664 shares of Class A Common Stock and shares of Series B Preferred Stock having an aggregate liquidation preference of $*** (such issuance, the "Series B Issuance").

11. Contemporaneously with and in connection with the Merger and the Contribution, pursuant to that certain Investment Agreement, dated as of April 13, 2021, by and among the Company and each Series C Holder (the "Investment Agreement"), the Series C Holders subscribed for and purchased Series C Preferred Stock having an aggregate liquidation preference of $*** (the "Series C Holder Issuance").

12. On January 31, 2022, Derbez Entertainment, Inc., 3Pas Television, Inc., Pongalo Holdings LLC and MGQ10 Investments LLC subscribed for and purchased Series C Preferred Stock having an aggregate liquidation preference of $*** (such issuance, collectively with the Series C Holder Issuance, the Series B Issuance and the Merger and Contribution, the "2022 Transaction").

13. As of immediately following the consummation of the 2022 Transaction (the "Effective Time"), the sole stockholders of the Company are the stockholders set forth on Schedule I hereto, each of which owns, beneficially and of record, the Shares set forth opposite its name on Schedule I hereto, which are the sole outstanding Shares of the Company.

14. The Company, UHI, Midco, UCI and the Stockholders now wish to amend and restate the 2020 Stockholders Agreement in its entirety, to be effective from and after the Effective Time, as set forth herein.

AGREEMENT

Therefore, the parties hereto hereby agree as follows:

1. BOARD OF DIRECTORS

1.1 Composition of the Board; Voting Agreement; Proxy.

1.1.1 *Board Designees*. Each Stockholder hereby agrees to vote, or cause to be voted, all Shares which have voting rights over which such Stockholder has the power to vote or direct the voting (including, in the case of the Major Investors, pursuant to a proxy granted under Section 1.1.2 (Proxy)), and will take all necessary or desirable actions within such Stockholder's control, and each of the Company and the Board will take all necessary or desirable actions within its control, to cause the authorized number of directors to be established at, and be, thirteen (13) directors or such other number as expressly provided herein, and to elect or appoint or cause to be elected or appointed to

the Board and cause to be continued in office (including, if necessary, by appointing in order to fill vacancies):

(a) A number of directors nominated by Flame equal to one, which nominee shall be Wade Davis for as long as he is the Chief Executive Officer of the Company. Flame's nomination rights hereunder shall terminate upon a Governance Fall-Away Event for Flame.

(b) A number of directors nominated by Smoke equal to one. Smoke's nomination rights hereunder shall terminate upon a Governance Fall-Away Event for Smoke.

(c) A number of directors nominated by Smoke and Flame together equal to one; provided that, (i) upon a Governance Fall-Away Event for Flame when Smoke Investors have not yet effected a *** Sell-Down, Smoke shall have the sole right to select a nominee for director pursuant to this Section 1.1.1(c) and (ii) upon a Governance Fall-Away Event for Smoke when Flame Investors have not yet effected a *** Sell-Down, Flame shall have the sole right to select a nominee for director pursuant to this Section 1.1.1(c). Smoke's and Flame's joint nomination rights hereunder shall terminate upon the occurrence of either (A) both a Governance Fall-Away Event for Smoke and a *** Sell-Down by the Flame Investors or (B) a Governance Fall-Away Event for Flame and a *** Sell-Down by the Smoke Investors.

(d) A number of directors nominated by Torch equal to (i) five, so long as the Torch Investors have not effected a ***% Sell-Down; (ii) four, after the Torch Investors have effected a ***% Sell-Down but not a ***% Sell-Down; (iii) three, after the Torch Investors have effected a ***% Sell-Down but not a ***% Sell-Down; (iv) two, after the Torch Investors have effected a ***% Sell-Down but not a ***% Sell-Down; and (v) one, after the Torch Investors have effected a ***% Sell-Down. Torch's nomination rights hereunder shall terminate upon a Governance Fall-Away Event for Torch.

(e) A number of directors nominated by the SB Series C Holder equal to two. The SB Series C Holder's nomination rights hereunder shall terminate upon a Governance Fall-Away Event for the SB Series C Holder.

(f) Upon a Governance Fall-Away Event for Flame, Wade Davis, for as long as he is the Chief Executive Officer of the Company.

(g) A number of directors nominated by majority vote of the Board in accordance with Section 1.1.3 (Election of Remaining Directors) equal to the excess of the number of seats on the Board over the number of Board Designees nominated in the aggregate pursuant to clauses (a) through (f) of this Section 1.1.1, which number shall initially be three.

1.1.2 *Proxy*. Each Stockholder (other than the members of any Investor Group) hereby appoints, for as long as there are any Major Investors remaining, each Major

Investor as its proxy to vote such holder's Shares, whether at a meeting or by written consent in accordance with the provisions of Section 1.1.1 (Board Designees), which proxy shall be valid and remain in effect for each Major Investor until the applicable provisions of this Section 1.1.2 expire with respect to such Major Investor pursuant to Section 1.11 (Period). The proxy granted hereby is irrevocable and coupled with an interest sufficient in Law to support an irrevocable power. Each Major Investor who is granted such proxy agrees that it shall only be voted in a manner consistent with the Stockholders' agreements with respect to voting contained in Section 1.1.1 (Board Designees).

1.1.3 *Election of Remaining Directors*. Nominations pursuant to Section 1.1.1(g) shall be made by the Board in accordance with the recommendation of the Governance and Nominating Committee and elected by vote of the holders of Class A Common Stock in accordance with the Charter and the bylaws of the Company.

1.1.4 *Chair*. The Chairperson of the Board (the "Chairperson") shall be selected by Torch and elected by the Board in accordance with such selection, but shall be an individual other than the Chief Executive Officer of the Company. The Chairperson will preside over meetings of the Board and shall have the powers set forth on Schedule IV, but shall not have any tie-breaking vote or other special powers except as determined by the Board or as otherwise expressly set forth in the Governing Documents.

1.1.5 *Board Observers and Alternates*. Each of Lava, Roast and Granite shall be permitted to designate one non-voting observer to the Board and its committees (each a "Board Observer") for so long as (x) there has been no Governance Fall-Away Event for Lava, in the case of the Board Observer selected by Lava, (y) (i) no director, officer, principal, partner, member, manager, employee, agent and/or other representative of Roast or any of its controlled Affiliates is then serving as a member of the Board and (ii) there has been no Governance Fall-Away Event for Roast, in the case of the Board Observer selected by Roast, and (z) there has been no Governance Fall-Away Event for Granite, in the case of the Board Observer selected by Granite. The Company shall provide each Board Observer with (a) notice of all meetings of the Board and its committees and (b) subject to Section 1.5 (Recusals and Conflicts), provide all information delivered to the members of the Board and its committees prior to such meetings at the same time such notice and information is delivered to the members of the Board and its committees; provided, that each Board Observer shall enter into a confidentiality agreement substantially in the form to be approved by the Board with respect to such information. Prior to an Initial Public Offering (and thereafter, if permitted by applicable Law), an Investor may at its sole discretion elect to appoint alternate directors to stand in place of any of the directors that were nominated by such Investor pursuant to Section 1.1.1 (other than Section 1.1.1(f) and Section 1.1.1(g)) (Board Designees) (with respect to any Investor, its "Board Designees"); it being understood that at no time shall any such alternate director have the right to vote at any applicable meeting of the Board or any of its committees or the ability to take any action on behalf of the Company or any of its subsidiaries.

1.1.6 *Independence Requirements*. Following an Initial Public Offering, any Board Designee of Smoke and/or Flame nominated pursuant to Section 1.1.1(c) (Board Designees), both Board Designees of the SB Series C Holder nominated pursuant to Section 1.1.1(e) (Board Designees) and one Board Designee of Torch nominated pursuant to Section 1.1.1(d) (Board Designees) must meet the requirements of clause (a)(ii) of the definition of "Independent Director"; provided that the number of directors nominated by any Investor that are subject to this requirement shall be reduced one-for-one by any reduction in the number of directors that such Investor is entitled to nominate pursuant to Section 1.1.1(c) (Board Designees). Any Person nominated for election as a director pursuant to Section 1.1.1(g) shall meet the requirements of (a) prior to an Initial Public Offering, the definition of "Independent Director", and (b) following an Initial Public Offering, clause (a)(ii) of the definition of "Independent Director".

1.1.7 *Removal of Directors*. An Investor may at any time remove any of its Board Designees or its Board Observer from the Board or any committee of the Board, and no Investor's Board Designees or Board Observer may be removed from the Board or any committee of the Board without such Investor's prior written consent.

1.1.8 *Qualifications*. The Board may determine any qualification requirements for directors; provided, that prior to an Initial Public Offering, such qualification requirements shall not apply to any Board Designees or any Board Observer, and following an Initial Public Offering, subject to applicable Law and the last sentence of this Section 1.1.8, such qualification requirements shall not result in excluding any Board Designee then on the Board. No director (or Board Observer) shall be a Restricted Person or an Affiliate of a Restricted Person. All directors (other than Torch's Board Designees) shall be U.S. citizens. Except to the extent required under Section 1.1.6 (Independence Requirements), Torch's Board Designees shall not be required to be independent under applicable Law, or to meet the requirements of Commission Rule 10A-3.

1.1.9 *Resignation*. If at any time the number of Board Designees that an Investor is entitled to nominate pursuant to Section 1.1.1 (Board Designees) is reduced or eliminated, such Investor shall promptly cause one or more of its Board Designees to resign until the number of its Board Designees serving on the Board is equal to the number of Board Designees that it is then entitled to nominate.

1.1.10 *Vacancies*. If at any time any Investor's Board Designee ceases to serve on the Board (whether due to resignation, removal or otherwise), and such Investor is then entitled to nominate a greater number of Board Designees than it then has serving on the Board, such Investor shall designate or nominate a successor to fill the vacancy created thereby, and the Stockholders and the Company shall have the same obligations to elect or appoint such successor as they do other Board Designees under Section 1.1.1 (Board Designees). If any director ceases to serve on the Board (whether due to resignation, removal or otherwise) and no Investor is entitled to designate or nominate a successor pursuant to the preceding sentence, the Board, after receiving the recommendation of the Compensation and Nominating Committee pursuant to Section 1.2.4 (Compensation and Nominating Committee), may appoint a successor to

fill the vacancy created thereby until such vacancy is filled by election pursuant to Section 1.1.3 (Election of Remaining Directors) and subject to Section 1.1.11 (Reduction in Board Size).

1.1.11 *Reduction in Board Size*. Subject to the immediately succeeding sentence, if at any time, as a result of one or more Sell-Downs or Governance Fall-Away Events, the aggregate number of Board Designees that the Investors are entitled to nominate pursuant to clauses (a) through (f) of Section 1.1.1 (Board Designees) in the aggregate is reduced by one or two directors, the authorized number of directors on the Board shall be reduced by the same amount, and each of the Company and the Board will take all necessary or desirable actions within its control, to cause the authorized number of directors to be established at such reduced amount. From and after the reduction of the size of the Board to eleven (11) directors and upon a seat becoming open on the Board for which no Investor is entitled to nominate the director to fill such seat pursuant to clauses (a) through (f) of Section 1.1.1 (Board Designees), such seat shall be filled in accordance with Sections 1.1.1(g) (Board Designees), 1.1.3 (Election of Remaining Directors) and 1.1.6 (Independence Requirements).

1.2 Committees of the Board.

1.2.1 *Required Committees*. The Company shall cause the Board to maintain the following committees: (a) an audit committee (the "Audit Committee"), (b) a governance and nominating committee (the "Governance and Nominating Committee"), (c) a compensation committee (the "Compensation Committee"), (d) a conflicts committee (the "Conflicts Committee"), and (e) any other committee, including an executive committee, as the Board shall determine in its discretion.

1.2.2 *Composition of Committees*. Subject to applicable Laws, including, for the avoidance of doubt, Laws that become applicable to the Company following an Initial Public Offering, (a) each committee of the Board other than the Governance and Nominating Committee will include the number of Board Designees of (i) Torch as close to proportionate as practicable, as determined in good faith by the Board, to its representation on the Board as a whole and (ii) Smoke and Flame together as close to proportionate as practicable, as determined in good faith by the Board, to their collective representation on the Board as a whole; and (b) one Board Designee of the SB Series C Holder shall serve on each of the Audit Committee, Conflicts Committee (subject to exclusion when conflicts relating to the SB Series C Holder are being discussed), Governance and Nominating Committee (subject to the immediately succeeding sentence) and, if formed, any executive committee of the Board. The Governance and Nominating Committee shall consist of (1) two Board Designees of Torch, one Board Designee of the SB Series C Holder and two Independent Directors selected by Smoke to serve on such committee and (2) upon a Governance Fall-Away Event for the SB Series C Holder, two Board Designees of Torch and three Independent Directors selected by Smoke to serve on such committee. Any Investor may waive its rights to have its Board Designees be a member of a committee. In the event that any Investor which has a right to designate one of its Board Designees to a committee and does not do so pursuant to this Section 1.2.2, such Investor shall have the right to designate a Board Designee to

observe the meetings of such committee, which Board Designee shall receive the same notice of meetings and information that is received by members of such committee, subject, in each case, to Section 1.5 (Recusals and Conflicts). The chair of each committee of the Board will be elected by a majority of the members of such committee; provided, that the chair of the Audit Committee shall be a Board Designee nominated by Smoke, and the chair of each of the Governance and Nominating Committee and the Compensation Committee shall be a Board Designee nominated by Torch. Meetings of committees shall be open to all members of the Board and Board Observers, to the extent permitted by applicable Laws.

1.2.3 *Audit Committee*. The role of the Audit Committee will be to determine the Company's audit policies, review audit reports and recommendations made by the Company's internal audit staff and its independent auditors, meet with the Company's independent auditors, oversee the independent auditors, and recommend the Company's engagement of independent auditors.

1.2.4 *Governance and Nominating Committee*. The role of the Governance and Nominating Committee will be to search for, identify, interview and nominate directors to serve as members of the Board, if any, other than Board Designees. The Major Investors shall each be permitted to recommend to the Governance and Nominating Committee candidates for seats for which no Investors are entitled to nominate the director to fill such seat under Section 1.1.1 (Board Designees) and to interview such candidates. In addition, and subject to applicable Laws, in the event the position of the Company's Chief Executive Officer becomes vacant for any reason, the Governance and Nominating Committee shall have the responsibility to search for, identify, interview and recommend to the Board one or more persons (including candidates that are employees of the Company at such time) to serve as the Company's Chief Executive Officer. No director (other than Board Designees) shall be eligible for nomination by the Company, and no candidate for Chief Executive Officer shall be eligible for election to such position, unless recommended to the Board by the Governance and Nominating Committee.

1.2.5 *Compensation Committee*. The role of the Compensation Committee will be to determine the compensation of all senior employees, directors and consultants of the Company and its subsidiaries, as applicable (including salary, bonus, equity participation and benefits) consistent with compensation of companies similar to the Company.

1.2.6 *Conflicts Committee*. The role of the Conflicts Committee will be to review any agreement, arrangement, transaction or series of agreements, arrangements or transactions between the Company or any of its subsidiaries, on the one hand, and a Related Party (other than the Company or any of its subsidiaries), on the other hand and to make recommendations to the members of the Board who are not Related Party Conflicted Directors.

1.3 Actions that Require Board Approval. Prior to the first date on which there has been a Governance Fall-Away Event for each Major Investor and the SB Series C Holder, and in

addition to any other approval required by any applicable provision of the Governing Documents, if any, or by applicable Law, the parties hereto agree that the approval of the Board shall be required for the Company and/or any of its subsidiaries to take any of the following actions and the Company shall not, and shall cause its subsidiaries not to, take any of the following actions without the approval of the Board, regardless of any approval of such actions by their respective stockholders:

1.3.1 *Management Incentive Plan*. (a) Adopt or make a material amendment to any cash or equity-based management incentive plan, and (b) determine Fair Market Value at which all stock grants (or grants tied to the price or performance of stock, such as phantom units) under the Company's equity-based management incentive plans shall be made and at which the exercise price for all option grants shall be set.

1.3.2 *Executives*. (a) Hire or remove, with or without cause, or determine the terms of, enter into, renew, materially modify or terminate, or waive any material rights under, any employment contract or other employment arrangement with, the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer (or any equivalent position) of the Company, UHI, Midco or UCI from time to time, and (b) set procedures for periodic reviews and evaluations of the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Head of Content and Programming and Head of News (or any equivalent position) of the Company, UHI, Midco and/or UCI from time to time and succession plans for such executives.

1.3.3 *Auditors*. Engage or terminate the engagement of the Company's auditors.

1.3.4 *Litigation*. Settle or compromise any material claim, suit, action, arbitration or other proceeding whether administrative, civil or criminal, in law or in equity.

1.3.5 *Financial Adviser*. Engage investment bankers or financial advisers for the provision of financial, strategic alternative, managerial and/or operational advice.

1.3.6 *Joint Ventures and Alliances*. Enter into or amend in any material respect any joint venture or strategic alliance that involves an aggregate investment or committed capital in excess of $*** per joint venture or strategic alliance (or series of related joint ventures or strategic alliances), or in excess of $*** in the aggregate in any fiscal year.

1.3.7 *Investments*. Make, or amend in any material respect the terms of, any loan, advance or capital contribution to any Person (other than the Company, UHI, Midco, UCI or any of their wholly-owned subsidiaries), in an amount in excess of $*** per transaction or series of related transactions, or in excess of $*** in the aggregate in any fiscal year.

1.3.8 *Capital Expenditures*. Increase the Company's capital expenditure in any fiscal year by *** than the capital expenditure set forth in the annual budget applicable for such fiscal year determined in accordance with Section 1.4.1 (Annual Budget and Long-Term Plan).

1.3.9 *Material Agreements*. Enter into, modify or amend in any material respect, or waive any material right under, (a) any Contract (or series of related Contracts) providing for the payment to or by the Company or any of its subsidiaries of more than $*** in any twelve (12) month period, other than, in the case of Contracts (or series of related Contracts) providing for payments to the Company or any subsidiary thereof, entered into in the ordinary course of business, (b) any Contract (or series of related Contracts) relating to the acquisition of network programming that accounts for more than *** per week of the programming on a majority of the owned and operated stations of the Company and its subsidiaries, or (c) ***.

1.3.10 *Significant Transactions*. Consummate the acquisition or disposition of any assets or businesses, outside of the ordinary course of business of the Company, involving more than (i) $*** in one transaction (or a series of related transactions) or (ii) $*** in the aggregate in any twelve (12) month period.

1.3.11 *Incurrence of Debt*. Other than borrowings under the Revolving Credit Facility, the Receivables Facility or any other debt agreement that was approved by the Board after the 2020 Transaction Closing, (a) incur any Indebtedness, (b) assume, guarantee, endorse or otherwise become responsible for the Indebtedness of any other Person (provided, that the Company or any of its direct or indirect subsidiaries may provide cross-guarantees for any Indebtedness that has been approved under this Section 1.3.11), (c) issue any debt securities or (d) enter into any agreement under which it may incur Indebtedness or issue debt securities in the future, in an aggregate amount in excess of $*** for all such matters.

1.3.12 *Prepayment or Modification of Indebtedness*. Voluntarily prepay Indebtedness of the Company or any of its subsidiaries in an amount in excess of $*** in any 12-month period (other than indebtedness under the Revolving Credit Facility) or amend or waive any material provisions of any agreement, indenture or similar instrument governing the terms of any Indebtedness or debt securities of the Company or any of its subsidiaries with a principal amount in excess of $*** (including Indebtedness or debt securities in effect as of the 2020 Transaction Closing).

1.3.13 *Equity Issuances*. Other than (a) in connection with a Qualified Public Offering, (b) the exercise, conversion or exchange of Convertible Securities outstanding immediately after the Effective Time or the issuance of which Convertible Securities were approved pursuant to the provisions of this Section 1.3.13 after the Effective Time, (c) exercise of participation rights by any Investors pursuant to Section 4.2 (Rights of Participation), (d) exercise of rights under the Charter to convert classes of Common Stock into other classes of Common Stock, or (e) issuances to the Company or any of its wholly-owned subsidiaries or issuances in accordance with management incentive plans approved pursuant to Section 1.3.1, authorize, create or issue any equity securities or Convertible Securities of the Company or any of its subsidiaries, issue any rights to acquire any equity securities or Convertible Securities of the Company or any of its subsidiaries or grant any registration rights in respect of any such securities or rights.

1.3.14 *Repurchase of Securities, Exercise of Call Rights, Payment of Dividends*. (a) Enter into or effect any transaction or series of related transactions involving the repurchase, exercise of call rights, redemption or other acquisition of securities of the Company or any of its direct or indirect subsidiaries from any Stockholder or other holder or Shares or (b) declare or pay any dividend or make any other distributions of payments by the Company or any of its subsidiaries (other than dividends or distributions payable to the Company or any of its wholly-owned subsidiaries), in each case, other than (i) pursuant to the exercise, conversion, redemption or exchange of any Convertible Securities outstanding as of immediately after the Effective Time or approved for issuance after the Effective Time pursuant to the provisions of Section 1.3.13 (Equity Issuances) by the Board or (ii) pursuant to the exercise of participation rights by any Investors under Section 4.2 (Rights of Participation).

1.3.15 *Recapitalization*. Enter into or effect any transaction or series of related transactions that would effect a recapitalization or reclassification of the securities of any the Company, UHI, Midco, UCI, or any of their respective subsidiaries (other than wholly-owned subsidiaries), including recapitalization into any form of Convertible Securities or prepaid warrants.

1.3.16 *Bankruptcy, Etc*. (a) Commence a voluntary case under the U.S. Bankruptcy Code or any applicable bankruptcy, insolvency or other similar Law now or hereafter in effect, (b) consent to the entry of an order for relief in an involuntary case, or the conversion of an involuntary case to a voluntary case, under any such Law, (c) consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its property, (d) make a general assignment for the benefit of creditors, or (e) adopt a plan of complete or partial liquidation or dissolution.

1.3.17 *Amendment of Governing Documents*. Amend, restate, modify or waive any provisions of the Governing Documents.

1.3.18 *Public Offering*. Initiate or consummate any Initial Public Offering.

1.3.19 *Agreements or Commitments*. Enter into any agreement or otherwise obligate or commit the Company or any of its subsidiaries to do any of the foregoing.

1.4 Specified Board Matters.

1.4.1 *Annual Budget and Long-Term Plan*. The Board shall, in advance of each fiscal year, consider and approve an annual budget and rolling three-year business plan for the Company (the "Long-Term Plan"), such consideration and approval to be performed on an annual basis. No amendment to such annual budget or Long-Term Plan shall be made without the approval of the Board; provided, that in the event approval of any annual budget is not obtained pursuant to this Section 1.4.1 prior to end of the then current fiscal year, each line item of the previously approved annual budget shall be adjusted annually to reflect increases in the Consumer Price Index for all urban

consumers published by the U.S. Department of Labor but otherwise remain materially the same (unless the Board agrees on any change to such line item).

1.4.2 *Related Party Transactions*. The Company shall only enter into, modify or amend, extend, or waive any rights under, any agreement, arrangement, transaction or series of agreements, arrangements or transactions between the Company or any of its subsidiaries, on the one hand, and a Related Party (other than the Company or any of its subsidiaries), on the other hand, if (a) the terms (including pricing terms) and conditions of such transaction are no less favorable (in the aggregate for each such agreement, arrangement or transaction) to the Company or its subsidiaries than could be obtained from a Person who is not an Affiliate of the Company or of any Related Party dealing on an arm's length basis (but not including any employment, compensation or other incentive arrangements with the employees of the Company or its subsidiaries (other than any partner, principal, employee or Affiliate of an Investor)), and (b) such transaction is approved by the affirmative vote of a majority of the directors who are not Related Party Conflicted Directors, except with respect to any De Minimis Related Party Transactions (which shall only require the approval of the general counsel of the Company; provided, that the general counsel of the Company shall promptly (and in any event no later than the next scheduled meeting of the Board) inform the Board of any De Minimis Related Party Transaction approved pursuant to this parenthetical (and (i) the directors shall be entitled to any information they may request relating to any such De Minimis Related Party Transactions and (ii) if the Board so determines, certain De Minimis Related Party Transactions, or categories or types thereof, shall no longer be subject to this parenthetical and shall thereafter require the approval of the affirmative vote of a majority of the directors who are not Related Party Conflicted Directors)).

1.4.3 *Head of Content and Programming*. With respect to any hiring, termination or determination of the terms of hiring or termination of the Company's most senior executive responsible for content and/or programming, the Chief Executive Officer of the Company shall consult with the director selected by Torch from time to time for purposes of this Section 1.4.3 from among Torch's Board Designees (or a designee of such Board Designees) for so long as Torch is entitled to appoint a Board Designee to the Board.

1.5 Recusals and Conflicts. Board Designees and Board Observers shall not be an officer or employee of a Competitor. In the event that a director or a Board Observer is a director (or observer to the board), equityholder (other than a holder of up to 1% (in the case of a Board Designee) or 5% (in the case of a Board Observer, so long as such Board Observer is not a director or officer of, or entitled to designate any director or officer of, such publicly traded company and is not entitled to any information rights in addition to the other shareholders of such publicly traded company) of the common stock of a publicly traded company) or an Affiliate of a Competitor, such director or Board Observer shall recuse himself, herself or themself (and the Board may require such director or Board Observer to be recused) from that portion of any meetings of the Board or committees thereof during which matters pertaining to any sector of the Business (including television, radio and Internet portals) that competes with such Competitor and in respect of which the separate commercial interests of such Competitor and the Company are adverse will be discussed or voted upon, as determined by the Board or

applicable committee. In the event that an Investor is deemed a Conflicted Investor with respect to specific Confidential Information, the Board, in its good faith judgment and after consultation with such Investor's outside legal counsel, shall be entitled to withhold such Confidential Information from such Investor's Board Designees, if any, and Board Observer, if any, and to require such Investor's Board Designees, if any, and Board Observer, if any, to be excluded from any portion of a Board meeting or a meeting of its committees when the Board discusses such Confidential Information. To the extent the Board, pursuant to this Section 1.5, does not provide such Investor's Board Designees or Board Observer with such Confidential Information, the Board shall use good faith efforts to make available such information as would not be competitively sensitive and under circumstances in which the restrictions of this Section 1.5 would not apply.

1.6 Information Rights. Subject to the requirements of Sections 1.5 (Recusals and Conflicts), 5.3 (Disclosure of Confidential Information) and 5.7 (Confidentiality) of this Agreement, all directors and Board Observers shall have the same information rights which will be consistent with the laws of the State of Delaware.

1.7 Expenses. Each member of the Board and the Board Observers shall be entitled to reimbursement from the Company for his or her reasonable out-of-pocket expenses (including travel) incurred in attending any meeting of the Board or any committee thereof.

1.8 Meetings; Notice. The Board shall hold no less than one (1) meeting per fiscal quarter. Regular meetings of the Board and committees thereof shall be held at such times and places as the Board shall from time to time by resolution determine. Each Major Investor shall have the right to call a special meeting of the Board. At least fifteen (15) Business Days' notice must be given to each member of the Board and each Board Observer of regular meetings of the Board even if such meetings are held at times and places fixed by resolution of the Board and committees thereof, as applicable. A notice of the place, date and time and the purpose or purposes of each special meeting of the Board shall be given to each member of the Board and each Board Observer by telephoning or emailing (subject to confirmation of receipt) the same or by delivering the same personally not later than 48 hours before the day of the meeting ("Special Meeting Notice"). Within 48 hours from receipt of the applicable Special Meeting Notice, an Investor may notify the Chairperson that one or more of its Board Designees cannot attend such scheduled meeting, and in such event such meeting will be postponed to a subsequent date (which, unless otherwise agreed by such Investor, shall be at least 48 hours after such notification). The special meeting of the Board shall be held on such subsequent date, whether or not any of the Board Designees of such Investor can attend the special meeting on such date. For the avoidance of doubt, with respect to any proposed special meeting of the Board, in no event shall any Investor have the right to postpone such special meeting of the Board more than once as a result of its Board Designees' inability to attend such special meeting. Except for the first sentence, the provisions of this Section 1.8 shall apply equally to committee meetings.

1.9 Quorum; Decisions. At each meeting of the Board (or committee thereof) at which a quorum is present, each director (and, in the case of a committee, each director who is a member of such committee) shall be entitled to one vote on each matter to be voted on at such meeting. A majority of the total seats on the Board (or committee thereof) shall constitute a quorum. Except as may be otherwise required by Law or the Governing Documents, when a

quorum is present at any meeting, the vote of a majority of the directors (and, in the case of a committee, the directors who are members of such committee) present shall be the act of the Board (or committee thereof), including for purposes of an act of approval under Section 1.3 (Actions that Require Board Approval). All directors may attend meetings of the Board or committee thereof telephonically if they cannot appear in person. The Board (or committee thereof) may also take action by unanimous written consent of the members of the Board (or committee thereof).

1.10 UHI, Midco and UCI Directors. The Company will cause the boards of directors of UHI, Midco and UCI to consist at all times of the same members as the Board of the Company at such time. Each of UHI, Midco and UCI shall, and the Company shall cause the board of directors of each of UHI, Midco and UCI to, maintain at all times such committees as the Company at such time, with the same member composition. Any rights of the Investors under Section 8.4 (Additional Limitations on Amendments) of this Agreement or Sections 4.4.3, 4.4.4 or 4.4.5 of the Charter shall apply to actions by any subsidiary of the Company.

1.11 Governance of NewCo. Unless Torch agrees in writing otherwise, the Company shall take or cause to be taken all such actions as may be necessary or reasonably desirable in order to cause (a) (i) the chairman of the board of directors of NewCo to be Emilio Azcárraga Jean (or a successor designated by Mr. Azcárraga) and (ii) the other member of the board of directors of NewCo to be Wade Davis (or a successor designated by Mr. Davis), in each case from the Effective Time and until June 30, 2025 or such earlier date as Torch agrees in writing, (b) the co-chief executive officers of NewCo to be Alfonso de Angoitia Noriega and Bernardo Gómez Martínez (or their successors designated by Mr. de Angoitia and Mr. Gómez), from the Effective Time and until June 30, 2025 or such earlier date as Torch agrees in writing, and (c) the name of NewCo to be "Televisa S.R.L. de C.V."

1.12 Period. With respect to each Investor, each of the foregoing provisions of this Section 1 shall survive as to such Investor, its Corresponding Investor Group, and its Board Designees or Board Observer, as applicable, until the occurrence of a Governance Fall-Away Event for such Investor.

2. TRANSFER RESTRICTIONS

2.1 Transfers Allowed. Until the expiration of the provisions of this Section 2, and subject in all cases to Sections 2.2 (Restrictions on Transfers), 2.3 (Certain Transferees to Become Parties) and 2.6 (Other Restrictions on Transfer), no Stockholder shall Transfer or permit any Transfer of any of such Stockholder's Shares to any other Person except as follows:

2.1.1 *Permitted Transferees*. Without regard to any restrictions on transfer contained in Section 3.1 (Right of First Offer), 3.2 (Tag Along), 3.9 (Miscellaneous Sale Provisions) or 6.3.5 (Stockholders Lock-Up), any Stockholder may Transfer any or all of such Shares to such Stockholder's Permitted Transferees; provided, that no Person or Group who did not, prior to such Transfer, own beneficially or of record a majority of the Shares, owns beneficially or of record a majority of the Shares following such Transfer, and if such Transfer otherwise results in a Change of Control, such Transfer will be subject to the Change of Control Procedures.

2.1.2 *Public Transfers*. Without regard to any restrictions on transfer contained in Section 3.1 (Right of First Offer), 3.2 (Tag Along) or 3.9 (Miscellaneous Sale Provisions), at or after (but not before) the closing of an Initial Public Offering, any Stockholder may Transfer any or all of such Stockholder's Shares: (a) (i) in a block sale to a financial institution in the ordinary course of its trading business, (ii) pursuant to Rule 144 in brokers' transactions (as defined thereunder) or (iii) in a market transaction exempted under Rule 144A under the Securities Act to a "qualified institutional buyer" that is a financial institution; provided, in the case of clauses (i), (ii) and (iii), that the Stockholder seeking to Transfer Shares does not sell to, or request or encourage any block sale purchasers, brokers or "qualified institutional buyers" to resell such Shares to, any Person who is known or reasonably should be known by such Stockholder to be a, and directs any block sale purchasers, brokers and "qualified institutional buyers" not to resell such Shares to any, (x) Transfer Restricted Person, (y) Restricted Person or (z) non-U.S. Person for purposes of Federal Communications Laws that would result in such non-U.S. Person acquiring a percentage of the voting interests and/or equity interests of the Company as would require obtaining prior approval of the FCC for such ownership interest pursuant to 47 CFR Section 1.5001 (or any successor provision); and (b) in an underwritten offering pursuant to Section 6 (Registration Rights). Any transferee of Shares Transferred pursuant to this Section 2.1.2 shall not be required to become a party to this Agreement, but if such transferee is already bound hereby, the Shares Transferred will remain subject to this Agreement on the same basis as such transferee's other Shares.

2.1.3 *Distributions*. Without regard to any restrictions on transfer contained in Section 3.1 (Right of First Offer), 3.2 (Tag Along) or 3.9 (Miscellaneous Sale Provisions), at or after (but not before) the closing of a Qualified Public Offering, any Investor may Transfer any or all of its Shares in a bona fide, pro rata Transfer to its partners, members, managers or stockholders (e.g., a pro rata distribution by a private equity partnership to its partners or by a corporation to its stockholders); provided, that such Transfer does not result in any Person or Group owning beneficially or of record a majority of the Shares, and if otherwise resulting in a Change of Control, is subject to the Change of Control Procedures.

2.1.4 *Drag Along*. Without regard to any other restrictions on Transfer contained in Section 3.1 (Right of First Offer) or 3.2 (Tag Along), a Drag Along Seller may Transfer Shares pursuant to and in accordance with Section 3.3 (Drag Along).

2.1.5 *Tag Along*. Without regard to any other restrictions on Transfer contained in Section 3.1 (Right of First Offer) or 3.2 (Tag Along), a Tag Along Participating Seller may Transfer Shares pursuant to and in accordance with Section 3.2.

2.1.6 *Compliant Change of Control Transaction*. Without regard to any other restrictions on Transfer contained in Sections 3.2 (Tag Along), 3.3 (Drag Along) or, 3.9 (Miscellaneous), each Stockholder may Transfer Shares pursuant to and in accordance with the terms of a Compliant Change of Control Transaction, and the Torch Investor may Transfer any or all of their Shares pursuant to and in accordance with the Change of Control Procedures.

2.1.7 *Redemption*. Without regard to any other restrictions on Transfer contained in Section 2.7 (Restrictions on Stock Ownership and Transfer), 3.1 (Right of First Offer), 3.2 (Tag Along), 3.9 (Miscellaneous Sale Provisions) or 6.3.5 (Stockholders Lock-Up), the Company may purchase Shares and Convertible Securities from the management of the Company or any of its subsidiaries (other than any partner, principal, employee or Affiliate of an Investor, except with respect to any repurchases from any member of management of the Company or any of its subsidiaries pursuant to the terms of a management incentive plan approved pursuant to Section 1.3.1 (Management Incentive Plan)) or the holder of any shares of Series A Preferred Stock pursuant to the terms thereof.

2.1.8 *Other Torch Transfers*. Without regard to any other restrictions on Transfer contained in Section 2.7 (Restrictions on Stock Ownership and Transfer), 3.1 (Right of First Offer), 3.2 (Tag Along), 3.9 (Miscellaneous Sale Provisions) or 6.3.5 (Stockholders Lock-Up), in the event that Torch reasonably believes, after consultation with its outside regulatory counsel and with outside regulatory counsel to the Company, that its ownership of Shares at any time could reasonably be expected to be subject to regulatory review due to, or restricted by, Foreign Ownership Restrictions, then each Torch Investor may, but is not required to, after notice to, and an opportunity for comment and review by, the Board and its representatives, assign (it being agreed that any such assignment shall be the sole decision of Torch and the Company shall have no consent right) their Shares to (i) an FCC-Approved Trust, (ii) any other Person (other than a Competitor) while regulatory or judicial relief is being sought with respect to such Foreign Ownership Restrictions or (iii) any other Person (other than a Competitor) if the FCC has ordered that Torch reduce its voting or equity ownership in the Company, or Torch has received written notification from the FCC of an investigation with respect to Torch's ownership of the Company, and provided, in either case in this clause (iii) that (x) Torch may not assign any Shares to any of the foregoing Persons if such assignment would cause such Person or the Company to be in violation of any applicable Laws or regulations, including the Federal Communications Laws and (y) Torch seeks regulatory or judicial relief related to such order or investigation within four (4) months of the transfer to such Person. The assignment set forth in the preceding sentence shall only be for the period during which such Foreign Ownership Restrictions prevent Torch from holding such Shares or while Torch is actively seeking regulatory or judicial relief with respect to the Foreign Ownership Restrictions or from the applicable order or investigation, as applicable (or in the case of clause (iii) of the preceding sentence, prior to the four (4) month anniversary of the transfer to the other Person and thereafter while Torch is seeking regulatory or judicial relief related to such order or investigation) and once such period terminates, such FCC-Approved Trust or other Person shall assign such Shares to Torch or as otherwise permitted under the Governing Documents or otherwise comply with the terms of any applicable order of the FCC or regulatory or judicial decision. Upon any such assignment set forth in this Section 2.1.8, the FCC-Approved Trust or other Person to which such assignment is made shall agree to be bound by the terms of this Agreement in accordance with Section 2.3 (Certain Transferees to Become Parties) as a "Torch Investor," if Torch is then a Major Investor, or as an "Other Stockholder," if Torch is then no longer a Major Investor.

2.1.9 *Other Compliant Transfers*. In addition to any Transfers made in accordance with Sections 2.1.1 (Permitted Transferees) through 2.1.8 (Other Torch Transfers), (a) any Stockholder (other than members of the Investor Groups) may Transfer any or all of such Stockholder's Shares with the prior approval of the Board; and (b) any member of an Investor Group may Transfer any or all of its Shares (without the approval of the Board); provided, in each case of clauses (a) and (b) that such Transfer is in compliance with all of the provisions of Section 3 (Rights with Respect to Transfers and Changes of Control).

2.1.10 *Transfer of Public Company Interests*. Without regard to any other restrictions on Transfer contained in Section 2.7 (Restrictions on Stock Ownership and Transfer), 6.3.5 (Stockholders Lock-Up), 3.1 (Right of First Offer), 3.2 (Tag Along), 3.9 (Miscellaneous Sale Provisions) or 6.3.5 (Stockholders Lock-Up), the following Transfers shall be permitted hereunder: (a) any Transfer of the capital stock, equity interests of other securities of, change of control of, or Transfer of all or substantially all the assets of, Grupo Televisa, S.A.B. ("Torch Parent"), Lava Parent, Granite Parent or SB Series C Parent or any publicly traded successor or parent entity thereof; (b) any Transfer of the capital stock, equity interests of or other securities of, or any sale of all or substantially all assets of, or change of control of, any Affiliate of Torch Parent or any publicly traded successor or parent entity thereof, including by means of spin-off, split-off or other similar transactions in which the equity interests of such Affiliate are Transferred to the shareholders of Torch Parent (or any publicly traded successor or parent entity thereof), in each case, so long as the Shares of the Company do not constitute a majority of the value of such Affiliate, or (c) any spin-off, split-off or other similar transactions in which the equity interests of any Affiliate of Lava Parent or Granite Parent or any publicly traded successor or parent entity thereof that holds both the Shares of the Company and a material portion of the assets of Lava Parent or Granite Parent (or any publicly traded successor or parent entity thereof) and its subsidiaries, taken as whole, other than the Shares of the Company that are Transferred to the shareholders of Lava Parent or Granite Parent (or any publicly traded successor or parent entity thereof); it being understood that any Person holding Shares in any transaction contemplated by this Section 2.1.10 shall agree to assume Torch's, Lava's or Granite's (as applicable) obligations hereunder to the same extent as Torch, Lava or Granite, respectively, was bound and shall be deemed to be a Torch Investor, Lava Investor or Granite Investor for all purposes under the Governing Documents.

2.2 Restrictions on Transfers. The following restrictions shall apply, in addition to any other applicable provisions of this Agreement, to all Transfers permitted under this Agreement, including under Section 2.1 (Transfers Allowed), except as expressly provided in this Section 2.2:

2.2.1 *Restriction Period*. Other than pursuant to Sections 2.1.1 (Permitted Transferees), 2.1.3 (Distributions), 2.1.8 (Other Torch Transfers), and 2.1.10 (Transfer of Public Company Interests), no Stockholder shall Transfer any Shares from the date hereof until *** of the date hereof (the "Transfer Restriction Period"). In addition, during the Transfer Restriction Period, none of the Company or members of the Investor Groups or any other party hereto shall (and shall cause its Affiliates not to) initiate or

pursue, or discuss with any potential underwriter, any Public Offering or solicit, initiate, or knowingly encourage or facilitate any proposal from any Person to effect a Change of Control or acquire Shares or material assets of the Company and its subsidiaries.

2.2.2 *Debt-Based Restrictions*. Other than pursuant to Sections 2.1.1 (Permitted Transferees), 2.1.3 (Distributions) (solely in the case of a Lava Investor) and 2.1.10 (Transfer of Public Company Interests), no member of any Investor Group (other than the Torch Investors) shall Transfer any Shares in an aggregate amount since (a) the Effective Time, in the case of the Series C Investors, or (b) the consummation of the 2020 Transaction, in the case of the Flame Investors, Smoke Investors and Lava Investors, constituting a percentage of such Stockholder's Initial Shares greater than the percentage of Torch's Initial Shares that Torch would then be able to Transfer in like manner without a reasonable likelihood of causing a breach of, default under, or acceleration of the Company's credit agreement or any other debt facilities or debt securities.

2.2.3 *Restricted Persons*. Other than pursuant to Sections 2.1.2 (Public Transfers) (including the limitations therein), 2.1.3 (Distributions) (in the case of a Lava Investor) and 2.1.10(a) (Transfer of Public Company Interests), prior to a Governance Fall-Away Event for Torch, each Stockholder (other than a Torch Investor) shall not, and shall require its Permitted Transferees not to, directly or indirectly Transfer or issue, or agree to Transfer or issue, any Shares or other securities or all or substantially all of the assets of the Company or the Company's parent (if any) or subsidiaries to a Restricted Person, or enter into or consummate, or agree to enter into or consummate, any merger, consolidation, reorganization or similar transaction involving any Shares or other securities or all or substantially all of the assets of the Company or the Company's parent (if any) or subsidiaries, or any Change of Control, involving such Stockholder and any Restricted Person (for purposes of this use of the term Restricted Person only, without giving effect to clause (b) of the definition of "Specified Restricted Person"), without the prior written approval of Torch. The Stockholders (other than the Torch Investors) and the Company, its subsidiaries, and its parent entities will use good faith efforts not to structure arrangements or agreements in a manner to circumvent the provisions of this Section 2.2.3, the definition of "Restricted Person," or the defined terms used herein or therein.

2.2.4 *Non-U.S. Persons*. Other than pursuant to Sections 2.1.2 (Public Transfers) (including the limitations therein), 2.1.3 (Distributions) (in the case of a Lava Investor) and 2.1.10(a) (Transfer of Public Company Interests), each Stockholder (other than a Torch Investor) shall not, and shall require its Permitted Transferees not to, Transfer Shares to any Person (including any Permitted Transferee) that is known or reasonably should be known by such Stockholder or its Permitted Transferees to be a non-U.S. Person for purposes of the Federal Communications Laws if, as a result of such Transfer, either:

(a) the percentage ownership of voting interests and/or equity interests of the Company owned directly or indirectly by non-U.S. Persons for purposes of the Federal Communications Laws would increase as a result of such Transfer; provided, that this clause (a) shall not apply at any time during which a

Regulatory Amendment or Waiver is in effect providing for a Foreign Ownership Cap of 100% with respect to the Company; or

(b) the transferee would, immediately following such Transfer, hold ***% or more of the Shares for purposes of the Federal Communications Laws; provided, that this clause (b) shall only apply if (i) it would reasonably be expected (based on Torch's good faith determination after consultation with its outside regulatory counsel) that, as part of the FCC approval process for such transfer, the FCC would request changes to the Governing Documents that would adversely affect the Torch Investors' then-existing rights, privileges and obligations thereunder or (ii) as part of the FCC approval process for such transfer, the FCC requests changes to the Governing Documents that would adversely affect the Torch Investors' then-existing rights, privileges and obligations thereunder; provided, further, that this clause (b) shall not apply to any Transfer to any member of an Investor Group to the extent such member of an Investor Group is a non-U.S. Person for purposes of the Federal Communications Laws and to the extent the ownership of ***% or more of the Shares by such member of an Investor Group has already been approved by the FCC; and provided, further, that this clause (b) shall not apply to any transaction with respect to Lava (or any publicly traded successor or parent entity thereof) permitted pursuant to Sections 2.1.3 (Distributions) or 2.1.10 (Transfer of Public Company Interests).

Notwithstanding the preceding sentence, Section 2.2.3 (Restricted Persons) and this Section 2.2.4 shall not apply to any Transfer made subsequent to a Governance Fall-Away Event for Torch. Prior to a Governance Fall-Away Event for Torch, the Company agrees that it will not issue any capital stock or equity or voting interests of the Company or securities which are directly or indirectly convertible into or exchangeable or exercisable for capital stock or equity or voting interests of the Company, or merge with or into or otherwise combine with, any Person that is known or reasonably should be known by the Company to be a non-U.S. Person for purposes of the Federal Communications Laws if, as a result of such issuance or other transaction, the percentage ownership of voting interests and/or equity interests of the Company owned directly or indirectly by non-U.S. Persons for purposes of the Federal Communications Laws would increase; provided, that this prohibition shall not apply to (x) any issuance by the Company to a member of an Investor Group pursuant to such member's exercise of its rights of participation under Section 4.2 (Rights of Participation) or (y) an offering that is a Public Offering in which the Company does not direct, request or encourage any underwriters, brokers, block sale purchasers, or other intermediaries to sell or resell such Shares to, any Person who is a non-U.S. Person for purposes of Federal Communications Laws.

2.2.5 *Transfers Between Investor Groups*. No member of an Investor Group shall Transfer Shares to members of another Investor Group, or enter into or consummate any other transaction with respect its Shares, after which any Investor Group would own, beneficially or of record, a majority of the Shares, without the consent of each Major

Investor (if any) not Corresponding to the Investor Groups of which the prospective transferor and transferee are members.

2.2.6 *Transfer Restricted Persons*. Other than pursuant to Section 2.1.2 (Public Transfers) (including the limitations therein), as long as an Investor and its controlled Affiliates collectively own Shares of a single class or of multiple classes constituting ***% or more of the then-outstanding Shares of the Company, such Investor shall not, and shall cause its controlled Affiliates not to, directly or indirectly Transfer or issue, or agree to Transfer or issue, any Shares or other securities or all or substantially all of the assets of the Company or the Company's parent (if any) or subsidiaries to a Transfer Restricted Person.

2.3 Certain Transferees to Become Parties. Any transferee receiving Shares in a Transfer pursuant to Section 2.1.1 (Permitted Transferees), 2.1.3 (Distributions), 2.1.4 (Drag Along), 2.1.5 (Tag Along), 2.1.6 (Compliant Change of Control Transaction), 2.1.8 (Other Torch Transfers) or 2.1.9 (Other Compliant Transfers) or any issuance or Sale of Shares by the Company shall become an "Other Stockholder" party to this Agreement and be subject to the terms and conditions of, and be entitled to enforce, the provisions of this Agreement that are applicable to Other Stockholders. For the avoidance of doubt, any such transferee shall not be a "Major Investor," "Investor" or "Manager" or member of a Major Investor Group or Investor Group hereunder, except that (a) a Permitted Transferee of an Investor shall also be a member of the Corresponding Investor Group, (b) a transferee meeting the requirements of a New Torch Investor or receiving Shares from a Torch Investor in a Transfer pursuant to Section 2.1.8 (Other Torch Transfers) or 4.2.6(b) (Foreign Ownership Restrictions) shall also be a Torch Investor, (c) a recipient of any Equity Award Share will be a Manager, and (d) a Permitted Transferee of a Manager shall also be a Manager, and in each case of clauses (a), (b), (c) and (d), such transferee shall be subject to the terms and conditions, and be entitled to enforce, the provisions of this Agreement that are applicable to such categories. Prior to the Transfer of any Shares to any transferee pursuant to Section 2.1.1 (Permitted Transferees), 2.1.4 (Drag Along), 2.1.5 (Tag Along), 2.1.6 (Compliant Change of Control Transaction), 2.1.8 (Other Torch Transfers) or 2.1.9 (Other Compliant Transfers), and as a condition thereto, each Stockholder effecting such Transfer (or in the case of a Transfer being effectuated pursuant to Section 3.2 (Tag Along), 3.3 (Drag Along) or 3.4 (The Torch Investors' Rights and Obligations in a Change of Control), the Tag Along Initiating Sellers, Company, or COC Initiating Parties, respectively) shall cause such transferee to deliver to the Company and each of the Investors (other than the Investor Corresponding to the Investor Group of which the transferor is a member, if applicable) its written agreement, in form and substance reasonably satisfactory to the Company, to be bound by the terms and conditions of this Agreement in accordance with this Section 2.3. None of the rights or obligations of any party under this Agreement shall be assignable or transferable except as expressly set forth in this Section 2.3, Section 2.1.10 (Transfer of Public Company Interests) or 6.6 (Assignment of Registration Rights).

2.4 Impermissible Transfer. Any attempted Transfer of Shares not permitted under the terms of this Section 2 shall be null and void, and the Company shall not in any way give effect to any such impermissible Transfer. The Company agrees that it will not knowingly or intentionally support, facilitate or cooperate (including by providing due diligence information, making members of management available for meetings or discussions and giving

representations, warranties and/or indemnities) with respect to any Transfers by any holder of securities of the Company party to this Agreement or any of its parent entities or subsidiaries which would violate the terms of this Agreement, including restrictions on Transfers to Transfer Restricted Persons, Restricted Persons or non-U.S. Persons for purposes of the Federal Communications Laws and Transfers that do not comply with the Change of Control Procedures. For the avoidance of doubt, any Change of Control shall be subject to the Change of Control Procedures in addition to any applicable provisions of this Section 2.

2.5 Notice of Transfer. To the extent any Stockholder or Permitted Transferee shall Transfer any Shares pursuant to Section 2.1.1 (Permitted Transferees), 2.1.2 (Public Transfers), 2.1.3 (Distributions), 2.1.9 (Other Compliant Transfers) or 2.1.10 (Transfer of Public Company Interests), such Stockholder or Permitted Transferee shall, within five (5) Business Days following consummation of such Transfer, deliver notice thereof to the Company and each Investor; provided, that such notice shall be provided to only the Company if prior notice of such transaction was previously provided to each Investor in accordance with Section 2.2 (Restrictions on Transfers) or 2.3 (Certain Transferees to Become Parties).

2.6 Other Restrictions on Transfer. The restrictions on Transfer contained in this Agreement are in addition to any other restrictions on Transfer to which a Stockholder may be subject, including any restrictions imposed by applicable Law or restrictions on transfer contained in the Charter or any restricted stock agreement, stock option agreement, stock subscription agreement or other agreement to which such Stockholder is a party or by which it is bound.

2.7 Restrictions on Stock Ownership and Transfer. Prior to a Qualified Public Offering, the Company shall restrict, deprive the ownership, or proposed ownership, of Company Securities by any Person, and exercise such other rights as may then be available under Section 5 of the Charter, to prevent or eliminate any increase in the percentage ownership of voting interests and/or equity interests of the Company owned directly or indirectly by non-U.S. Persons for purposes of the Federal Communications Laws, without any requirement for approval of such action by any Investors, after consultation with its outside regulatory counsel; provided, that this sentence shall not apply (a) at any time during which a Regulatory Amendment or Waiver is in effect providing for a Foreign Ownership Cap of 100% with respect to the Company, (b) to any Transfer which is otherwise permitted pursuant to Section 2.2.4 (Non-U.S. Persons), (c) to any issuance by the Company to a member of an Investor Group pursuant to such member's exercise of its rights of participation under Section 4.2 (Rights of Participation) or (d) to the direct or indirect ownership by the Lava Investors of (i) up to ***% of the Class A Common Stock to the extent specific approval of such ownership interest is or has been granted by the FCC pursuant to 47 CFR Section 1.5001 and such specific approval remains in effect, or (ii) up to ***% of the Class B Common Stock. Notwithstanding anything to the contrary herein, in no event may the Company take any action (x) in order to comply with the Federal Communications Laws that Discriminates against Torch or the Torch Investors, (y) that restricts or deprives any Torch Investor of the ownership, or proposed ownership, of any securities of the Company, or (z) that adversely affects the governance rights, rights to Board seats, approval rights, participation rights, liquidation preference, participation rights, tag-along rights, exemption from drag-along obligations, right of first offer, or other rights or obligations of the Torch Investors set forth in this Agreement and the other Governing Documents or the

rights of any Torch Investor with respect to any Regulatory Amendment or Waiver or Foreign Ownership Cap. For purposes of this Section 2.7:

2.7.1 "Company Securities" shall mean (a) the authorized shares of the Company's capital stock, including all classes of common, preferred, voting and nonvoting capital stock, (b) any other ownership, equity or other interests, as the case may be, including the right to share in profits and losses, the right to receive distributions of cash and property, and the right to receive allocations of items of income, gain, loss, deduction and credit and similar items from the Company, whether or not such interests include voting or similar rights entitling the holder thereof to exercise control over such Person; and (c) securities and obligations that, directly or indirectly, whether or not upon the satisfaction of one or more conditions, are convertible into or exercisable or exchangeable for "Company Securities" as described in clause (a) or (b) of this definition.

2.8 Period. Unless specifically provided otherwise, each of the foregoing provisions of Sections 2.1 (Transfers Allowed) and 2.3 (Certain Transferees to Become Parties) shall expire after there has been a Governance Fall-Away Event for each and every Investor. Subject to the foregoing sentence, the provisions of this Section 2 shall survive, in accordance with its terms, any Change of Control.

3. RIGHTS WITH RESPECT TO TRANSFERS AND CHANGES OF CONTROL

3.1 Right of First Offer. Prior to a Qualified Public Offering, if any member of an Investor Group (a "First Offer Seller") proposes to Sell any Shares in a Transfer that is subject to Section 2.1.9 (Other Compliant Transfers) (including to another Stockholder or the Company or any of its subsidiaries) (a "First Offer Sale"), then the following provisions shall apply:

3.1.1 *Notice*. Prior to entering into any agreement to consummate (or consummating) any First Offer Sale, the First Offer Seller shall furnish a written notice of such proposed First Offer Sale (a "First Offer Sale Notice") to each Investor (other than any Investor Corresponding to an Investor Group of which the First Offer Seller is a member, in which case no such notice shall be provided to such Investor) (each member of an Investor Group whose Corresponding Investor is entitled to receive a First Offer Sale Notice, a "First Offer Holder". The First Offer Sale Notice shall include:

(a) (i) the number and class(es) of Shares proposed to be sold by the First Offer Seller (the "First Offer Shares"), (ii) the per Share cash purchase price or the formula by which such price is to be determined and the payment terms, and (iii) the proposed or expected Transfer date, if known; and

(b) an invitation to each First Offer Holder to make an offer to purchase, subject to Section 3.1.5 (Determination of the Number of Shares to Be Sold) below, any number of the First Offer Shares at such price.

3.1.2 Exercise.

(a) Within fifteen (15) Business Days after the date of delivery of the First Offer Sale Notice (the "First Offer Deadline"), each First Offer Holder may make an offer to purchase any number of the First Offer Shares, up to the total number of First Offer Shares, at the price set forth in the First Offer Sale Notice by furnishing a written notice (the "First Offer Notice") of such offer specifying a number of First Offer Shares (the "First Offer Requested Amount") offered to be purchased from the First Offer Seller (each such Person delivering such First Offer Notice, a "First Offer Purchaser"). The receipt of consideration by any First Offer Seller selling Shares in payment for the transfer of such Shares pursuant to this Section 3.1.2 shall be deemed a representation and warranty by such First Offer Seller that (i) such First Offer Seller has full right, title and interest in and to such Shares; (ii) such First Offer Seller has all necessary power and authority and has taken all necessary actions to sell such Shares as contemplated by this Section 3.1.2; and (iii) such Shares are free and clear of any and all liens or encumbrances except pursuant to this Agreement and other Governing Documents.

(b) Each First Offer Holder not furnishing a First Offer Notice that complies with the above requirements, including the applicable time periods, shall be deemed to have waived all of such First Offer Holder's rights to purchase such First Offer Shares under this Section 3.1.2 and the First Offer Seller shall thereafter be free to Sell, subject to Section 3.2 (Tag Along), the First Offer Shares to the First Offer Purchasers and/or any other Person, subject to Section 2.2 (Restrictions on Transfers), at a per Share cash purchase price no less than the price set forth in the First Offer Sale Notice, and payment terms no less favorable to the First Offer Seller than the payment terms set forth in the First Offer Sale Notice, without any further obligation to such First Offer Holder pursuant to this Section 3.1.If, as of the First Offer Deadline, the number of First Offer Shares exceeds the number of First Offer Shares offered to be purchased by the First Offer Purchasers, the First Offer Seller may thereafter Sell the excess First Offer Shares, subject to Section 3.2 (Tag Along), to any other Person, subject to Section 2.2 (Restrictions on Transfers), at a price per share that is no less than the price set forth in the First Offer Sale Notice, and payment terms no less favorable to the First Offer Seller than the payment terms set forth in the First Offer Sale Notice. Such Sale, if any, to a Person other than the First Offer Purchasers above shall be consummated together with the sale to the First Offer Purchasers.

3.1.3 *Irrevocable Offer*. The offer of each First Offer Purchaser contained in a First Offer Notice shall be deemed an irrevocable offer, and, subject to Section 3.1.5 (Determination of the Number of Shares to Be Sold) below, to the extent such offer is accepted, such First Offer Purchaser shall be bound and obligated to purchase the number of First Offer Shares set forth in such First Offer Notice for the price and on the terms set forth in such First Offer Sale Notice and Section 3.1.2(a) (Exercise).

3.1.4 *Acceptance of Offers*. Within ten (10) Business Days after the First Offer Deadline, the First Offer Seller shall inform each First Offer Purchaser, by written notice

(the "First Offer Acceptance Notice"), of whether or not the First Offer Seller will accept all (but not less than all) offers of the First Offer Purchasers (for the avoidance of doubt, all such offers shall be subject to adjustment pursuant to Section 3.1.5 (Determination of the Number of Shares to Be Sold) below). In the event the First Offer Seller fails to furnish the First Offer Acceptance Notice within the specified time period, the First Offer Seller shall be deemed to have decided not to Sell the Subject Shares to the First Offer Purchasers. If the First Offer Seller decides not to Sell the Subject Shares to the First Offer Purchasers, each First Offer Purchaser shall be released from its obligations under its First Offer Notice and irrevocable offer therein, and the First Offer Seller shall not sell the First Offer Shares to any other Person, subject to Section 2.2 (Restrictions on Transfers), without again complying with the terms of this Section 3.1 (Right of First Offer). Acceptance of such offers by the First Offer Seller is without prejudice to the First Offer Seller's discretion under Section 3.9.2 (Sale Process) to determine whether or not to consummate any Sale.

3.1.5 *Determination of the Number of Shares to Be Sold*. If the First Offer Seller has accepted the offers of the First Offer Purchasers and the aggregate number of Shares offered to be purchased by the First Offer Purchasers is equal to or exceeds the aggregate number of First Offer Shares, the First Offer Shares to be Sold to each First Offer Purchaser shall be allocated as follows: each First Offer Purchaser shall be allocated at least an amount equal to the lesser of (a) the aggregate number of First Offer Shares, multiplied by the number of Shares held by such First Offer Purchaser, divided by the number of Shares held by all of the First Offer Purchasers, and (b) such First Offer Purchaser's First Offer Requested Amount. In addition, any First Offer Shares not allocated pursuant to the preceding sentence shall be allocated among all of the First Offer Purchasers that have not yet been allocated their respective First Offer Requested Amount, as nearly as practicable, pro rata with respect to the excess of each such First Offer Purchaser's First Offer Requested Amount over the number of First Offer Shares allocated to such First Offer Purchaser pursuant to the preceding sentence, until all of the First Offer Shares have been allocated. In the event that the number of Shares that each First Offer Purchaser will be permitted to purchase in a particular First Offer Sale is reduced in accordance with the preceding sentence, the First Offer Seller shall be responsible for determining the total number of Shares to be Sold to each First Offer Purchaser in the proposed Sale in accordance with this Section 3.1.5, and shall provide notice to each First Offer Purchaser of the number of Shares that such First Offer Purchaser will be Sold in such Sale as part of the First Offer Acceptance Notice.

3.1.6 *Time Limitation*. If less than all of the First Offer Shares are allocated to First Offer Purchasers in accordance with Section 3.1.5 (Determination of the Number of Shares to Be Sold), the First Offer Seller shall thereafter be free to Sell such remaining shares, subject to Section 3.2 (Tag Along), to any other Person, subject to Section 2.2 (Restrictions on Transfers), at a per Share cash purchase price no less than the price set forth in the First Offer Sale Notice, and payment terms no less favorable to the First Offer Seller than the payment terms set forth in the First Offer Sale Notice; provided, that, any such Sale shall be consummated simultaneously (or if that is not reasonably practicable, substantially contemporaneously) with the Sale of all First Offer Shares to be Sold to First Offer Purchasers. If at the end of the ninetieth (90^{th}) day after the date of delivery of

the First Offer Acceptance Notice, the First Offer Seller and First Offer Purchasers or other Person purchasing First Offer Shares, if any, have not completed the Sale of the First Offer Shares, each First Offer Purchaser shall be released from its obligations under its First Offer Notice and irrevocable offer therein, such First Offer Sale Notice shall be null and void, and it shall be necessary for a separate First Offer Sale Notice to be furnished, and the terms and provisions of this Section 3.1 separately complied with, in order to consummate such proposed Sale pursuant to this Section 3.1, unless the failure to complete such proposed Sale resulted directly from either (x) any failure by any First Offer Purchaser to comply with the terms of this Section 3.1 or (y) any failure by the FCC to consent to such Transfer; provided, that such ninety (90) day period shall be extended to up to an additional one hundred and eighty (180) days if necessary to obtain the consent of the FCC to such Sale.

3.1.7 *Tag-Along Rights*. In the event any holders of Shares exercise such holders' rights under Section 3.2 (Tag Along) to sell Shares in connection with a Sale to First Offer Purchasers pursuant to this Section 3.1, such Shares (as the case may be, reduced in accordance with Section 3.2.4 (Reduction of Shares Sold)) shall be deemed to be First Offer Shares for purposes of this Section 3.1 and shall be allocated among the First Offer Purchasers in accordance with Section 3.1.5 (Determination of the Number of Shares to Be Sold).

3.1.8 *Foreign Ownership Restrictions*. In the event that Torch reasonably and in good faith believes, after consultation with its outside regulatory counsel and with outside regulatory counsel to the Company, that any of the Torch Investors cannot exercise their rights under this Section 3.1 to the full extent set forth herein (or any lesser extent that the Torch Investors desire to obtain) because of any Foreign Ownership Restrictions, Torch or a Torch Investor may, but is not required to, after notice to, and an opportunity for comment by, the Company (it being agreed that any such assignment shall be the decision of Torch and the Company shall have no consent right), assign such rights to (a) any FCC-Approved Trust, (b) any other Person (other than a Competitor) while regulatory or judicial relief is being sought with respect to such Foreign Ownership Restrictions or (c) any other Person (other than a Competitor) if the FCC has ordered that Torch reduce its voting or equity ownership in the Company, or Torch has received written notification from the FCC of an investigation with respect to Torch's ownership of the Company and provided, in either case in this clause (c) that (x) Torch or a Torch Investor, as applicable, may not assign any rights to any of the foregoing Persons if such assignment would cause such Person or the Company to be in violation of any applicable Laws or regulations, including the Federal Communications Laws, and (y) Torch seeks regulatory or judicial relief related to such order or investigation within four (4) months of the transfer to such Person. The assignment set forth in the preceding sentence shall only be for the period during which such Foreign Ownership Restrictions prevent Torch from holding such Shares or while Torch is actively seeking regulatory or judicial relief with respect to the Foreign Ownership Restrictions or from the applicable order or investigation, as applicable (or in the case of clause (c) of the preceding sentence, prior to the four (4) month anniversary of the transfer to the other Person and thereafter while Torch is seeking regulatory or judicial relief related to such order or investigation) and once such period terminates, such FCC-Approved Trust or other Person shall assign such

rights and transfer such Shares to a Torch Investor or as otherwise permitted under the Governing Documents or otherwise comply with the terms of any applicable order of the FCC or regulatory or judicial decision. Upon any such assignment set forth in this Section 3.1.8, the FCC-Approved Trust or other Person to which such assignment is made shall become a party to this Agreement as a "Torch Investor", if Torch is then a Major Investor, or as an "Other Stockholder," if Torch is then no longer a Major Investor. Not in limitation of the foregoing, in the event that Torch reasonably and in good faith believes, after consultation with its outside regulatory counsel and with outside regulatory counsel to the Company, that an acquisition of Shares by a Torch Investor pursuant to this Section 3.1 would not be prudent in light of applicable Law, then, at Torch's election, after Torch acquired such Shares pursuant to this Section 3.1, the Company shall exchange such Shares that Torch acquired pursuant to this Section 3.1 for warrants with an exercise price of $0.01 per share and a number of shares underlying such warrants equal to the number of shares Torch so acquired pursuant to this Section 3.1.

3.1.9 *Notice of ROFO Closing*. The Company shall promptly notify each Investor (other than the Investor Corresponding to any Investor Group that includes the First Offer Seller or any First Offer Purchaser) in writing following the closing of any transaction in which any First Offer Purchaser participates pursuant to this Section 3.1.

3.2 Tag Along. Subject to prior compliance with Section 3.1 (Right of First Offer), at any time prior to an Initial Public Offering, if members of any Investor Groups (the "Tag Along Initiating Sellers") propose to Sell Shares of a single class or of multiple classes constituting ***% of or more of the then-outstanding Shares of the Company to any Person or group of Persons (including any First Offer Purchaser pursuant to Section 3.1) (Right of First Offer) (a "Tag Along Buyer") in a Transfer or series of related Transfers that is subject to Section 2.1.9 (Other Compliant Transfers) (a "Tag Along Sale"), then the following provisions shall apply:

3.2.1 *Notice*. The Tag Along Initiating Sellers shall, prior to any Tag Along Sale, furnish a written notice (the "Tag Along Notice") to the Company, which shall promptly furnish the Tag Along Notice to each member of an Investor Group that is not a Tag Along Initiating Seller (a "Tag Along Holder"). The Tag Along Notice shall include:

(a) the material terms and conditions of the proposed Sale, including (i) the number and class of the Shares to be purchased from the Tag Along Initiating Sellers, (ii) the percentage of the aggregate Shares held by the Tag Along Initiating Sellers that are proposed to be Sold in the Tag Along Sale (the "Tag Along Sale Percentage") (it being understood that the Company shall reasonably cooperate with the Tag Along Initiating Sellers in respect of the determination of each applicable Tag Along Sale Percentage), (iii) the per Share purchase price or the formula by which such price is to be determined and the payment terms, including a description of any non-cash consideration sufficiently detailed to permit valuation thereof, (iv) the name and address of each Tag Along Buyer and (v) if known, the proposed or expected Sale date; and

(b) an invitation to each Tag Along Holder to make an offer to include in the proposed Sale to the applicable Tag Along Buyer(s) such Tag Along Holder's Shares held by such Tag Along Holder, on the same terms and conditions (subject to Section 3.9.3 (Treatment of Classes and Convertible Securities) in the case of Convertible Securities), with respect to each Share Sold, as the Tag Along Initiating Sellers shall Sell each of their Shares.

3.2.2 *Exercise*. Within ten (10) Business Days after the date of delivery of the Tag Along Notice by the Company to each Tag Along Holder (the "Tag Along Deadline"), each Tag Along Holder desiring to make an offer to include Shares in the proposed Sale (each a "Tag Along Participating Seller" and, together with the Tag Along Initiating Sellers, collectively, the "Tag Along Sellers") shall furnish a written notice (the "Tag Along Offer") to the Tag Along Initiating Sellers indicating the number of Shares which such Tag Along Participating Seller desires to have included in the proposed Sale (the "Tag Along Requested Amount"), which number shall not exceed the Tag Along Sale Percentage multiplied by the total number of Shares held by such Tag Along Holder. Each Tag Along Holder who does not make a Tag Along Offer in compliance with the above requirements, including the Tag Along Deadline, shall have waived and be deemed to have waived all of such Tag Along Holder's rights with respect to such Sale, and the Tag Along Sellers shall thereafter be free to Sell to the Tag Along Buyer, at a per share price no greater than the per share price set forth in the Tag Along Notice and on other material terms and conditions which are not materially more favorable to the Tag Along Sellers than those set forth in the Tag Along Notice, without any further obligation to such non-accepting Tag Along Holder pursuant to this Section 3.2.

3.2.3 *Irrevocable Offer*.

(a) The offer of each Tag Along Participating Seller contained in such holder's Tag Along Offer shall be irrevocable, and, to the extent such offer is accepted, such Tag Along Participating Seller shall be bound and obligated to Sell in the proposed Sale on the same terms and conditions, consistent with Section 3.9.1 (Further Assurances), with respect to each Share Sold (subject to Section 3.9.3 (Treatment of Classes and Convertible Securities) in the case of Convertible Securities), as the Tag Along Initiating Sellers, the number of Shares that such Tag Along Participating Seller shall have specified in such Tag Along Holder's Tag Along Offer.

(b) Notwithstanding Section 3.2.3(a), if, prior to consummation, the per share price shall change from the per share price set forth in the Tag Along Notice or the other material terms and conditions of the proposed Sale shall be materially more or less favorable to the Tag Along Sellers than those set forth in the Tag Along Notice (including, for the avoidance of doubt, a portion of the cash consideration being modified to non-cash consideration or vice versa), the Tag Along Notice shall be null and void and the acceptance by each Tag Along Participating Seller shall be deemed to be revoked, and it shall be necessary for a separate Tag Along Notice to be furnished, and the terms and provisions of this Section 3.2 separately complied with, in order to consummate such Sale pursuant

to this Section 3.2; provided, that in such case of a separate Tag Along Notice, the Tag Along Deadline shall be five (5) Business Days after the date of delivery of the separate Tag Along Notice to each Tag Along Holder.

3.2.4 *Reduction of Shares Sold*. The Tag Along Initiating Sellers shall use commercially reasonable efforts to obtain the inclusion in the proposed Sale of the entire number of Shares which each of the Tag Along Sellers requested to have included in the Sale (as evidenced in the case of the Tag Along Initiating Sellers by the Tag Along Notice and in the case of each Tag Along Participating Seller by such Tag Along Participating Seller's Tag Along Offer). If the Tag Along Initiating Sellers are unable to obtain the inclusion of such entire number of Shares in the proposed Sale, the number of Shares to be Sold in the proposed Sale (the "Tag Along Aggregate Amount") by each Tag Along Seller shall be allocated as follows. Each Tag Along Seller shall be allocated a number of Shares at least equal to the lesser of (a) the Tag Along Aggregate Amount, multiplied by the number of Shares held by such Tag Along Seller, divided by the number of Shares held by all of the Tag Along Sellers, and (b) such Tag Along Seller's Tag Along Requested Amount. In addition, any portion of the Tag Along Aggregate Amount not allocated pursuant to the preceding sentence shall be allocated among all of the Tag Along Sellers that have not yet been allocated their Tag Along Requested Amount, as nearly as practicable, pro rata with respect to the number of Shares held by each such Tag Along Seller and up to such Tag Along Seller's Tag Along Requested Amount, until all of the Tag Along Aggregate Amount has been allocated. In the event that the number of Shares that each Tag Along Seller will be permitted to sell in a particular Sale is reduced in accordance with the preceding sentence, the Tag Along Initiating Sellers shall be responsible for determining the total number of Shares to be sold by each Tag Along Seller in the proposed Sale in accordance with this Section 3.2.4, and shall provide notice to each Tag Along Participating Seller of the number of Shares that such Tag Along Participating Seller will be selling in such Sale no later than ten (10) Business Days following the Tag Along Deadline.

3.2.5 *Time Limitation*. If the Tag Along Sellers have not completed the proposed Sale by the end of the ninetieth (90th) day after the date of delivery of, (a) if the proposed Transfer is also the subject of a currently effective Tag Along Notice under Section 3.1 (Right of First Offer), such Tag Along Notice and (b) otherwise, the Tag Along Notice, then each Tag Along Participating Seller shall be released from its obligations under its Tag Along Offer, such Tag Along Notice shall be null and void, and it shall be necessary for a separate Tag Along Notice to be furnished, and the terms and provisions of this Section 3.2 separately complied with, in order to consummate such proposed Sale pursuant to this Section 3.2, unless the failure to complete such proposed Sale resulted directly from either (x) any failure by any Tag Along Participating Seller to comply with the terms of this Section 3 or (y) any failure by the FCC to consent to such Transfer; provided, that such ninety (90) day period shall be extended to up to an additional one hundred and eighty (180) days if necessary to obtain the consent of the FCC to such Sale.

3.2.6 *Change of Control*. For the avoidance of doubt, the rights and obligations of members of Investor Groups under this Section 3.2 shall continue after a Change of

Control except as otherwise provided herein and in accordance with the Governing Documents.

3.3 Drag Along. Each Stockholder other than the Torch Investors (the "Drag Along Holders") agrees, if requested in writing by the Company, in connection with a proposed Compliant Change of Control Transaction (the "Drag Along Sale"), to Sell, exchange, convert, or otherwise participate in such Change of Control with respect to, an equal percentage of each class of Shares held by each such Drag Along Holder (as adjusted pursuant to Section 3.3.2 (Waiver of Appraisal Rights) below, the "Drag Along Sale Percentage"), in the manner and on the terms set forth in this Section 3.3 (any such transaction, a "Drag Along Transaction"). All Shares to be sold, converted, or exchanged, or otherwise participating in the applicable transaction, pursuant to this Section 3.3 shall be included in determining whether or not a proposed transaction constitutes a Change of Control.

3.3.1 *Exercise*. The Company shall furnish a written notice (the "Drag Along Sale Notice") to each Drag Along Holder and Torch at least ten (10) Business Days prior to the consummation of the Change of Control transaction. The Drag Along Sale Notice shall set forth the material terms and conditions of the proposed Drag Along Transaction, including (a) the number and class of Shares to be acquired, (b) the Drag Along Sale Percentage, (c) the per share consideration to be received in the proposed Drag Along Transaction, including the form of consideration (if other than cash), (d) the name and address of the counterparty or counterparties in the Drag Along Sale and (e) if known, the proposed closing date of the Drag Along Transaction or a good faith estimate thereof. If the Company consummates the proposed Drag Along Sale to which reference is made in the Drag Along Sale Notice, each Drag Along Holder (each, a "Drag Along Seller") shall: (x) be bound and obligated to Sell, convert, exchange, or otherwise participate in the Drag Along Sale with respect to, the Drag Along Sale Percentage of such Drag Along Holder's Shares in the proposed Drag Along Sale on the same terms and conditions, with respect to each Share Sold, converted, exchanged or otherwise participating (subject to Section 3.9.3 (Treatment of Classes and Convertible Securities) in the case of Convertible Securities) as the other Drag Along shall Sell, convert, exchange, or otherwise participate with respect to (subject to Section 3.9.3 (Treatment of Classes and Convertible Securities) in the case of Convertible Securities; and (y) except as provided in Section 3.9.3 (Treatment of Classes and Convertible Securities), shall receive the same form and amount of consideration per Share to be received by the other Drag Along Sellers (on an as converted basis, if applicable). If any Drag Along Sellers (other than Managers) are given an option as to the form and amount of consideration to be received, all Drag Along Sellers (other than Managers) will be given the same option. Unless otherwise agreed by each Drag Along Seller, any non-cash consideration shall be allocated among the Drag Along Sellers pro rata based upon the aggregate amount of consideration to be received by such Drag Along Sellers. If at the end of the ninetieth (90th) day after the date of delivery of the Drag Along Sale Notice, the Company has not completed the proposed Drag Along Sale, the Drag Along Sale Notice shall be null and void, each Drag Along Seller shall be released from such holder's obligation under the Drag Along Sale Notice and it shall be necessary for a separate Drag Along Sale Notice to be furnished and the terms and provisions of this Section 3.3 separately complied with, in order to consummate such proposed or any other Drag Along Sale pursuant to this

Section 3.3, unless the failure to complete such proposed Drag Along Sale resulted directly from either (x) any failure by any Drag Along Holder to comply with the terms of this Section 3.3 or (y) any failure by the FCC to consent to such Transfer; provided, that such ninety (90) day period shall be extended to up to an additional one hundred and eighty (180) days if necessary to obtain the consent of the FCC to such Sale. The right of a holder of Unvested Shares to receive consideration for such Unvested Shares pursuant to this Section 3.3 shall be subject to the vesting and other terms of such Unvested Shares.

3.3.2 *Waiver of Appraisal Rights*. Each Drag Along Seller agrees not to demand or exercise appraisal rights under Section 262 of the Delaware General Corporation Law with respect to a transaction subject to this Section 3.3 as to which such appraisal rights are available.

3.3.3 *Miscellaneous Provisions*. The provisions of Section 3.9 (Miscellaneous Sale Provisions) shall apply to any Sale under this Section 3.3 to the extent, and on the terms, provided therein.

3.4 The Torch Investors' Rights and Obligations in a Change of Control. Notwithstanding anything to the contrary herein, in the event that any member(s) of a Major Investor Group (other than Torch Investors) or the Company proposes to effectuate a Change of Control, then the following provisions (together with any provisions of Sections 3.5 and 3.6 and the Charter applicable to such Change of Control by their terms, the "Change of Control Procedures") shall apply.

3.4.1 *Notice and Exercise*. The Major Investors Corresponding to the Major Investor Groups whose members are proposing to effectuate the Change of Control, or the Company if the Company or the Board proposes to effectuate a Change of Control (in either case, the "COC Initiating Party") shall furnish a written notice of their intention to pursue a Change of Control to the other Investors (the "COC Notice"). The COC Notice shall:

(a) include all of the material terms and conditions of the proposed Change of Control in reasonable detail, including (i) the Stockholders proposed to Transfer Shares in such Change of Control (the "COC Sellers"), (ii) the Shares or other assets proposed to be Transferred, (iii) transaction structure and steps, (iv) if known, the per Share purchase price or consideration or the formula or other basis for the determination thereof, (v) if known, the Persons (and parent companies thereof) to whom Shares or other assets will be Transferred (the "COC Buyer") and (vi) if known, the proposed or expected date of consummation of the Change of Control; and

(b) provide Torch, on behalf of the Torch Investors, the right to elect, by furnishing to the COC Initiating Party a written election (the "COC Participation Election") on or before the COC Election Deadline (which election shall be irrevocable except as otherwise provided in Section 3.4.3 (Change in Material Terms; Termination), if applicable) to:

(i) (A) in a Change of Control that involves a Transfer of Shares, whether by direct Sale, merger, consolidation, business combination or other means, include a percentage of Shares held by the Torch Investors that is less than or equal to the highest percentage of Shares held by any COC Seller that are being Transferred in the Change of Control, on the same terms and conditions (subject to Section 3.9.3 (Treatment of Classes and Convertible Securities) in the case of Convertible Securities and without prejudice to the rights of the holder of Convertible Securities with respect to the conversion, exercise or exchange of such Convertible Securities) as the terms and conditions that are applicable to the COC Sellers, in any case consistent with Section 3.9.1 (Further Assurances), and/or (B) in a Change of Control that involves a sale of assets of the Company or its subsidiaries or other transaction structure or steps not involving the Transfer of Shares, retain and not Transfer a percentage of the Torch Investors' Shares that is less than or equal to the percentage of the Shares of the COC Sellers being retained and not Transferred by the COC Sellers and to receive the same dividends, distributions, or other consideration as the COC Sellers with respect to such retained Shares on a pro rata basis (either or both of clauses (A) and (B), the "COC Participation Rights"); or

(ii) (A) in a Change of Control that involves a Transfer of Shares other than through a merger, consolidation, or similar business combination, retain all, and not Transfer any, of the Torch Investors' Shares in the Company (other than Shares as to which the Torch Investors exercise COC Participation Rights), (B) in a Change of Control that involves a Transfer of Shares through a merger, consolidation or similar business combination, roll-over all of the Torch Investors' Shares (other than Shares as to which the Torch Investors exercise COC Participation Rights) into equity of the Acquiror in accordance with Section 3.6 (Rollover Transactions) and be subject to and the beneficiary of rights and obligations with respect to the Acquiror equivalent to the Torch Investors' rights and obligations under the Governing Documents with respect to the Company, and/or (C) in a Change of Control that includes a sale of assets of the Company or its subsidiaries or other transaction structure or steps not involving the Transfer of Shares, both (1) if less than all of the Company's assets are sold, retain, and not Transfer, any of the Torch Investors' Shares in the Company as to which the Torch Investors do not exercise COC Participation Rights (provided that such Shares shall not be entitled to participate in any distribution of the proceeds of such sale of assets) and (2) receive equity of the Acquiror (and be subject to and the beneficiary of rights and obligations with respect to the Acquiror to the same extent and on the same basis as they applied to the Company immediately prior to such Change of Control) in accordance with Section 3.6 (Rollover Transactions) (any or all of clauses (A), (B) or (C) the "COC Rollover Rights").

3.4.2 *COC Participation Election Deadline*. Torch shall deliver the COC Participation Election no later than the latest to occur of the following (the "COC Election Deadline"), it being understood that if Torch does not deliver any COC Participation Election by the COC Election Deadline, it will be deemed to be exercising its COC Rollover Rights in full:

(a) fifteen (15) Business Days after Torch's receipt of the COC Notice;

(b) five (5) Business Days after Torch has been provided with the opportunity to have meetings with the final COC Buyer pursuant to Section 3.4.4 (Information, Access and Negotiation Rights);

(c) five (5) Business Days after Torch has received the final price and other material contractual terms and conditions of the Change of Control and definitive agreement with respect thereto; and

(d) compliance with Section 3.5 (Tax Matters).

3.4.3 *Change in Material Terms; Termination*. Notwithstanding the foregoing, if any of the following are expected to occur: (a) implied equity value, mix of consideration, escrow or holdback amounts, or cap on indemnification claims changes by more than ***, (b) there are one or more changes to any other terms that a sophisticated non-U.S. investor would deem to have a material impact on the transaction as a whole, (c) there is a change in the Acquiror(s) (other than to one or more controlled Affiliates of such Acquiror(s)) or ultimate parent entity of the Acquiror(s) or (d) there is any other change in terms that would have a material negative impact to the tax and regulatory components of the Torch Investors' investment in the Company (e.g., a material change to the structure of the investment) (in the case of each of clauses (a) through (h), as compared to the terms most recently furnished to Torch pursuant to Section 3.4.2(c) (COC Participation Election Deadline) or this Section 3.4.3, as applicable), then the COC Initiating Party shall give prompt notice of and disclose such new terms and conditions to Torch (a "Change Notice"), and Torch shall notify the COC Initiating Party within three (3) days from receipt of the Change Notice to deliver a new COC Participation Election, it being understood that if Torch does not do so it will be deemed to be exercising its COC Rollover Rights in full. At any time after the delivery of a COC Participation Election, if there is a definitive, mutually acknowledged suspension or termination of active and good faith efforts to pursue consummation of a Change of Control, including any termination of a definitive agreement with respect to a Change of Control, such COC Participation Election shall be deemed to be revoked.

3.4.4 *Information, Access and Negotiation Rights*. Torch will be entitled (i) to participate in all Board, committee or similar meetings related to any Change of Control, (ii) if Torch delivers a timely COC Participation Election that has not been revoked in accordance with Section 3.4.3 (Change in Material Terms; Termination)), to participate in all Change of Control-related meetings of the COC Sellers in their capacities as such and (iii) receive all information regarding negotiation and discussions with, and identities

and proposed terms of, the prospective COC Buyer(s), including due diligence materials and drafts of transaction agreements. Without limiting the foregoing, Torch shall have a reasonable opportunity to meet with those prospective COC Buyer(s) that the COC Initiating Party believes are the likely COC Buyer(s) (which, for the avoidance of doubt, must include the ultimate COC Buyer) before the final bid in the Change of Control process; provided, that (i) a representative of the Major Investors may be present at all such meetings and (ii) Torch shall promptly copy each of the COC Sellers on all material correspondence (including via electronic mail) of a Torch Investor or a representative acting at the request thereof with any such COC Buyer(s) and/or the Company.

3.4.5 *Voting Agreement; Cooperation*. Subject to Section 3.5 (Tax Matters) and provided, that the provisions of this Section 3.4 have been complied with, each of the Torch Investors shall (a) cast all votes to which they are entitled in respect of their Shares, whether at any annual or special meeting, by written consent or otherwise, in such manner as the COC Initiating Party may instruct by written notice to the Torch Investors to approve any aspect or aspects of the Change of Control, or against any proposal competing against or which may impede or delay the Change of Control, and subject to the rights of the Torch Investors under this Section 3.4 and the Charter, (b) agree to waive any dissenters' rights, appraisal rights or similar rights, (c) reasonably cooperate with the COC Initiating Party with respect to the Change of Control, including executing, acknowledging and delivering consents, assignments, and other documents or instruments, furnishing information and copies of documents, filing applications, reports, returns, filings and other documents or instruments with Governmental Authorities (including the FCC), in each case, to the extent necessary (as reasonably determined by the Company's outside legal counsel, which shall be a nationally recognized law firm with expertise in Federal Communications Laws) and not inconsistent with the Torch Investors' rights under the Governing Documents, and (d) otherwise take all other actions required pursuant to Section 3.9 (Miscellaneous Sale Provisions).

3.4.6 *Confidentiality*. All confidential and/or proprietary information relating to the Change of Control that is provided or made available to the Torch Investors shall be kept strictly confidential in accordance with Section 5.7 (Confidentiality).

3.5 Tax Matters.

3.5.1 *Exit Transaction Consultation*. Subject to Section 3.5.3 (Permitted Exit Transactions), prior to executing a binding agreement providing for, or entering into or consummating, any transaction or series of related transactions that would result in a sale or exchange or similar Transfer (including conversion in a merger) of all or a substantial portion of the Shares held by the Investors or a sale of all or substantially all of the assets of the Company (or other ultimate parent company of UCI, with references to the "Company" and the "Shares" deemed to be references to such parent company and shares of such parent company, respectively) or the Company and its subsidiaries (considered collectively) (including a Change of Control) (an "Exit Transaction"), the Investors or, if there are no longer any Investors other than Torch, the Company, will (a) provide Torch with information about such Exit Transaction consistent with a COC Notice, (b) provide Torch with a reasonable opportunity to evaluate the tax consequences to the Torch

Investors of such Exit Transaction and (c) at Torch's request, implement modifications to such transaction structure or alternative transaction structures proposed by Torch in view of adverse tax consequences or tax benefits; provided, that such modifications or alternative transaction structures do not result in an adverse impact to the Investor Groups other than the Torch Investors (if any) that is material to such Investor relative to their anticipated net proceeds in the Exit Transaction (assuming that such modifications or alternative transaction structures are not implemented).

3.5.2 *Exit Transaction Consent*. Notwithstanding Section 3.5.1 (Exit Transaction Consultation) or any provisions of the Governing Documents other than this Section 3.5, none of the Stockholders and the Company will be permitted to execute a binding agreement providing for, or enter into or consummate, any Exit Transaction described below without Torch's prior written consent:

(a) any Exit Transaction that would have adverse U.S. tax consequences that would be material to Torch or any of its Affiliates if Torch and/or such Affiliates were U.S. corporations;

(b) unless Torch obtains a ruling from the Mexican taxing authorities (which Torch must use commercially reasonable efforts to obtain upon request by the Company), in form and substance satisfactory to Torch, confirming the tax-free nature of such a transaction to the Torch Investors and their Affiliates, any Exit Transaction that is structured as:

(i) a transaction in which Shares held by the Torch Investors are exchanged (whether by merger or otherwise) for securities of any other entity;

(ii) a merger in which the Company is the surviving entity and the Shares held by the Torch Investors are exchanged for cash and/or securities and/or other assets;

(iii) a merger in which the Company is not the surviving entity;

(iv) a sale or exchange by the Company and/or its subsidiaries of substantially all of their collective assets (including shares of their subsidiaries).

3.5.3 *Permitted Exit Transactions*. Notwithstanding anything to the contrary contained in Section 3.5.1 (Exit Transaction Consultation) or 3.5.2 (Exit Transaction Consent), the Investors and the Company are permitted to execute agreements providing for, or enter into and consummate, any Exit Transaction described below without Torch's prior written consent; provided, that such Exit Transactions will remain subject to other applicable provisions of the Governing Documents, including Sections 2 (Transfer Restrictions), 3.4 (The Torch Investors' Rights and Obligations in a Change of Control) and 3.6 (Rollover Transactions):

(a) a direct sale or exchange by the Investors (other than pursuant to a merger) of all or a portion of their shares of the Company; or

(b) a merger into the Company of a corporation (with no material assets or material liabilities other than related to funding (including borrowing) of the consideration for the merger) in which the Company is the surviving entity and Shares held by the Torch Investors remain outstanding without modification;

provided, that in the case of clause (a) above, where shares of Common Stock representing more than 15% of the then outstanding shares of Common Stock of the Company (on a fully diluted, as-exercised and as-converted basis) are proposed to be Transferred and other than in sales pursuant to Section 2.1.2 (Public Transfers) and in the case of clause (b) above, prior to entering into any such transaction, the Stockholders and the Company, as applicable, will comply with clauses (a) and (b) of Section 3.5.1 (Exit Transaction Consultation) and will consider in good faith any modifications suggested by Torch, but shall have no obligation to implement such modifications. In addition, the provisions contained in Sections 3.5.1 (Exit Transaction Consultation) and 3.5.2 (Exit Transaction Consent) shall not apply to an Exit Transaction in which Torch exercises its tag-along rights pursuant to Section 3.2 (Tag Along); provided, that the Investors and the Company comply with clauses (a) and (b) of Section 3.5.1 (Exit Transaction Consultation) and consider in good faith any modifications suggested by Torch (although the Investors and the Company shall have no obligation to implement such modifications).

3.6 Rollover Transactions.

3.6.1 *No Dilution of Torch Investors*. Subject to the immediately following sentence, each of the Stockholders and the Company acknowledges and agrees that each Torch Investor's respective Capital Percentage may not be eliminated or diluted in any Change of Control, merger, consolidation, reorganization, sale of assets or other Transfers (or transaction providing liquidity to any of the Stockholders) by any of the Stockholders or the Company or eliminated in any other transaction, other than a Change of Control in which Torch exercises its COC Participation Rights. In furtherance of the preceding sentence, the Company and the Stockholders shall not agree to or consummate any such transaction between or among the Company, the Stockholders and any other Person (whether such Person is an Affiliate or not an Affiliate of the Company), whether or not resulting in or in connection with a Change of Control, in each case, in which any Torch Investor retains Shares and/or rolls over its Shares into, or otherwise receives, equity of the applicable Acquiror (a "Rollover Transaction"), unless:

(a) the Torch Investors do not suffer any dilution in such Rollover Transaction other than pro rata with all other Stockholders that will be equity holders of the Company or the Acquiror following such Rollover Transaction solely as a result of the equity holders of the surviving corporation, successor or other constituent corporation (in each case, that are not Affiliates of any of the Investors) contributing cash (and no other assets) into the Company or the Acquiror, as applicable, in connection with such Rollover Transaction;

(b) other than to the extent the Torch Investors exercise their COC Participation Rights (if any), the Post Transaction Percentage of each Torch Investor is not less than *** of the Pre Transaction Percentage of such Torch Investor after taking into account any exercise by the Torch Investors of their COC Participation Rights (by way of example and not limitation, if the Pre Transaction Percentage of Torch is ***, the Post Transaction Percentage must be at least ***); and

(c) each of the Torch Investors shall be granted the right to purchase for cash Shares at or after the closing of the Rollover Transaction at the same implied price per share of the applicable security as paid by the Acquiror (or its controlling shareholders) in connection with the Rollover Transaction for such (underlying) security so that its Post Transaction Percentage equals its Pre Transaction Percentage after taking into account any exercise by the Torch Investors of their COC Participation Rights (or any lesser percentage that such Torch Investor may elect).

3.6.2 *Governance of the Acquiror*. The Company and the Stockholders shall not agree to or consummate any Rollover Transaction in which any Torch Investor rolls over its Shares into, or otherwise receives, equity of the applicable Acquiror, unless, following the consummation of such Rollover Transaction:

(a) the Torch Investors' rights and obligations pursuant to the Governing Documents shall continue with respect to the Acquiror to the same extent and on the same basis as they applied to the Company immediately prior to such Rollover Transaction unless terminated in connection with such Rollover Transaction pursuant to the express terms of the Governing Documents;

(b) the Torch Investors shall have no greater obligations with respect to the Acquiror and its stockholders under the Governing Documents than they had to the Company, its subsidiaries and its parent entities, if any, and the Stockholders under the Governing Documents immediately prior to such Rollover Transaction; and

(c) the Acquiror shall become a party to the Governing Documents to which the Company (or, if applicable, selling stockholders) is a party and assume all obligations of the Company pursuant thereto in effect immediately prior to the consummation of such Rollover Transaction (and, if applicable, selling stockholders, if any, shall remain bound by the terms of the Governing Documents to the extent they retain or receive any shares of the Acquiror and to the extent such terms survive the Rollover Transaction in accordance with their terms).

3.6.3 *Rollover for No Lesser Value*. Subject to Sections 3.6.1 (No Dilution of Torch Investors) and 3.6.2 (Governance of the Acquiror), if the value of the Torch Investors' Pre Transaction Percentage in the Company is greater than the implied value of the same numerical percentage ownership (on a fully diluted basis) of the Acquiror

immediately after giving effect to a Rollover Transaction, such Torch Investor shall, in exchange for any Shares it held immediately prior to the Rollover Transaction (other than, in the case of a Rollover Transaction that is a Change of Control, Shares as to which it is exercising its COC Participation Rights), receive shares in the Acquiror with substantially the same terms as such existing Shares which have an aggregate value, based on the implied equity value of the Acquiror immediately after the Rollover Transaction at least equal to the value of such Shares, with the value of each such Share held by a Torch Investor to be deemed to be equal to the per-Share consideration to be paid in the Rollover Transaction. The Stockholders and the Company acknowledge and agree that in a Rollover Transaction, the Torch Investors will not receive value with respect to their Shares on a per Share basis in such Rollover Transaction that is less than the value that other stockholders receive for their Shares on a per Share basis in such Rollover Transaction, with the value of such Shares held by such Torch Investor to be deemed to be equal to the per-Share consideration to be paid in the Rollover Transaction, even though the form of consideration for the Torch Investors' Shares may differ in accordance with the terms hereof (subject to Sections 4.4.3 of the Charter), including in accordance with this Section 3.6.3, and in the event that any other Investors do not participate in the Rollover Transaction and elect to receive shares of the Acquiror in exchange for their Shares, the shares of the Acquiror provided to the Torch Investors shall be valued on the same basis as the shares of the Acquiror provided to such other Investors (unless such basis would result in the Torch Investors receiving less consideration for their Shares than the provisions of this Section 3.6 would otherwise require).

3.6.4 *Other Provisions*. For the avoidance of doubt, Sections 3.4 (The Torch Investors' Rights and Obligations in a Change of Control), 3.5 (Tax Matters) and 3.6 are cumulative, and the requirements of any such Section or any subsection thereof with respect to any transaction shall be in addition to any and all other provisions of such Sections and subsections thereof that apply to such transaction in accordance with their terms.

3.6.5 *Non-Circumvention*. The Stockholders, the Company, its parent entities and subsidiaries will use good faith efforts not to structure arrangements or agreements in a manner to circumvent the provisions of Section 3.4 (The Torch Investors' Rights and Obligations in a Change of Control) or 3.5 (Tax Matters) or this Section 3.6.

3.7 Period. The rights of each Investor Group under the provisions of Section 3.1 (Right of First Offer), and the rights and obligations of each Investor Group under the provisions of Section 3.2 (Tag Along), shall survive any Change of Control and shall expire upon a Governance Fall-Away Event for the Corresponding Investor (or, in the case of each of the Series C Investors, a *** Sell-Down for such Investor). The provisions of Section 3.3 (Drag Along) shall expire as to any Share on the earlier of (i) a Change of Control and (ii) a Governance Fall-Away Event for Smoke. The provisions of Sections 3.4 (The Torch Investors' Rights and Obligations in a Change of Control), 3.5 (Tax Matters) and 3.6 (Rollover Transactions) shall survive any Change of Control, and shall expire upon a Governance Fall-Away Event for Torch.

3.8 Miscellaneous Sale Provisions. The following provisions shall be applied to any proposed Sale to which Sections 3.1 (Right of First Offer), 3.2 (Tag Along) or 3.3 (Drag Along), apply, except that Sections 3.8.1 (Further Assurances) and 3.8.3 (Treatment of Classes and Convertible Securities) shall also apply to any Change of Control or other Sale pursuant to this Section 3:

3.8.1 *Further Assurances*. Each Tag Along Seller, Drag Along Seller, and First Offer Purchaser, as applicable, shall take or cause to be taken all such reasonable actions as may be necessary or reasonably desirable in order to expeditiously consummate each Transfer pursuant to this Section 3 and any related transactions, including executing, acknowledging and delivering consents, assignments, waivers and other documents or instruments, furnishing information and copies of documents, filing applications, reports, returns, filings and other documents or instruments with governmental authorities, and otherwise reasonably cooperating with the applicable selling and purchasing parties; provided, that Tag Along Sellers and Drag Along Sellers shall be obligated to become liable to any Person in respect of any representations, warranties, covenants, indemnities or otherwise solely to the extent provided in the immediately following sentence; provided, further, that in connection with a Transfer pursuant to this Section 3, no Stockholder shall be required in connection therewith or as a condition thereto to (i) qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless such Stockholder is already subject to service in such jurisdiction and except to the extent as may be required by the Securities Act, (ii) make joint representations or warranties, (iii) be liable as to any representations, warranties, covenants and other agreements in excess of the proceeds received by such Stockholder in connection with such Transfer, or (iv) make any representations or warranties in connection with the business or condition of the Company or any of its subsidiaries; provided, further, that in no event will a Stockholder be responsible for more than its pro rata share of any indemnification obligations). Without limiting the generality of the foregoing, each Tag Along Seller and Drag Along Seller agrees to execute and deliver such agreements as may be reasonably specified by the Tag Along Initiating Sellers or other Drag Along Sellers to which such Tag Along Initiating Sellers or other Drag Along Sellers will also be party, including agreements to (a) make individual representations, warranties, covenants and other agreements as to the unencumbered title to its Shares and the power, authority and legal right to Transfer such Shares and the absence of any adverse claim (within the meaning of Section 8-102 of the applicable Uniform Commercial Code) with respect to such Shares, (b) be liable as to such representations, warranties, covenants and other agreements, in each case to the same extent as the Tag Along Initiating Sellers or other Drag Along Sellers are liable for the comparable representations, warranties, covenants and agreements made by them or on their behalf; provided, that in connection with a Sale pursuant to this Section 3, such liability shall not exceed the proceeds received by such Stockholder in connection with such Transfer; provided, further, that in connection with a Sale pursuant to this Section 3, no Torch Investor or Lava Investor shall be required to enter into restrictive covenants that bind any Torch Investor or Lava Investor or any Affiliate of a Torch Investor or of a Lava Investor, and (c) other than with respect to Torch Investors, at the request of the Tag Along Initiating Sellers or the Company, immediately prior to the consummation of the Sale convert any voting Shares held by such Tag Along Seller or Drag Along Seller into

non-voting Shares, and vice versa. Each Tag Along Seller and Drag Along Seller (other than the Investors) hereby constitutes and appoints each of the Tag Along Initiating Sellers and the Company, as applicable, or any of them, with full power of substitution, as such Tag Along Seller's and Drag Along Seller's true and lawful representative and attorney-in-fact, in such Tag Along Seller's and Drag Along Seller's name, place and stead, to execute and deliver any and all agreements that such Tag Along Initiating Seller or the Company reasonably believes are consistent with this Section 3.8.1 and such Tag Along Initiating Seller and the Company shall provide a copy of such agreements to each such Tag Along Seller and Drag Along Seller within five (5) Business Days of execution; provided, that failure to deliver such documents within such time period shall not impair or affect the validity of such agreements. The foregoing power of attorney is coupled with an interest and shall continue in full force and effect notwithstanding the subsequent death, incapacity, bankruptcy or dissolution of any Tag Along Seller or Drag Along Seller. In connection with any FCC approval required with regard to any Sale pursuant to this Section 3, the Company shall file such FCC applications as it is required to file in order to obtain such FCC approval, and each Stockholder shall promptly provide the Company with any and all information necessary (as reasonably determined by the Company's outside legal counsel (in consultation with each Investor's outside legal counsel), which shall be a nationally recognized law firm with expertise in Federal Communications Laws) to complete the filing of such applications. The Company shall use its reasonable best efforts to obtain such FCC approval, including (1) diligently prosecuting such applications, including opposing any petitions to deny, or other objections filed with respect to, such FCC applications, and (2) promptly taking all other actions reasonably requested by the Tag Along Initiating Sellers and the Company as necessary, desirable and/or appropriate to facilitate obtaining such FCC approval.

3.8.2 *Sale Process*. The First Offer Seller, in the case of a proposed Sale pursuant to Section 3.1 (Right of First Offer), the Investors Corresponding to the Tag Along Initiating Sellers, in the case of a proposed Sale pursuant to Section 3.2 (Tag Along), or Smoke in the case of a proposed Sale pursuant to Section 3.3 (Drag Along), shall, in their sole discretion, decide whether or not to pursue, consummate, postpone or abandon any proposed Sale and the terms and conditions thereof. No holder of Shares nor any Affiliate of any such holder shall have any liability to any other holder of Shares or the Company arising from, relating to or in connection with the pursuit, consummation, postponement, abandonment or terms and conditions of any proposed Sale except to the extent such holder shall have failed to comply with the provisions of this Section 3.

3.8.3 *Treatment of Classes and Convertible Securities*. For purposes of this Section 3, all shares of Common Stock will be treated as a single class and will be Sold, exchanged, converted at, or the holder thereof will otherwise receive with respect to such share, the same price and for the same form of consideration in any Sale under this Section 3. All Convertible Securities will be treated as the same class as Common Stock on an as-exercised or as-converted basis and, without prejudice to the rights of such Stockholder with respect to the conversion, exercise or exchange of such Convertible Securities and any entitlement to any payment of premium thereon or thereunder, such Stockholder shall receive in exchange for such Convertible Securities consideration in the

same form and in the amount (if greater than zero) equal to the purchase price per share of Common Stock in such Sale multiplied by the number of shares of each class of Common Stock that would be issued upon exercise, conversion or exchange of such Convertible Securities less the exercise price, if any, of such Convertible Securities (to the extent exercisable, convertible or exchangeable at the time of such Sale).

3.8.4 *Closing*. The closing of a Sale to which Section 3.2 (Tag Along) or 3.3 (Drag Along) applies shall take place (a) on the proposed or expected Transfer date, if any, specified in the Tag Along Notice or Drag Along Sale Notice, as applicable (provided, that consummation of any Transfer may be extended beyond such date in accordance with Sections 3.1.6 (Right of First Offer: Time Limitation), 3.2.5 (Tag Along: Time Limitation) or 3.3.1 (Drag Along; Exercise) to the extent necessary to obtain any applicable governmental approval or other required approval or to satisfy other conditions), (b) if no proposed Transfer date was required to be specified in the applicable notice, at such time as the Tag Along Initiating Sellers or Company shall specify by notice to each Tag Along Participating Seller or Drag Along Seller and (c) at such place as the Tag Along Initiating Sellers or Company shall specify by notice to each Tag Along Participating Seller or Drag Along Seller, as applicable. At the closing of such Sale, each Tag Along Seller and Drag Along Seller shall, to the extent that the Shares are certificated, deliver the certificates evidencing the Shares to be Sold by such Tag Along Seller and Drag Along Seller, duly endorsed, or with stock (or equivalent) powers duly endorsed, for transfer with signature guaranteed, free and clear of any liens or encumbrances (other than those imposed by securities Laws), with any stock (or equivalent) transfer tax stamps affixed, against delivery of the applicable consideration, and any comparable transfer materials for any Convertible Securities to be Sold.

4. RIGHTS OF PARTICIPATION IN ISSUANCES

4.1 Issuances Allowed. Subject to Section 4.4 (Excluded Transactions), Section 4.6 (Period), and any applicable provision hereof, the Company shall not, and shall not permit any direct or indirect subsidiary of the Company (the Company and each such subsidiary, an "Issuer") to, issue or sell any shares of any of the Company's or its subsidiaries' capital stock (whether common, preferred or otherwise) or any securities convertible into or exchangeable for any shares of their respective capital stock, issue or grant any Convertible Securities for the purchase of, or enter into any agreements providing for the issuance (contingent or otherwise) of, any of their respective capital stock or any stock or securities convertible into or exchangeable for any shares of their respective capital stock, in each case, to any Person (each an "Issuance" of "Subject Securities"), except in compliance with the provisions of this Section 4.

4.2 Rights of Participation.

4.2.1 *Notice*. In connection with any Issuance other than as provided in Section 4.4 (Excluded Transactions), the Issuer shall furnish a notice not fewer than fifteen (15) Business Days prior to the consummation of such Issuance (the "Participation Notice") to each holder of record of Participation Shares (the "Participation Offerees"). The Participation Notice shall include:

(a) the material terms and conditions of the proposed Issuance, including (i) the amount, kind and terms of the Subject Securities to be included in the Issuance, (ii) the number of Equivalent Shares represented by such Subject Securities (if applicable), (iii) the fraction, expressed as a percentage, the numerator of which is the number of Participation Shares held by such Participation Offeree as of the date of the Participation Notice, and the denominator of which is the total number of Shares held by all Participation Offerees as of the date of the Participation Notice, based on the Issuer's books and records, (iv) the product of the numbers specified in clauses (ii) and (iii), rounded to the nearest whole number (the "Participation Portion"), (v) the maximum and minimum cash price (including if applicable, the maximum and minimum Price Per Equivalent Share) per unit of the Subject Securities, (vi) the proposed manner of issuance, (vii) the Person(s) to whom the Subject Securities are proposed to be issued (the "Prospective Subscriber"), and (viii) if known, the proposed or expected Issuance date or a good faith estimate thereof; and

(b) an offer by the Issuer to issue to such Participation Offeree such portion of the Subject Securities up to the Participation Portion, and such additional Subject Securities as may be allocated pursuant to Section 4.2.4 (Determination of the Number of Subject Securities to Be Issued), on the same terms and conditions (subject to Section 4.2.6 (Investor Rights in the Event of Certain Legal Restrictions)), with respect to each unit of Subject Securities as each of the Prospective Subscribers is contemplated to be issued in the Issuance.

4.2.2 *Exercise*. Each Participation Offeree desiring to accept the offer contained in the Participation Notice shall accept such offer by furnishing a written notice of such acceptance to the Issuer (each, a "Participation Acceptance") within ten (10) Business Days after the date of delivery of the Participation Notice (the "Participation Acceptance Deadline") specifying the amount of Subject Securities (which may be less than, equal to or greater than the product of such Participation Offeree's Participation Portion) (the "Participation Requested Amount") which such Participation Offeree desires to be issued to it (each such accepting Participation Offeree, a "Participating Buyer"). Each Participation Offeree who does not accept such offer in compliance with the above requirements, including the Participation Acceptance Deadline, shall be deemed to have waived all of such Participation Offeree's rights to participate only in such Issuance, and the Issuer shall thereafter be free to issue Subject Securities in such Issuance to the Prospective Subscriber and any Participating Buyers, at a price no less than the minimum price set forth in the Participation Notice and on other terms not materially more favorable to the Prospective Subscriber and the Participating Buyer than those set forth in the Participation Notice, without any further obligation to such non-accepting Participation Offerees pursuant to this Section 4 with respect to such Issuance.

4.2.3 *Irrevocable Acceptance*.

(a) The acceptance by each Participating Buyer in its Participation Acceptance shall be irrevocable except as provided in this Section 4.2.3 and Sections 4.2.5 (Time Limitation) and 4.2.6 (Investor Rights in the Event of

Certain Legal Restrictions), and each such Participating Buyer shall be bound and obligated to acquire in the Issuance on the same terms and conditions, with respect to each unit of Subject Securities issued, as was offered to the Prospective Subscriber (if any), at a cash price not in excess of the maximum price set forth in the Participation Notice and on other terms not materially less favorable in the aggregate to the Participating Buyer than those set forth in the Participation Notice, such amount of Subject Securities as determined in accordance with Section 4.2.4 (Determination of the Number of Subject Securities to Be Issued).

(b) If, prior to consummation, the terms of such proposed Issuance shall change with the result that the price shall be higher than the maximum price or less than the minimum price set forth in the Participation Notice or the other terms shall be materially less favorable or materially more favorable in the aggregate to the Prospective Subscriber than those set forth in the Participation Notice, the acceptance by each Participating Buyer shall be deemed to be revoked, and it shall be necessary for a separate Participation Notice to be furnished, and the terms and provisions of this Section 4.2 separately complied with, in order to consummate such Issuance pursuant to this Section 4.2; provided, however, that the applicable period to which reference is made in the first sentence of Section 4.2.1 (Notice) and in the first sentence of Section 4.2.2 (Exercise) shall be three (3) Business Days and two (2) Business Days, respectively.

4.2.4 *Determination of the Number of Subject Securities to Be Issued*. The number of Subject Securities that each Participating Buyer is entitled to acquire in the Issuance will be determined as follows. Each Participating Buyer shall be allocated at least a number of Subject Securities equal to the lesser of its Participation Requested Amount and its Participation Portion. In addition, any Subject Securities not allocated pursuant to the preceding sentence shall be allocated among all of the Participating Buyers with a Participation Requested Amount greater than its respective Participation Portion, as nearly as practicable, pro rata with respect to each such Participating Buyer's Participation Portion and up to such Participating Buyer's Participation Requested Amount, until either all of the Subject Securities have been allocated, or each Participating Buyer has been allocated its Participation Requested Amount. If not all of the Subject Securities specified in the Participation Notice have been allocated in accordance with the preceding two sentences, the Issuer shall thereafter be free to issue such remaining Subject Securities to the Prospective Subscriber, at a price no less than the minimum price set forth in the Participation Notice and on other terms not materially more favorable to the Prospective Subscriber than those set forth in the Participation Notice, at the same time and on the same terms as it issues all such allocated Subject Securities to the Participating Buyers. The Company shall be responsible for determining the total number of Subject Securities to be issued to each Participating Buyer and the Prospective Subscriber in accordance with this Section 4.2.4, and shall provide notice to each Participating Buyer of the number of Subject Securities that such Participating Buyer will be issued no later than ten (10) Business Days following the Participation Acceptance Deadline.

4.2.5 *Time Limitation*. If at the end of the ninetieth (90th) day after the date of the delivery of the Participation Notice the Issuer has not completed the Issuance (unless the failure to complete such Issuance resulted directly from any failure by the FCC to consent to such Issuance; provided, that such consent is received within one hundred twenty (120) days following such ninetieth (90th) day), each Participating Buyer shall be released from such Participating Buyer's obligations under its Participation Acceptance, the Participation Notice and each Participation Acceptance shall be null and void, and it shall be necessary for a separate Participation Notice to be furnished, and the terms and provisions of this Section 4.2 separately complied with, in order to consummate such Issuance pursuant to this Section 4.2.

4.2.6 *Investor Rights in the Event of Certain Legal Restrictions*.

(a) FCC Ownership Restrictions. Notwithstanding anything to the contrary herein, no Participation Offeree shall have the right to purchase Subject Securities that would cause, with respect to Participation Offerees other than Torch Investors, the Company or such Participation Offeree to be in violation of any applicable Laws or regulations, including the Federal Communications Laws; it being understood that with respect to Torch Investors, Section 4.2.6(b) (Foreign Ownership Restrictions) shall govern their compliance with applicable Laws or regulations, including the Federal Communications Laws, with respect to their purchase of Subject Securities.

(b) Foreign Ownership Restrictions. In the event that Torch reasonably believes, after consultation with outside regulatory counsel and with outside regulatory counsel to the Company, that the Torch Investors' exercise of their right to purchase Subject Securities to the full extent set forth under this Section 4.2 (or any lesser amount that the Torch Investors desire to be issued to them) could reasonably be expected to be subject to regulatory review due to, or restricted by, Foreign Ownership Restrictions, then each Torch Investor may, but is not required to, after notice to, and an opportunity for comment by, the Company (it being agreed that any such assignment shall be the sole decision of Torch and the Company shall have no consent right) assign such participation rights to (i) an FCC-Approved Trust, (ii) any other Person while regulatory or judicial relief is being sought with respect to such Foreign Ownership Restrictions or (iii) any other Person if the FCC has ordered that Torch reduce its voting or equity ownership in the Company, or Torch has received written notification from the FCC of an investigation with respect to Torch's ownership of the Company, and provided, that, in either case in this clause (iii), (x) such Torch Investor may not assign any participation rights to any of the foregoing Persons if such assignment would cause such Person or the Company to be in violation of any applicable Laws or regulations, including the Federal Communications Laws, and (y) Torch seeks regulatory or judicial relief related to such order or investigation within four (4) months of the transfer to such Person. The assignment set forth in the preceding sentence shall only be for the period during which such Foreign Ownership Restrictions prevent Torch from holding such Subject Securities or while Torch is actively seeking regulatory or judicial relief with respect to the

Foreign Ownership Restrictions or from the applicable order or investigation, as applicable (or in the case of clause (iii) of the preceding sentence, prior to the four (4) month anniversary of the transfer to the other Person and thereafter while Torch is seeking regulatory or judicial relief related to such order or investigation) and once such period terminates, such FCC-Approved Trust or other Person shall assign such rights and transfer such Subject Securities to Torch or as otherwise permitted under the Governing Documents or otherwise comply with the terms of any applicable order of the FCC or regulatory or judicial decision. Upon any such assignment set forth in this Section 4.2.6(b), the FCC-Approved Trust or other Person to which such assignment is made shall agree to be bound by the terms of this Agreement in accordance with Section 2.3 (Certain Transferees to Become Parties) as a "Torch Investor," if Torch is then a Major Investor, or as an "Other Stockholder," if Torch is then no longer a Major Investor.

4.3 Certain Terms Applicable to Issuances.

4.3.1 *Further Assurances*. Each Participating Buyer shall use commercially reasonable efforts to take or cause to be taken all such reasonable actions as may be necessary or reasonably desirable to expeditiously consummate each Issuance pursuant to Section 4.2 (Rights of Participation), including executing, acknowledging and delivering consents, assignments, waivers and other documents or instruments; filing applications, reports, returns, filings and other documents or instruments with governmental authorities; and otherwise reasonably cooperating with the Issuer and the Prospective Subscriber (if any). Without limiting the generality of the foregoing, each such Participating Buyer agrees to execute and deliver such subscription and other agreements as may be reasonably specified by the Issuer to which the Prospective Subscriber will be party, the form of which is materially consistent with the form provided to such Participating Buyer with the Participation Notice, or is otherwise reasonably acceptable to such Participating Buyer. In connection with any FCC approval required with regard to any Issuance, the Issuer shall file such FCC applications as it is required to file in order to obtain such FCC approval, and each Participating Buyer shall promptly provide the Issuer with any and all information reasonably necessary, as determined by the Issuer's outside legal counsel (which shall be a nationally recognized law firm with expertise in Federal Communications Laws) in consultation with such Participating Buyer's outside legal counsel, to complete the filing of such applications. The Issuer shall use its reasonable best efforts to obtain such FCC approval, including (a) diligently prosecuting such applications, including opposing any petitions to deny, or other objections filed with respect to, such FCC applications, and (b) promptly taking all other actions reasonably requested by the Participating Buyers as necessary, desirable and/or appropriate to facilitate obtaining such FCC approval. Without limitation to the above, upon prior written request from a Participating Buyer, the Issuer shall convert any voting Subject Securities to be issued to such Participating Buyer into non-voting Subject Securities immediately prior to such Issuance.

4.3.2 *Expenses*. All costs and expenses incurred by (a) the Issuer and (b) the members of the Investor Groups (other than incremental costs incurred in connection with an assignment pursuant to Section 4.2.6 (b) (Foreign Ownership)), in connection

with any proposed Issuance of Subject Securities (whether or not consummated), including all attorney's fees and charges, all accounting fees and charges and all finders, brokerage or investment banking fees, charges or commissions, shall be paid by the Company or the Issuer. In addition, all fees and charges of one attorney representing the Participating Buyers (other than the members of the Investor Groups) shall be paid by the Company or the Issuer.

4.3.3 *Closing*. The closing of an Issuance pursuant to Section 4.2 (Rights of Participation) shall take place (a) on the proposed date of Issuance, if any, set forth in the Participation Notice; provided, that consummation of any Issuance may be extended beyond such date in accordance with Section 4.2.5 (Rights of Participation in Issuances: Time Limitation) to the extent necessary to obtain any applicable governmental approval or other required approval (other than any Regulatory Amendment or Waiver) or to satisfy other conditions, (b) if no proposed Issuance date was required to be specified in the Participation Notice, at such time as the Issuer shall specify by notice to each Participating Buyer; provided, that no individual Participating Buyer shall be required, without its consent, to close its particular transaction prior to the date that is fifteen (15) Business Days after the Issuer issues the Participation Notice, and (c) at such place as the Issuer shall specify by notice to each Participating Buyer. At the closing of any Issuance under this Section 4.3.3, each Participating Buyer and the Prospective Subscriber (if any) shall be delivered the notes, certificates or other instruments evidencing the Subject Securities to be issued to such Participating Buyer and Prospective Subscriber, registered in the name of such Participating Buyer or Prospective Subscriber or such holder's designated nominee, free and clear of any liens or encumbrances, with any transfer tax stamps affixed, against delivery by such Participating Buyer and the Prospective Subscriber of the applicable consideration.

4.4 Excluded Transactions. The provisions of Section 4.2 (Rights of Participation) shall not apply to Issuances by any Issuer, subject in all cases to the rights of the Investors under the Governing Documents, as follows:

4.4.1 *Intracompany Issuances*. Any Issuance by a wholly owned subsidiary of the Company to the Company or any wholly owned subsidiary of the Company in their capacity as parent entities of the Issuer;

4.4.2 *Convertible Securities*. Any Issuance of securities upon the exercise or conversion of any capital stock or Convertible Securities outstanding at the Effective Time or issued after the Effective Time in a transaction that complied with the provisions of Section 4.2 (Rights of Participation) (including any conversion of Class A Common Stock or Class B Common Stock into any Common Stock of the other class in accordance with the Charter, or the exercise by Torch Investors of other rights under the Governing Documents to exchange Shares);

4.4.3 *Equity Pool*. Any Issuance of shares of capital stock or Convertible Securities (in an aggregate amount not to exceed the Equity Pool Cap applicable to the period in which such Issuance is made), in each case to the extent approved by the Board or pursuant to an employment benefit plan or arrangement approved by the Board, to

officers, employees, directors or consultants (other than a member of an Investor Group or an Affiliate thereof) of the Company or its subsidiaries in connection with such Person's employment or consulting arrangements with the Company or its subsidiaries;

4.4.4 *Equity Kickers*. Any Issuance of securities, to the extent approved by the Board, to financial institutions, bona fide providers of debt financing, or commercial lenders, in each case that are not Restricted Persons, in connection with the bona fide incurrence or guarantee of Indebtedness (other than Convertible Securities) by the Company or any of its subsidiaries; provided, that such Issuance of securities is not intended to circumvent any provisions of the Governing Documents, including in connection with a Change of Control or Transfer to a Restricted Person, and provided, further, that such Issuance of securities is made together with the issuance of non-convertible/non-exchangeable debt securities and at least 90% of the value received for such Issuance shall be in respect of such non-convertible/non-exchangeable debt securities included in such Issuance;

4.4.5 *Stock Splits*. Any Issuance of securities in connection with any stock split or stock dividend paid on a proportionate basis (which include adjustments pursuant to the provisions in Convertible Securities held by the Torch Investors or Lava) to all holders of Common Stock;

4.4.6 *Joint Ventures and Strategic Transactions*. Any Issuance of shares of Common Stock or Convertible Securities at Fair Market Value as of the date of issuance, in an amount not to exceed, for all such Issuances described in this Section 4.4.6, 10% of the Company's Adjusted Outstanding Common Stock, in connection with any joint venture or strategic transaction, including a business combination or acquisition, entered into primarily for purposes other than raising capital (as determined in good faith by the Board); provided, that if the Person being issued shares of Common Stock or Convertible Securities is an Investor or an Affiliate of an Investor, the members of the Investor Groups Corresponding to the other Investors shall have participation rights under Section 4.2 (Rights of Participation) on any such Issuance; and provided, further that, for the avoidance of doubt, the members of the Investor Groups shall have participation rights under Section 4.2 (Rights of Participation) on any such Issuance to the extent the amount of all such Issuances described in this Section 4.4.6 exceed 10% of the Company's Adjusted Outstanding Common Stock; and

4.4.7 *Spin-Offs*. Any issuance on of capital stock of any direct or indirect subsidiary of the Company to the Stockholders of the Company in order to effect a "spin-off" transaction of a direct or indirect subsidiary of the Company where the percentage of capital stock issued to each Stockholder representing the same percentage of the fully-diluted outstanding equity interests of such subsidiary as the percentage of Shares held by such Stockholder immediately prior to such transaction.

4.5 Period. Each of the foregoing provisions of this Section 4 shall expire (a) with respect to the Managers and Other Stockholders on the earlier of (i) a Change of Control or (ii) the closing of the Initial Public Offering and, (b) with respect to the members of the Investor

Groups, upon a Governance Fall-Away Event with respect to the Corresponding Investor (or, in the case of each of the Series C Investors, for so long as such Series C Investor is an Investor).

5. COVENANTS

5.1 Annual Budget; Other Information. Subject to Section 5.3 (Disclosure of Confidential Information), prior to a Qualified Public Offering, the Company will furnish (a) each Major Investor and Lava until there has been a Governance Fall-Away Event with respect to such Investor, (b) each Series C Holder until there has been a *** Sell-Down by such Investor, and (c) each Person that holds beneficially and of record Shares representing five percent (5%) or more of the outstanding Shares of the Company, with a proposed annual operating budget for the Company and its subsidiaries, as well as any proposed material modifications to such budget or notice of any proposed action that is or would be reasonably likely to result in material variance therefrom.

5.2 Directors' and Officers' Insurance. The Company shall maintain for such periods as the Board shall in good faith determine (provided, that such period shall not be less than six (6) years following cessation of service), at its expense, insurance in an amount determined in good faith by the Board to be appropriate, on behalf of any person who after December 20, 2010 is or was a director or officer of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including any direct or indirect subsidiary of the Company, against any expense, liability or loss asserted against such Person and incurred by such Person in any such capacity, or arising out of such Person's status as such, subject to customary exclusions. The provisions of this Section 5.2 shall survive any termination of this Agreement.

5.3 Disclosure of Confidential Information. The Chairperson may, or at the request of the Chief Executive Officer shall, in each case, in consultation with the Company's outside counsel and outside counsel for any potential Conflicted Investor, determine for such potential Conflicted Investor, whether any information of the Company or any of its subsidiaries should be deemed to be Confidential Information and whether any such Investor should be treated as a Conflicted Investor with respect thereto (other than the case in which the Chairperson is an Affiliate of such potential Conflicted Investor, in which case the disinterested members of the Board shall make such determination); provided, that, notwithstanding the determination of the Chairperson, an Investor will not be treated as a Conflicted Investor with respect to any information if a majority of the disinterested members of the Board agree that such Investor is not a Conflicted Investor with respect to such information. In the event of uncertainty as to whether any particular information should be classified as Confidential Information, the Chairperson and Chief Executive Officer should, acting reasonably, consult with the Company's outside counsel and outside counsel for any potential Conflicted Investor to assure the Company complies with the Company's policies and applicable competition and antitrust Laws. The Chairperson and Chief Executive Officer also should, acting reasonably, discuss with the Company's outside counsel any practical methods to limit the amount of Confidential Information (e.g., by consolidating information on any single competitive market with a broad group of markets that are not competitive vis-à-vis such Conflicted Investor), with the objective of providing as much meaningful information to Conflicted Investors as is practical under the circumstances and does not present a risk of violating or the appearance of violating applicable

competition or antitrust Laws. The Company, its subsidiaries, and their respective directors, officers, employees, equity holders, agents and representatives shall not disclose Confidential Information with respect to which any Investor has been found to be a Conflicted Investor to such Conflicted Investor or any Affiliate thereof (including any Board Designee or Board Observer designated by such Investor). Each Conflicted Investor shall cause any Board Designee or Board Observer designated by such Investor to recuse himself, herself or themself from any portion of a meeting of the Board regarding the applicable Confidential Information. The Investors will use good faith efforts to conduct meetings of the Board (and its committees) in a manner that limits the amount of time such Board Designees or Board Observer are required to be recused from the meetings. For the avoidance of doubt, neither Torch nor Granite shall be deemed to be a Conflicted Investor for ***-related matters to which it or any of its respective Affiliates is a party (other than disputes under the *** and negotiations regarding any commercial terms of the ***).

5.4 Company Debt. Each of the members of the Investor Groups agrees that it will not, in its capacity as a holder of any Indebtedness of the Company or its subsidiaries, take action that would result in an event of default or acceleration under such Indebtedness, or initiate an involuntary bankruptcy filing with respect to the Company or any of its subsidiaries; provided, that the foregoing shall not in any respect restrict the ability of any member of an Investor Group to exercise its rights in the event of that the Company or any of its subsidiaries commences or becomes subject to (voluntarily or involuntarily) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors or any general assignment for the benefit of creditors, composition, marshaling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, in each case undertaken under the Laws of any jurisdiction.

5.5 Historical Financial Information. Prior to a Qualified Public Offering, the Company will furnish the following to each Major Investor and Lava until there has been a Governance Fall-Away Event with respect to such Investor, (b) each Series C Holder until there has been a *** Sell-Down by such Investor, and (c) each Person that holds beneficially and of record Shares representing five percent (5%) or more of the outstanding Shares of the Company, with respect to any fiscal year beginning prior to the later of (i) the date such Person is no longer an Investor and (ii) date such Person together with its Corresponding Investor Group, as applicable, ceases to hold at least five percent (5%) of the Shares then outstanding:

5.5.1 *Annual Financial Statements*. As soon as available, and in any event within ninety (90) days after the end of each fiscal year of the Company, (a) the consolidated balance sheet of the Company and its subsidiaries as at the end of each such fiscal year and the consolidated statements of income, cash flows and changes in stockholders' equity for such year of the Company and its subsidiaries, in each case as would be required to be included in an annual report on Form 10-K (or any successor form) if the Company were subject to the filing requirements of the Exchange Act and setting forth in each case in comparative form the figures for the next preceding fiscal year, (b) the report of independent certified public accountants of recognized national standing, to the effect that, except as set forth therein, such consolidated financial statements have been prepared in accordance with United States generally accepted

accounting principles applied on a basis consistent with prior years and fairly present in all material respects the financial condition of the Company and its subsidiaries at the dates thereof and the results of their operations and changes in their cash flows and stockholders equity for the periods covered thereby, (c) the information described in Item 303 of Regulation S-K under the Securities Act (or any successor item) with respect to such period, and (d) all pro forma and historical information in respect of any significant transaction, as determined in accordance with Rule 3-05 of Regulation S-X under the Securities Act (or any successor rule), consummated more than 75 days prior to the date such information is furnished, for the time period for which such information would be required to be included in a current report on Form 8-K (or any successor form) as of such date if the Company were subject to the filing requirements of the Exchange Act.

5.5.2 *Quarterly Financial Statements*. As soon as available, and in any event within forty-five (45) days after the end of each fiscal quarter of the Company for the first three fiscal quarters of a fiscal year, (a) the consolidated balance sheet of the Company and its subsidiaries as at the end of such quarter and the consolidated statements of income for such quarter and the portion of the fiscal year then ended of the Company and its subsidiaries, in each case in each case as would be required to be included in a quarterly report on Form 10-Q (or any successor form) if the Company were subject to the filing requirements of the Exchange Act, prepared in accordance with generally accepted accounting principles applied on a basis consistent with prior years (without footnote disclosure and subject to year-end adjustments), and setting forth in each case the figures for the corresponding periods of the previous fiscal year, or, in the case of such balance sheet, for the last day of such fiscal year, in comparative form, all in reasonable detail, (b) a Statement on Auditing Standards 100 review by the Company's independent accountants, (c) the information described in Item 303 of Regulation S-K under the Securities Act (or any successor item) with respect to such period, and (d) all pro forma and historical information in respect of any significant transaction, as determined in accordance with Rule 3-05 of Regulation S-X under the Securities Act (or any successor rule), consummated more than 75 days prior to the date such information is furnished, for the time period for which such information would be required to be included in a current report on Form 8-K (or any successor form) as of such date if the Company were subject to the filing requirements of the Exchange Act and.

5.5.3 *IFRS Reconciliation*. The Company shall prepare and provide to Torch, at Torch's sole cost and expense, concurrently with the provision to Torch of the financial information set forth in Sections 5.5.1 (Annual Financial Statements) and 5.5.2 (Quarterly Financial Statements) (or, following a Qualified Public Offering and prior to a Governance Fall-Away Event with respect to Torch, as soon as available and in any event concurrently with the filing of the equivalent information with the Commission), reconciliations of the financial information set forth in Sections 5.5.1 (Annual Financial Statements) and 5.5.2 (Quarterly Financial Statements) from generally accepted accounting principles in the United States or other basis on which such financial information is prepared to the International Financial Reporting Standards, consistent with the accounting principles agreed by Torch and the Company from time to time and as such reconciliations have been reviewed by the Company's independent auditors and included in the report described in Section 5.5.1(b) and the statement described in Section

5.5.2(b), for use by Torch in preparing, and incorporation into, Torch's financial reporting (the "Reconciliation Information"). In addition, the Company shall prepare and provide to Torch, at Torch's sole cost and expense, for so long as the Company is obligated to provide such Reconciliation Information, preliminary bridge calculations with respect to such Reconciliation Information as reviewed by the Company's independent auditors, including a summary of any changes to statements of income and equity to be reflected in the financial information required to be provided pursuant to Sections 5.5.1 or 5.5.2, as applicable (collectively, the "Bridge Reconciliation Information"), as soon as available, and in any event within (i) seventy-five (75) days after the end of each fiscal year of the Company, in the case of Bridge Reconciliation Information relating to the financial information set forth in Section 5.5.1 (Annual Financial Statements) and (ii) thirty-five (35) days after the end of each fiscal quarter of the Company, in the case of Bridge Reconciliation Information relating to the financial information set forth in Section 5.5.2 (Quarterly Financial Statements). In this respect:

(a) The Audit Committee shall approve the terms upon which the accountants and other professionals are engaged to prepare the Reconciliation Information and Bridge Reconciliation Information including compensation (the "Reconciliation Compensation") on a yearly basis; provided, however, that to the extent that the proposed Reconciliation Compensation for any year is more than (i) five percent (5%) higher than the Reconciliation Compensation approved by the Audit Committee in the previous year, or (ii) $***, the Company (A) shall notify Torch of the proposed Reconciliation Compensation prior to its submission to the Audit Committee and (B) shall not agree or pay such Reconciliation Compensation without Torch's consent to the proposed Reconciliation Compensation, such consent not to be unreasonably withheld; provided, further, that to the extent the accountants or other professionals engaged to prepare the Reconciliation Information are not those engaged in the previous year, the Company shall notify Torch of such proposed change.

(b) Torch may request that for a particular fiscal year, the Reconciliation Information and Bridge Reconciliation Information is not provided, in which case Torch shall not pay any Reconciliation Compensation. In the event that the reconciliation of the financial information contemplated by this Section 5.5.3 is suspended for any cause at any time, Torch shall only be required to pay the Reconciliation Compensation incurred for the portion of the work performed by the accountants and professionals engaged to do so, up to the date of the suspension.

(c) Torch shall reimburse the Company for all costs and expenses incurred by outside accountants or other professionals, from time to time, in connection with preparing and providing the Reconciliation Information and Bridge Reconciliation Information, within ten (10) Business Days of being provided with an invoice or invoices for such costs and expense.

(d) If all or part of the Bridge Reconciliation Information or the Reconciliation Information is provided to any other Investor (or their

representatives), such Investor shall reimburse Torch (and any other Investors that have previously reimbursed Torch pursuant to this Section 5.5.3(d) (IFRS Reconciliation)) for costs and expenses of preparing the Bridge Reconciliation Information or the Reconciliation Information, as applicable, such that all Investors who have received all or part of the Bridge Reconciliation Information or the Reconciliation Information, as applicable, share such costs and expenses equally.

5.6 Additional Reporting Information. The Company shall furnish on a timely basis any information reasonably requested in writing by any member of an Investor Group that is required or appropriate for such member (or one or more of such Stockholder's direct or indirect equity owners) to satisfy its tax return filing requirements, if any, arising from such member of an Investor Group's investment in the Company and its public company disclosure and financial reporting obligations under applicable Law. Any such requesting member of an Investor Group shall reimburse the Company for any reasonable expenses incurred by the Company in connection with furnishing such information.

5.7 Confidentiality. Each Stockholder agrees that it will keep confidential and will not disclose, divulge or use for any purpose, other than to monitor its investment in the Company and its subsidiaries (or, in the case of information relating to a Change of Control, to evaluate, negotiate and implement the terms and conditions of such Change of Control, as applicable), any Confidential Information obtained from the Company, unless such Confidential Information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 5.7 by such Stockholder or its Affiliates), (b) is or has been independently developed or conceived by such Stockholder without use of the Company's Confidential Information or (c) is or has been made known or disclosed to such Stockholder by a third party (other than an Affiliate of such Stockholder) without a breach of any obligation of confidentiality such third party may have to the Company that is known to such Stockholder; provided, that a Stockholder may disclose Confidential Information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company (or, in the case of information relating to a Change of Control, to evaluate, negotiate and implement the terms and conditions of such Change of Control, as applicable), (ii) to any prospective purchaser of any Shares from such Stockholder permitted under this Agreement as long as such prospective purchaser agrees to be bound by a customary confidentiality agreement with respect to any such information, (iii) to any Affiliate, partner or member of such Stockholder and their respective directors, employees and consultants, in each case in the ordinary course of business, (iv) as may be reasonably determined by such Stockholder to be necessary in connection with such Stockholder's enforcement of its rights in connection with this Agreement or its investment in the Company and its subsidiaries or (v) as may otherwise be required by applicable Law or legal, judicial, tax or regulatory process, provided, that such Stockholder takes reasonable steps to minimize the extent of any required disclosure described in this clause (v) (other than in connection with filings required under applicable securities or stock exchange Laws); and provided, further, that the acts and omissions of any Person to whom such Stockholder may disclose Confidential Information pursuant to clauses (i) through (iii) of the preceding proviso shall be attributable to such Stockholder for purposes of determining such Stockholder's compliance with this Section 5.7. Each of the parties hereto acknowledge that the Stockholders or any of their Affiliates may review the

business plans and related proprietary information of any enterprise, including any enterprise which may have products or services which compete directly or indirectly with those of the Company and its subsidiaries, and may trade in the securities of such enterprise.

5.8 Indemnity and Liability, Reimbursement.

5.8.1 *Indemnification by the Company, UHI, Midco and UCI*. Each of the Company, UHI, Midco and UCI, jointly and severally, will indemnify, exonerate and hold each of the Investors, and each of their respective partners, shareholders, members, Affiliates, directors, officers, fiduciaries, managers, controlling Persons, employees and agents and each of the partners, shareholders, members, Affiliates, directors, officers, fiduciaries, managers, controlling Persons, employees and agents of each of the foregoing (collectively, the "Indemnitees") free and harmless from and against any and all actions, causes of action, suits, claims, liabilities, losses, damages and costs and out-of-pocket expenses in connection therewith (including reasonable attorneys' and accountants' fees and expenses) incurred by the Indemnitees or any of them before or after the Effective Time (collectively, the "Indemnified Liabilities") solely in respect of or in connection with, any Third-Party Claims arising as a result of, arising out of, or in any way relating to (i) this Agreement and the other Governing Documents, (ii) the Purchase Agreement, the Lava Subscription Agreement, the 2020 Transaction, the Reorganization Agreement, the Transaction Agreement and other agreements contemplated thereby, the Investment Agreement, the 2022 Transaction and all other agreements entered into in connection therewith, or (iii) any transaction to which any of the Company, UHI, Midco or UCI is a party or any other circumstances with respect to any of the Company, UHI, Midco or UCI (other than any such Indemnified Liabilities to the extent such Indemnified Liabilities arise out of any breach of the Governing Documents by such Indemnitee or its affiliated or associated Indemnitees or other related Persons); provided, that the foregoing indemnification rights shall not be available in the event that any such Indemnified Liabilities arose on account of such Indemnitee's gross negligence or willful misconduct; provided, further that, if and to the extent that the foregoing undertaking may be unavailable or unenforceable for any reason, the Company, UHI, Midco or UCI will make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable Law. For purposes of this Section 5.8.1, none of the circumstances described in the limitations contained in the two provisos in the immediately preceding sentence shall be deemed to apply absent a final non-appealable judgment of a court of competent jurisdiction to such effect, in which case to the extent any such limitation is so determined to apply to any Indemnitee as to any previously advanced indemnity payments made by any of the Company, UHI, Midco or UCI, then such payments shall be promptly repaid by such Indemnitee to the Company, UHI, Midco and UCI. The indemnification set forth in this Section 5.8.1 shall not apply, and there shall be no indemnification by the Company, UHI, Midco, UCI or any of their subsidiaries, with respect to any investment losses or other liabilities that may be incurred by any Stockholder or its associated Indemnitees arising solely in such Stockholder's capacity as a stockholder (directly or indirectly) of the Company and its subsidiaries.

5.8.2 *Other Indemnification Rights*. The rights of any Indemnitee to indemnification hereunder will be in addition to any other rights any such Person may have under any other agreement or instrument referenced above or any other agreement or instrument to which such Indemnitee is or becomes a party or is or otherwise becomes a beneficiary or under law or regulation. None of the Indemnitees shall in any event be liable to any of the Company, UHI, Midco or UCI or any of their Affiliates, for any act or omission suffered or taken by such Indemnitee that does not constitute gross negligence or willful misconduct (for purposes of this Section 5.8.2, gross negligence or willful misconduct shall not be deemed to apply absent a final, non-appealable judgment of a court of competent jurisdiction to such effect). A "Third-Party Claim" means any (a) claim brought by a Person other than the Company, UHI, Midco, UCI or any of their subsidiaries or, with respect to an Investor, other than a member of the Corresponding Investor Group or, with respect to an Indemnitee, other than such Indemnitee and (b) any derivative claim brought in the name of the Company, UHI, Midco, UCI or any of their respective subsidiaries that is initiated by a Person, with respect to an Investor, other than a member of the Corresponding Investor Group or, with respect to any Indemnitee, other than such Indemnitee.

5.9 No Fiduciary Duties. Notwithstanding any other provision of this Agreement, from the Effective Time and until an Initial Public Offering has occurred (and thereafter in accordance with applicable Law and the governing documents of the Company), to the extent that, at law or in equity, any Investor, members of the Board and Board Observers designated by the Investors, members of the Investor Groups and Affiliates thereof (with respect to any Investor, "Covered Persons") has duties (including fiduciary duties) to the Company, UHI, Midco, or UCI, to another Stockholder, to any Person who acquires an interest in any Shares or to any other Person bound by this Agreement, all such duties (including fiduciary duties) are hereby eliminated, to the fullest extent permitted by Law, and replaced with the duties or standards expressly set forth herein, if any. This elimination of duties (including fiduciary duties) and replacement thereof with the duties or standards expressly set forth herein, if any, are approved by the Board, the Company, UHI, Midco, and UCI, each Stockholder, and each other Person bound by this Agreement, and shall be deemed to be approved be each Person who acquires an interest in any Shares.

5.10 Opportunities. Subject to Section 5.7 (Confidentiality) and Section 1.4.2 (Related Party Transactions), each of the parties hereto acknowledge that the members of the Investor Groups or any of their Affiliates may review the business plans and related proprietary information of any enterprise, including an enterprise which may have products or services which compete directly or indirectly with those of the Company, and may trade in the securities of such enterprise. Subject to Section 1.4.2 (Related Party Transactions), nothing in this Agreement shall preclude or in any way restrict the members of the Investor Groups or their Affiliates from investing or participating in any particular enterprise, or trading in the securities thereof whether or not such enterprise has products or services that compete with those of the Company. Notwithstanding anything to the contrary herein, the parties expressly acknowledge and agree that: (a) subject to Section 1.4.2 (Related Party Transactions), the Investors, members of the Board of Directors and Board Observers designated by the Investors, members of the Investor Groups, and Affiliates thereof, have the right to, and shall have no duty (contractual or otherwise) not to, directly or indirectly, engage in the same or similar business activities or lines

of business as the Company, UHI, Midco or UCI or any of their respective Affiliates, including those deemed to be Competitors or Restricted Persons, (b) in the event an Investor, member(s) of the Board of Directors or Board Observer designated by such Investor, members of the Investor Groups or Affiliates thereof, directly or indirectly, engage (whether as owner, partner, officer, director, employee, consultant, investor, lender or otherwise, except as the holder of not more than 5% of the outstanding stock of a publicly traded company) in Spanish-language media, including those businesses deemed to be Competitors or Restricted Persons, such Investor shall promptly disclose to the Board, in reasonable detail, the nature and identity of such business activities or lines of business and shall provide the Board additional information as reasonably requested thereby in connection with such activity, subject in all respects to the right not to communicate or present information regarding corporate opportunities set forth in the following clause (c) (provided, that in the case of Granite or any Board Observer designated by Granite, no such disclosure shall be required), and (c) in the event that an Investor, member(s) of the Board of Directors or Board Observer designated by such Investor, members of the Investor Groups or any Affiliate thereof acquires knowledge of a potential transaction or matter that may be a corporate opportunity for any of the Company, UHI, Midco, UCI or any Affiliate thereof, such Investor, member(s) of the Board of Directors or Board Observer designated by such Investor, members of the Corresponding Investor Group or Affiliate thereof shall have no duty (contractual or otherwise) to communicate or present such corporate opportunity to the Company, UHI, Midco, UCI or any Affiliate thereof, as the case may be, and, notwithstanding any provision of this Agreement to the contrary, shall not be liable to the Company, UHI, Midco, UCI or any Affiliate thereof or the Stockholders for breach of any duty (contractual or otherwise) by reason of the fact that such Investor, or any Affiliate thereof, directly or indirectly, pursues or acquires such opportunity for itself, directs such opportunity to another Person, or does not present such opportunity to the Company. The provisions of this Section 5.10 will apply whether or not any Public Offering has occurred.

5.11 Tax Treatment of Preferred Stock. Except to the extent otherwise required by a change in law, a contrary determination (within the meaning of Section 1313(a) of the Internal Revenue Code of 1986, as amended) or a subsequent amendment to the terms of the Series B Preferred Stock or Series C Preferred Stock, respectively, the Investors and the Company agree not to treat the Series B Preferred Stock or Series C Preferred Stock as "preferred stock" within the meaning of Section 305 of the Internal Revenue Code and Section 1.305-5 of the Treasury regulations promulgated under such code for US federal income tax and withholding tax purposes, and will not take any inconsistent position.

6. REGISTRATION RIGHTS

6.1 Demand Registration Rights.

6.1.1 *General*. Following an Initial Public Offering, each Investor (the "Demand Initiating Investor"), by notice to the Company specifying the amount and intended method or methods of disposition, may request (a "Demand Registration Request") that the Company effect the registration under the Securities Act for a Public Offering (including by means of a shelf registration pursuant to Rule 415 if so requested by the Demand Initiating Investor if the Company is then eligible to use such registration)

(a "Demand Registration") of all or a specified part of the Registrable Securities held by such Demand Initiating Investor and the Corresponding Investor Group; provided, that:

(a) the Company shall not be obligated to file a registration statement relating to any Demand Registration Request under this Section 6.1.1 within a period of 180 days after the effective date of any other registration statement relating to any Demand Registration Request without the consent of the Board (provided, that if the Company determines to include shares for its own account in a registration statement filed pursuant to a Demand Registration Request resulting in the Demand Initiating Investor being permitted to register not more than 50% of the Registrable Securities that it requested to register, then this clause (a) shall not limit the ability of any Demand Initiating Investors to make additional Demand Registration Requests within such 180 day period);

(b) the Company shall not be obligated to file (i) registration statements pursuant to more than two (2) Demand Registration Requests in any 365 day period if such registration cannot be effected by the filing of a registration statement on Form S-3 (or more than three (3) Demand Registration Requests in any 365 day period if such registration could be effected by the filing of a registration statement on Form S-3) or (ii) registration statements in response to more than two (2) Demand Registration Requests of any one Demand Initiating Investor (provided, that if the Company determines to include shares for its own account in such registration statement resulting in the Demand Initiating Investor being permitted to register not more than 80% of the Registrable Securities that it requested to register, then such request shall not be deemed to be a Demand Registration Request for purposes of this clause (b));

(c) the value of Registrable Securities that the Demand Initiating Investor proposes to sell in such Public Offering must be at least (i) fifty million dollars ($50,000,000), if such registration cannot be effected by the filing of a registration statement on Form S-3 or (ii) twenty-five million dollars ($25,000,000), if such registration could be effected by the filing of a registration statement on Form S-3; and

(d) notwithstanding any of the foregoing to the contrary, including, for the avoidance of doubt, the limitations set forth in the preceding clauses (a) and (b), Torch may submit at least one (1) Demand Registration Request in any 365 day period as long as the value of Registrable Securities that Torch proposes to sell in such Public Offering is at least one hundred million dollars ($100,000,000).

6.1.2 *Company Efforts*. For the avoidance of doubt, the Company shall not include any securities, other than Registrable Securities, for its own account in a registration pursuant to this Section 6.1. The Company will then use its best efforts to (a) effect the registration under the Securities Act of the Registrable Securities which the Company has been requested to register by the Demand Initiating Investor together with all other Registrable Securities which the Company has been requested to register pursuant to Section 6.2 (Piggyback Registration Rights), all to the extent required to

permit the disposition (in accordance with the intended methods thereof specified in the Demand Registration Request) of the Registrable Securities which the Company has been so requested to register, and (b) obtain acceleration of the effective date of the registration statement relating to such registration; provided, that the Company shall not be obligated to effect any such registration pursuant to this Section 6.1:

(a) during the unwaived effectiveness of any Lock-Up Agreement entered into by the Demand Initiating Investor in connection with any registration statement pertaining to an underwritten Public Offering; and

(b) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.

6.1.3 *Form*. Except as otherwise provided above or required by applicable Law, so long as the Company is eligible and qualified to register Registrable Securities on Form S-3 (or any successor or similar short form registration statement) each registration requested pursuant to Section 6.1.1 (General) shall be effected by the filing of a registration statement on Form S-3 (or any other form which includes substantially the same information as would be required to be included in a registration statement on such form as currently constituted); provided, that if any registration requested pursuant to this Section 6.1 is proposed to be effected on Form S-3 (or any successor or similar short form registration statement) and is in connection with an underwritten offering, and if the managing underwriter shall advise the Company in writing that, in its opinion, it is of material importance to the success of such proposed offering to file a registration statement on Form S-1 (or any successor or similar registration statement) or to include in such registration statement information not required to be included pursuant to Form S-3 (or any successor or similar short form registration statement), then the Company will file a registration statement on Form S-1 or supplement Form S-3 (or any successor or similar short form registration statement) as reasonably requested by such managing underwriter.

6.1.4 *Payment of Expenses*. The Company shall pay all Registration Expenses in connection with registrations of Registrable Securities pursuant to this Section 6.1, including all reasonable expenses (other than fees and disbursements of counsel that do not constitute Registration Expenses) that any member of an Investor Group incurs in connection with each registration of Registrable Securities requested pursuant to this Section 6.1.

6.1.5 *Additional Procedures*. In the case of a registration pursuant to this Section 6.1, whenever the Demand Initiating Investor shall direct that such registration shall be effected pursuant to an underwritten offering, the Company shall include such information in the written notices to holders of Registrable Securities referred to in Section 6.2.1(a) (General). In such event, the right of any member of an Investor Group to have Registrable Securities owned by such member of an Investor Group included in such registration pursuant to this Section 6.1 shall be conditioned upon such Person's

participation in such underwriting and the inclusion of such Person's Registrable Securities in the underwriting. If directed to do so by the Demand Initiating Investor, the Company together with the members of the Investor Groups proposing to distribute their Registrable Securities through the underwriting, will enter into an underwriting agreement with the underwriters for such offering containing such representations and warranties by the Company and such members of the Investor Groups and such other terms and provisions as are customarily contained in underwriting agreements with respect to secondary distributions, including customary indemnity and contribution provisions (subject, in each case, to the limitations on such liabilities set forth in this Agreement).

6.1.6 *Suspension of Registration*. If the filing, initial effectiveness or continued use of a registration statement, including a shelf registration statement pursuant to Rule 415, in respect of a registration pursuant to this Section 6.1 at any time would require the Company to make a public disclosure of material non-public information, which disclosure in the good faith judgment of the Board (after consultation with the Company's outside legal counsel) (a) would be required to be made in any registration statement so that such registration statement would not be materially misleading, (b) would not be required to be made at such time but for the filing, effectiveness or continued use of such registration statement and (c) would have a material adverse effect on the Company or its business or on the Company's ability to effect a material proposed acquisition, disposition, financing, reorganization, recapitalization or similar transaction, then the Company may, upon giving prompt written notice of such action to the Investors participating in such registration, delay the filing or initial effectiveness of, or suspend use of, such registration statement; provided, that the Company shall not be permitted to do so (i) more than two (2) times during any twelve (12) month period, (ii) for a period exceeding forty-five (45) days on any one occasion or (iii) for periods exceeding, in the aggregate, ninety (90) days in any twelve (12) month period. In the event the Company exercises its rights under the immediately preceding sentence, such Investors and the members of their Corresponding Investor Groups agree to suspend, promptly upon their receipt of the notice referred to above, their use of any Prospectus relating to such registration in connection with any sale or offer to sell Registrable Securities. The Company shall promptly notify such Investors of the expiration of any period during which it exercised its rights under this Section 6.1.6. The Company agrees that, in the event it exercises its rights under this Section 6.1.6, it shall, within forty-five (45) days following such Investors' receipt of the notice of suspension, update the suspended registration statement as may be necessary to permit the members of the Investor Groups to resume use thereof in connection with the offer and sale of their Registrable Securities in accordance with applicable Law.

6.2 Piggyback Registration Rights.

6.2.1 *Piggyback Registration*.

(a) General. Each time the Company proposes to register any shares of Common Stock under the Securities Act on a form which would permit registration of Registrable Securities for sale to the public, for its own account

and/or for the account of any other Person (pursuant to Section 6.1 (Demand Registration Rights) or otherwise) for sale in a Public Offering, the Company will give notice of its intention to do so to each member of the Investor Groups ("Piggyback Eligible Holder"). Any Piggyback Eligible Holder may, by written response delivered to the Company within fifteen (15) days after the date of delivery of such notice, request that all or a specified part of such Piggyback Eligible Holder's Registrable Securities be included in such registration. The Company thereupon will use its best efforts to cause to be included in such registration under the Securities Act all Registrable Securities which the Company has been so requested to register by such Piggyback Eligible Holders, to the extent required to permit the disposition (in accordance with the methods to be used by the Company or, pursuant to Section 6.1 (Demand Registration Rights), other Piggyback Eligible Holders in such Public Offering) of the Registrable Securities to be so registered; provided, that (i) if, at any time after giving written notice of its intention to register any securities, the Company shall for any reason not proceed with the proposed registration of the securities to be sold by it and/or for the account of any other Person (pursuant to Section 6.1 (Demand Registration Rights) or otherwise), the Company shall give written notice thereof to each Piggyback Eligible Holder and, thereupon, if the Company so specifies in such notice, shall be relieved of its obligation to register any Registrable Securities in connection with such registration (but not from its obligation to pay the Registration Expenses in connection therewith), and (ii) if such registration involves an underwritten offering, all Piggyback Eligible Holders requesting to be included in the Company's registration must sell their Registrable Securities to the underwriters on the same terms and conditions as apply to the Company (with such differences as may be customary or appropriate in combined primary and secondary offerings); provided, further, for the avoidance of doubt, that no holder of Registrable Securities shall be obligated to sell any Registrable Securities unless and until, and then only, to the extent that, such holder has agreed to do so at the pricing of the relevant offering. No registration of Registrable Securities effected under this Section 6.2 shall relieve the Company of any of its obligations to effect registrations of Registrable Securities pursuant to Section 6.1 (Demand Registration Rights).

(b) Excluded Transactions. The Company shall not be obligated to effect any registration of Registrable Securities under this Section 6.2 incidental to the registration of any of its securities in connection with:

(i) Any Public Offering relating to employee benefit plans or dividend reinvestment plans;

(ii) Any Public Offering relating to the acquisition or merger after the Effective Time by the Company or any of its subsidiaries of or with any other businesses except to the extent such Public Offering is for the sale of securities for cash; or

(iii) Any Public Offering up to and including the Qualified Public Offering in which no Investor or other Stockholder participates, except to the extent the Board otherwise determines.

6.2.2 *Payment of Expenses*. The Company will pay all Registration Expenses in connection with registrations of Registrable Securities pursuant to this Section 6.2.

6.2.3 *Additional Procedures*. Piggyback Eligible Holders participating in any Public Offering pursuant to this Section 6.2 shall take all such actions and execute all such documents and instruments that are reasonably requested by the Company to effect the sale of their Registrable Securities in such Public Offering, including being parties to any underwriting agreement entered into by the Company and any other selling shareholders in connection therewith and being liable in respect of the representations and warranties and the other agreements (including customary selling stockholder representations, warranties and indemnifications) for the benefit of the underwriters contained therein; provided, that (a) with respect to individual representations, warranties, indemnities and agreements of sellers of Registrable Securities in such Public Offering, the aggregate amount of such liability shall not exceed such Piggyback Eligible Holder's net proceeds from such offering, and (b) to the extent selling stockholders give further representations, warranties and indemnities in respect of the Company or the business of the Company, then with respect to all other representations, warranties and indemnities of sellers of shares in such Public Offering, the aggregate amount of such liability shall not exceed the lesser of (i) such Piggyback Eligible Holder's pro rata portion of any such liability, in accordance with such holder's portion of the total number of Registrable Securities included in such offering, and (ii) such Piggyback Eligible Holder's net proceeds from such offering.

6.2.4 *Registration Statement Form*. The Company shall select the registration statement form for any registration pursuant to this Section 6.2 (other than a registration that is also pursuant to Section 6.1 (Demand Registration Rights)); provided, that if any registration requested pursuant to this Section 6.2 is proposed to be effected on Form S-3 (or any successor form) and is in connection with an underwritten offering, and if the managing underwriter shall advise the Company in writing that, in its opinion, it is of material importance to the success of such proposed offering to include in such registration statement information not required to be included pursuant to such form, then the Company will supplement such registration statement as reasonably requested by such managing underwriter.

6.3 Other Registration Provisions.

6.3.1 *Underwriter's Cutback*.

(a) In connection with any registration of Shares, the underwriter may determine that marketing factors (including an adverse effect on the per share offering price) require a limitation of the number of Shares to be underwritten. Notwithstanding any contrary provision of this Section 6 and subject to the terms of this Section 6.3.1, the underwriter may limit the number of Shares which would

otherwise be included in such registration by excluding any or all Registrable Securities from such registration, it being understood that, if the registration in question involves primarily a registration for sale of securities for the Company's own account, then the number of Shares which the Company seeks to have registered in such registration shall not be subject to exclusion, in whole or in part, under this Section 6.3.1. Upon receipt of notice from the underwriter of the need to reduce the number of Shares to be included in the registration, the Company shall advise all holders of the Company's securities that would otherwise be registered and underwritten pursuant hereto, and the number of Shares of such securities, including Registrable Securities, that may be included in the registration shall be allocated in the following manner: Shares, other than Registrable Securities, requested to be included in such registration by other stockholders shall be excluded unless the Company has granted registration rights which are to be treated on an equal basis with Registrable Securities for the purpose of the exercise of the underwriter cutback (such shares afforded such equal treatment being "Parity Shares"); and, if a limitation on the number of Shares is still required, the number of Registrable Securities and Parity Shares that may be included in such registration shall be allocated among the holders thereof in proportion, as nearly as practicable, as follows: to each such holder requesting that its Registrable Securities or Parity Shares be registered in such registration a number of such shares to be included in such registration equal to the lesser of (A) the number of such shares of Registrable Securities or Parity Shares requested to be registered by such holder, and (B) a number of such shares equal to such holder's Registration Pro Rata Portion.

(b) Upon delivery of a written request that Registrable Securities be included in the underwriting pursuant to Section 6.1.1 (General) or 6.2.1(a) (General), the holder thereof may not thereafter elect to withdraw therefrom without the written consent of the Company; provided, that, if the managing underwriter of any underwritten offering shall advise the holders of Registrable Securities participating in a registration pursuant to Section 6.1 (Demand Registration Rights) that the Registrable Securities covered by the registration statement cannot be sold in such offering within a price range acceptable to the Demand Initiating Investor, then such Demand Initiating Investor shall have the right to notify the Company that they have determined that the registration statement be abandoned or withdrawn, in which event the Company shall abandon or withdraw such registration statement; provided, further, that if the price to the public at which the Registrable Securities are proposed to be sold will be less than 90% of the average closing price of the class of stock being sold in the offering during the ten (10) trading days preceding the date on which notice of such offering was given pursuant to Section 6.2.1(a) (General), then a holder of Registrable Securities participating in such registration pursuant to Section 6.1 (Demand Registration Rights) or 6.2 (Piggyback Registration Rights) may elect to withdraw from such registration by written notice to the Company. The Company may, but shall not be required to, extend a similar withdrawal right to other holders of Registrable Securities or Parity Shares.

6.3.2 *Registration Procedures*. If and in each case when the Company is required to effect a registration of any Registrable Securities as provided in this Section 6, the Company shall promptly:

(a) prepare and, in any event within sixty (60) days (forty-five (45) days in the case of a Form S-3 registration) after the end of the period under Section 6.2.1(a) (General) within which a piggyback request for registration may be given to the Company, file with the Commission a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective as soon as practicable, and in any event within ninety (90) days after the initial filing;

(b) prepare and file with the Commission such amendments and supplements to such registration statement and the Prospectus or Free Writing Prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period not in excess of two hundred and seventy (270) days or two (2) years in the case of shelf registration statements (or, in either case, such shorter period which will terminate when all Registrable Securities covered by such registration statement have been sold) and to comply with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such registration statement; provided, that before filing a registration statement, Prospectus or Free Writing Prospectus, or any amendments or supplements thereto in accordance with Section 6.1 (Demand Registration Rights) or 6.2 (Piggyback Registration Rights), the Company will furnish to counsel selected pursuant to Section 6.3.3 (Selection of Underwriters and Counsel) copies of all documents proposed to be filed, which documents will be subject to the review of such counsel;

(c) furnish to each seller of such Registrable Securities such number of copies of such registration statement and of each amendment and supplement thereto (in each case including all exhibits filed therewith), such number of copies of the Prospectus or Free Writing Prospectus included in such registration statement (including each preliminary prospectus and summary prospectus), in conformity with the requirements of the Securities Act, and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities by such seller;

(d) use its best efforts to register or qualify such Registrable Securities covered by such registration in such jurisdictions as each seller shall reasonably request, and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller, except that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction where, but for the

requirements of this clause (d), it would not be obligated to be so qualified or to consent to general service of process in any such jurisdiction;

(e) promptly notify, each seller of any such Registrable Securities covered by such registration statement, at any time when a Prospectus or a Free Writing Prospectus relating thereto is required to be delivered under the Securities Act, of the Company's becoming aware that the Prospectus or the Free Writing Prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, and at the request of any such seller, prepare and furnish to such seller a reasonable number of copies of an amended or supplemental Prospectus or Free Writing Prospectus as may be necessary so that, as thereafter delivered to the purchasers of such Registrable Securities, such Prospectus or Free Writing Prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(f) otherwise use its best efforts to comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable (but not more than eighteen (18) months) after the effective date of the registration statement, an earnings statement which shall satisfy the provisions of Section 11(a) of the Securities Act;

(g) use its best efforts to (i) list such Registrable Securities on any securities exchange or authorize for quotation on each other market (including, if applicable, the NASDAQ market ("NASDAQ")) on which the Common Stock is then listed or authorized for quotation if such Registrable Securities are not already so listed or authorized for quotation; and to (ii) provide a transfer agent and registrar for such Registrable Securities covered by such registration statement not later than the effective date of such registration statement;

(h) enter into such customary agreements (including an underwriting agreement in customary form), which may include indemnification provisions in favor of underwriters and other Persons in addition to the provisions of Section 6.4 (Indemnification and Contribution) hereof, and take such other actions as the Company or the underwriters, if any, reasonably requested in order to expedite or facilitate the disposition of such Registrable Securities;

(i) obtain a "cold comfort" letter or letters from the Company's independent public accountants in customary form and covering matters of the type customarily covered by "cold comfort" letters as the Company shall reasonably request;

(j) make available for inspection by any seller of such Registrable Securities covered by such registration statement, by any managing underwriter or

underwriters participating in any disposition to be effected pursuant to such registration statement and by any attorney, accountant or other agent retained by any such seller or any such managing underwriter(s), all pertinent financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries, and cause all of the Company's and its subsidiaries' officers, directors and employees to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement (subject to each party referred to in this clause (j) entering into customary confidentiality agreements in a form reasonably acceptable to the Company);

(k) notify counsel (selected pursuant to Section 6.3.3 (Selection of Underwriters and Counsel) hereof) for the holders of Registrable Securities included in such registration statement, the Stockholders including Registrable Securities in such registration statement, and the managing underwriter or agent, immediately, and confirm the notice in writing (i) when the registration statement, or any post-effective amendment to the registration statement, shall have become effective, or any supplement to the Prospectus or the Free Writing Prospectus or any amendment to the Prospectus or the Free Writing Prospectus shall have been filed, (ii) of the receipt of any comments from the Commission, (iii) of any request of the Commission to amend the registration statement or amend or supplement the Prospectus or the Free Writing Prospectus or for additional information, and (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the registration statement or of any order preventing or suspending the use of any preliminary prospectus, or of the suspension of the qualification of the registration statement for offering or sale in any jurisdiction, or of the institution or threatening of any proceedings for any of such purposes;

(l) make commercially reasonable efforts to prevent the issuance of any stop order suspending the effectiveness of the registration statement or of any order preventing or suspending the use of any preliminary Prospectus and, if any such order is issued, to obtain the withdrawal of any such order as soon as practicable;

(m) if requested by the managing underwriter or agent or any holder of Registrable Securities covered by the registration statement, incorporate in a Prospectus or Free Writing Prospectus supplement or post-effective amendment such information as the managing underwriter or agent or such holder reasonably requests to be included therein, including, with respect to the number of Registrable Securities being sold by such holder to such underwriter or agent, the purchase price being paid therefor by such underwriter or agent and with respect to any other terms of the underwritten offering of the Registrable Securities to be sold in such offering; and make all required filings of such Prospectus or Free Writing Prospectus supplement or post-effective amendment as soon as practicable after being notified of the matters incorporated in such Prospectus or Free Writing Prospectus supplement or post-effective amendment;

(n) cooperate with the holders of Registrable Securities covered by the registration statement and the managing underwriter or agent, if any, to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing securities to be sold under the registration statement, and enable such securities to be in such denominations and registered in such names as the managing underwriter or agent, if any, or such holders may request;

(o) obtain for delivery to the holders of Registrable Securities being registered and to the underwriter or agent an opinion or opinions from counsel for the Company in customary form and in form, substance and scope reasonably satisfactory to such holders, underwriters or agents and their counsel;

(p) cooperate with each seller of Registrable Securities and each underwriter or agent participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with NASDAQ; and

(q) use its best efforts to make available the executive officers of the Company to participate with the holders of Registrable Securities and any underwriters in any "road shows" that may be reasonably requested by such holders in connection with distribution of the Registrable Securities.

6.3.3 *Selection of Underwriters and Counsel*. The underwriters to be retained by the Company in connection with any Demand Registration pursuant to Section 6.1 (Demand Registration Rights) shall be selected by the Demand Initiating Investor with the consent of the Company (such consent not to be unreasonably withheld or delayed). The legal counsel to be retained by the Company in connection with any Demand Registration pursuant to Section 6.1 (Demand Registration Rights) shall be selected by the Company, subject to the approval of the Demand Initiating Investor (such consent not to be unreasonably withheld or delayed). The underwriters and legal counsel to be retained by the Company in connection with any other Public Offering to which Section 6.2 (Piggyback Registration Rights) applies shall be selected by the Board. In connection with any registration of Registrable Securities pursuant to Sections 6.1 (Demand Registration Rights) and 6.2 (Piggyback Registration Rights), the Company may select one counsel to represent all holders of Registrable Securities covered by such registration; provided, that in the event that the counsel selected as provided above is also acting as counsel to the Company in connection with such registration, those holders of Registrable Securities (each, a "Registration Participating Investor") shall be entitled to select one additional counsel to represent all such Registration Participating Investors (the "Additional Registration Counsel"). The Additional Registration Counsel shall be approved by the Registration Participating Investors who, in the aggregate, hold a majority of the Shares then held by all Registration Participating Investors.

6.3.4 *Company Lock-Up*. If any registration pursuant to Section 6.1 (Demand Registration Rights) or 6.2 (Piggyback Registration Rights) shall be in connection with an underwritten public offering, the Company agrees not to effect any public sale or distribution of any equity securities of the Company, including any Common Stock or

Convertible Securities (in each case, other than as part of such underwritten public offering and other than pursuant to a registration on Form S-4 or S-8) for its own account, within 90 days (or such shorter period as the managing underwriters may agree to with the Board) after the effective date of such registration (except as part of such registration).

6.3.5 *Stockholders Lock-Up*. Each Stockholder that is then entitled to registration rights pursuant to this Article 6 shall enter into a Lock-Up Agreement promptly upon the request of the Company or the managing underwriter, as applicable, and comply with the provisions of the Lock-Up Agreement as though such agreement was set forth herein.

6.3.6 *Other Agreements*. The Company covenants and agrees that, so long as any Person holds any Registrable Securities in respect of which any registration rights provided for in Sections 6.1 (Demand Registration Rights) and 6.2 (Piggyback Registration Rights) remain in effect, the Company will not, directly or indirectly, grant to any Person or agree to or otherwise become obligated in respect of (a) rights of registration in the nature or substantially in the nature of those set forth in Sections 6.1 (Demand Registration Rights) and 6.2 (Piggyback Registration Rights) that would have priority over, or that are pari passu with, the Registrable Securities ("Senior or Pari Registration Rights") with respect to the inclusion of such securities in any registration, in each case, without the prior approval of the Board, or if in a manner that disproportionately affect the rights of any Investor Group, without the prior approval of the Corresponding Investor (provided, however, that in the event any Investor Group receives rights in the nature or substantially in the nature of those set forth in Section 6.2 (Piggyback Registration Rights) in connection with the Company's grant of any such Senior or Pari Registration Rights, then all Investor Groups shall receive such rights on a pro rata basis), or (b) demand registration rights exercisable prior to such time as the Investors can first exercise their rights under Section 6.1 (Demand Registration Rights).

6.3.7 *Other Registration-Related Matters*.

(a) The Company may require any Stockholder that is registering Registrable Securities pursuant to Section 6.1 (Demand Registration Rights) or 6.2 (Piggyback Registration Rights) to furnish to the Company in writing such information regarding such Stockholder and its Affiliates and pertinent to the disclosure requirements relating to the registration and the distribution of the Registrable Securities which are included in such Public Offering as the Company may from time to time reasonably request in writing and such other information as may be legally required in connection with such registration.

(b) Each Stockholder agrees that, upon receipt of any notice from the Company of the occurrence of any event of the kind described in Section 6.3.2(e) (Registration Procedures), it will forthwith discontinue disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until its receipt of the copies of the amended or supplemented Prospectus or Free Writing Prospectus contemplated by Section 6.3.2(e)

(Registration Procedures) and, if so directed by the Company, each holder of Registrable Securities will, subject to applicable Law or any direction of the Commission, deliver to the Company or destroy all copies, other than permanent file copies then in their possession, of the Prospectus or the Free Writing Prospectus covering such Registrable Securities current at the time of receipt of such notice. In the event the Company gives any such notice, the period for which the Company will be required to keep the registration statement effective will be extended by the number of days during the period from and including the date of the giving of such notice pursuant to Section 6.3.2(e) (Registration Procedures) to and including the date when each seller of Registrable Securities covered by such registration statement has received the copies of the supplemented or amended Prospectus or Free Writing Prospectus contemplated by Section 6.3.2(e) (Registration Procedures).

(c) Each holder of Registrable Securities agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 6.3.2(k)(iv) (Registration Procedures), it will forthwith discontinue disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until the lifting of such stop order, other order or suspension or the termination of such proceedings and, if so directed by the Company, each Stockholder will, subject to applicable Law or any direction of the Commission, deliver to the Company or destroy all copies, other than permanent file copies then in its possession, of the Prospectus or the Free Writing Prospectus covering such Registrable Securities current at the time of receipt of such notice. In the event the Company gives any such notice, the period for which the Company will be required to keep the registration statement effective will be extended by the number of days during the period from and including the date of the giving of such notice pursuant to Section 6.3.2(k)(iv) (Registration Procedures) to and including the date when such stop order, other order or suspension is lifted or such proceedings are terminated.

6.3.8 *Public Dispositions Without Registration*. With a view to making available the benefits of certain rules and regulations of the Commission which may at any time permit the sale of Registrable Securities to the public without registration after such time as a public market exists for Common Stock, the Company agrees:

(a) to make and keep public information available, as those terms are understood and defined in Rule 144, at all times after the effective date of the first registration under the Securities Act filed by the Company for an offering of its Common Stock to the public;

(b) to use its commercially reasonable efforts to then file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act any time after it has become subject to such reporting requirements; and

(c) to furnish to any holder of Registrable Securities promptly upon request (i) a written statement by the Company as to its compliance with the reporting requirements of Rule 144 (at any time after one hundred and eighty (180) days after the effective date of the first registration statement filed by the Company for an offering of its Common Stock to the public), and of the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), (ii) a copy of the most recent annual or quarterly report of the Company, and (iii) such other reports and documents of the Company as such holder may reasonably request in availing himself of any rule or regulation of the Commission allowing such holder to sell any such Registrable Securities without registration.

6.4 Indemnification and Contribution.

6.4.1 *Indemnities of the Company*. In the event of any registration of any Registrable Securities or other debt or equity securities of the Company or any of its subsidiaries under the Securities Act pursuant to this Section 6 or otherwise, and in connection with any registration statement or any other disclosure document produced by or on behalf of the Company or any of its subsidiaries including reports required and other documents filed under the Exchange Act, and other documents pursuant to which any debt or equity securities of the Company or any of its subsidiaries are sold (whether or not for the account of the Company or its subsidiaries), the Company will, and hereby does, and will cause each of its subsidiaries, jointly and severally, to indemnify and hold harmless each holder of Registrable Securities, any Person who is or might be deemed to be a controlling Person of the Company or any of its subsidiaries within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, their respective direct and indirect general and limited partners, advisory board members, directors, officers, employees, trustees, managers, members, affiliates and shareholders, and each other Person, if any, who controls any such holder or any such controlling Person within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (each such Person being referred to herein as a "Covered Person"), against any losses, claims, damages or liabilities (or actions or proceedings in respect thereof), joint or several, and reasonable expenses to which such Covered Person may be or become subject under the Securities Act, the Exchange Act, any other securities or other Law of any jurisdiction, insofar as such losses, claims, damages or liabilities or actions or proceedings in respect thereof arise out of or are based upon (a) any untrue statement or alleged untrue statement of any material fact contained or incorporated by reference in the Disclosure Package, registration statement under the Securities Act, any Prospectus, any Free Writing Prospectus, or any amendment or supplement thereto, or any document incorporated by reference therein, or any other such disclosure document (including reports and other documents filed under the Exchange Act and any document incorporated by reference therein) or other document or report, (b) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading or (c) any violation or alleged violation by the Company or any of its subsidiaries of any Law applicable to the Company or any of its subsidiaries and relating to action or inaction in connection with any such registration, disclosure document or other document or report, and will reimburse such Covered Person for any legal or any

other expenses incurred by it in connection with investigating or defending any such loss, claim, damage, liability, action or proceeding; provided, that neither the Company nor any of its subsidiaries shall be liable to any Covered Person in any such case to the extent that any such loss, claim, damage, liability, action or proceeding or expense arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, any such Disclosure Package, registration statement under the Securities Act, Prospectus, Free Writing Prospectus, amendment or supplement, in reliance upon and in conformity with written information furnished to the Company or to any of its subsidiaries through an instrument duly executed by such Covered Person specifically stating that it is for use in the preparation thereof. The indemnities of the Company and of its subsidiaries contained in this Section 6.4.1 shall remain in full force and effect regardless of any investigation made by or on behalf of such Covered Person and shall survive any transfer of securities or any termination of this Agreement.

6.4.2 *Indemnities to the Company*. Subject to Section 6.4.4 (Limitation on Liability of Holders of Registrable Securities), the Company and any of its subsidiaries may require, as a condition to including any securities in any registration statement filed pursuant to this Section 6, that the Company and any of its subsidiaries shall have received an undertaking reasonably satisfactory to it from the prospective seller of such securities, severally and not jointly, to indemnify and hold harmless in the same manner and to the same extent as provided in Section 6.4.1 (Indemnities of the Company), the Company and any of its subsidiaries, each director of the Company or any of its subsidiaries, each officer of the Company or any of its subsidiaries who shall sign such registration statement and each other Person (other than such seller), if any, who controls the Company and any of its subsidiaries within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and each other prospective seller of such securities and prospective underwriter with respect to any untrue statement in or omission from such Disclosure Package, registration statement under the Securities Act, Prospectus, Free Writing Prospectus, amendment or supplement, or any other disclosure document (including reports and other documents filed under the Exchange Act or any document incorporated therein) or other document or report, if such untrue statement or omission was made in reliance upon and in conformity with written information furnished to the Company or any of its subsidiaries through an instrument executed by such seller specifically stating that it is for use in the preparation of such Disclosure Package, registration statement under the Securities Act, Prospectus, Free Writing Prospectus, amendment or supplement, or other document or report. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Company, any of its subsidiaries or any such director, officer or controlling Person and shall survive any transfer of securities or any termination of this Agreement.

6.4.3 *Contribution*. If the indemnification provided for in Section 6.4.1 (Indemnities of the Company) or 6.4.2 (Indemnities to the Company) is unavailable to a party that would have been entitled to indemnification pursuant to the foregoing provisions of this Section 6.4 for reasons other than described in the proviso to Section 6.4.1 (Indemnities of the Company) (an "Indemnitee") in respect of any losses, claims, damages or liabilities (or actions or proceedings in respect thereof) or expense

referred to therein, then each party that would have been an indemnifying party thereunder shall, subject to Section 6.4.4 (Limitation on Liability of Holders of Registrable Securities) and in lieu of indemnifying such Indemnitee, contribute to the amount paid or payable by such Indemnitee as a result of such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) or expense in such proportion as is appropriate to reflect the relative fault of such indemnifying party on the one hand and such Indemnitee on the other in connection with the untrue statements or omissions which resulted in such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) or expense. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or such Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The parties agree that it would not be just or equitable if contribution pursuant to this Section 6.4.3 were determined solely by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the preceding sentence. The amount paid or payable by a contributing party as a result of the losses, claims, damages or liabilities (or actions or proceedings in respect thereof) or expense referred to above in this Section 6.4.3 shall include any legal or other expenses reasonably incurred by such Indemnitee in connection with investigating or defending any such action or claim. No Person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) by a court of competent jurisdiction shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

6.4.4 *Limitation on Liability of Holders of Registrable Securities*. The liability of each holder of Registrable Securities in respect of any indemnification or contribution obligation of such holder arising under this Section 6.4 shall not in any event exceed an amount equal to the net proceeds realized by such holder (after deduction of all underwriters' discounts and commissions) from the disposition of the Registrable Securities disposed of by such holder pursuant to such registration.

6.4.5 *Indemnification Procedures*. Promptly after receipt by an Indemnitee of written notice of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Section 6.4 such Indemnitee will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the latter of the commencement of such action or proceeding; provided, that the failure of the Indemnitee to give notice as provided herein shall not relieve the indemnifying party of its obligations under this Section 6.4, except to the extent that the indemnifying party is materially prejudiced by such failure to give notice. In case any such action or proceeding is brought against an Indemnitee, the indemnifying party will be entitled to participate in and to assume the defense thereof (at its expense), jointly with any other indemnifying party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such Indemnitee, and after notice from the indemnifying party to such Indemnitee of its election so to assume the defense thereof, the indemnifying party will not be liable to such Indemnitee for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof other

than reasonable costs of investigation and shall have no liability for any settlement made by the Indemnitee without the consent of the indemnifying party, such consent not to be unreasonably withheld. Notwithstanding the provisions hereof, at any time, regardless of whether an indemnifying party has initiated participation in or assumed the defense of any such action or proceeding, the Indemnitee may retain separate counsel at its own expense. Notwithstanding the foregoing, if in such Indemnitee's reasonable judgment a conflict of interest between such Indemnitee and the indemnifying parties may exist in respect of such action or proceeding or the indemnifying party does not assume the defense of any such action or proceeding within a reasonable time after notice of commencement, the Indemnitee shall have the right to assume or continue its own defense and the indemnifying party shall, subject to Section 6.4.4 (Limitation on Liability of Holders of Registrable Securities) (if applicable), be liable for any reasonable expenses therefor, but in no event will bear the expenses for more than one firm of counsel for all Indemnitees in each jurisdiction who shall be approved by the Board in the registration in respect of which such indemnification is sought. No indemnifying party will settle any action or proceeding or consent to the entry of any judgment without the prior written consent of the Indemnitee, unless such settlement or judgment (a) includes as an unconditional term thereof the giving by the claimant or plaintiff of a release to such Indemnitee from all liability in respect of such action or proceeding and (b) does not involve the imposition of equitable remedies or the imposition of any obligations on such Indemnitee and does not otherwise adversely affect such Indemnitee, other than as a result of the imposition of financial obligations for which such Indemnitee will be indemnified hereunder.

6.4.6 *Non-Exclusivity*. The obligations of the parties under this Section 6.4 will be in addition to any liability, without duplication, which any party may otherwise have to any other party.

6.5 Shelf Take-Downs. At any time that a shelf registration statement covering Registrable Securities pursuant to this Section 6 is effective, if any holder of Registrable Securities or group of such holders delivers a notice to the Company (a "Take-Down Notice") stating that it intends to effect an offering of all or part of its Registrable Securities included by it on the shelf registration statement, whether such offering is underwritten or non-underwritten (provided, that such non-underwritten offering is for more than five million dollars ($5,000,000)) (a "Shelf Offering") and stating the number of the Registrable Securities to be included in the Shelf Offering, then the Company shall amend or supplement the shelf registration statement as may be necessary in order to enable such Registrable Securities to be distributed pursuant to the Shelf Offering (taking into account the inclusion of Registrable Securities by any other holders of Registrable Securities pursuant to this Section 6.5). In connection with any Shelf Offering: the Company shall also deliver copies of the Take-Down Notice to all other holders of Registrable Securities and permit each such holder to include its Registrable Securities included on the shelf registration statement in the Shelf Offering if such holder notifies the Company within five (5) Business Days after delivery of the Take-Down Notice to such holder, and in the event that the underwriter, if any, determines that marketing factors (including an adverse effect on the per share offering price) require a limitation on the number of shares which would otherwise be included in such takedown, the underwriter, if any, may limit the number of shares which would otherwise be included in such take-down offering in the same manner as is

described in Section 6.3.1 (Underwriter's Cutback) with respect to a limitation of shares to be included in a registration.

6.6 Assignment of Registration Rights. Except as otherwise expressly provided herein, no holder of Registrable Securities or other party hereto may assign any of its respective rights or delegate any of its respective obligations under this Section 6 without the prior written consent of each Investor, and any attempted assignment or delegation in violation of the foregoing shall be null and void. Notwithstanding the foregoing sentence, the rights of a member of an Investor Group hereunder may be assigned (but only with all related obligations as set forth below) in connection with a Transfer of Shares compliant with the terms of this Agreement and the other Governing Documents (a) pursuant to Section 2.1.1 (Permitted Transferees) or 2.1.8 (Other Torch Transfers), (b) with respect to the provisions of Section 6.2 (Piggyback Registration Rights), to any other transferee that, together with its Affiliates, acquires shares of Registrable Securities in such Transfer either (A) for consideration of at least thirty-five million dollars ($35,000,000) or (B) having a then Fair Market Value of at least thirty-five million dollars ($35,000,000); provided, that no assignment of any rights under this Section 6 may be made to a Restricted Person. Without prejudice to any other or similar conditions imposed hereunder with respect to any such Transfer, no assignment permitted under the terms of this Section 6 shall be effective unless the transferee to which such assignment is being made, if not a Stockholder, has delivered to the Company a written acknowledgment and agreement in form and substance reasonably satisfactory to the Company that such transferee shall be bound by, and shall be a party to, the provisions of this Section 6 to which such assignment relates to the same extent, and in the same capacity, as the member of an Investor Group that Transfers such Shares to such transferee, and otherwise shall be bound by, and shall be a party to, this Agreement as required by Section 2.3 (Certain Transferees to Become Parties).

7. LEGENDS; STOCK CERTIFICATES; TORCH SHARES

7.1 Restrictive Legend. Each certificate representing Shares shall have the following legend endorsed conspicuously thereupon:

> **"THE VOTING OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE, AND THE SALE, ENCUMBRANCE OR OTHER DISPOSITION THEREOF, ARE SUBJECT TO THE PROVISIONS OF A STOCKHOLDERS AGREEMENT (AS MAY BE AMENDED FROM TIME TO TIME) TO WHICH THE ISSUER AND CERTAIN OF ITS STOCKHOLDERS ARE PARTY. SUCH AGREEMENT INCLUDES RESTRICTIONS AND LIMITATIONS ON THE TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE. A COPY OF SUCH AGREEMENT MAY BE INSPECTED AT THE PRINCIPAL OFFICE OF THE ISSUER OR OBTAINED FROM THE ISSUER WITHOUT CHARGE UPON REQUEST."**

Any Person who acquires Shares pursuant to Section 2.1.2 (Public Transfers) shall have the right to have such legend (or the applicable portion thereof) removed from certificates representing such Shares.

7.2 1933 Act Legends. Each certificate representing Shares shall have the following legend endorsed conspicuously thereupon:

> **"THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ISSUED IN A PRIVATE PLACEMENT, WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE TRANSFERRED (A) IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER THE ACT COVERING THE TRANSFER, OR (B) IN A TRANSACTION WHICH IS EXEMPT FROM REGISTRATION UNDER THE PROVISIONS OF THE ACT; PROVIDED THAT THE ISSUER MAY REQUIRE THE TRANSFEROR TO DELIVER AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER REGARDING THE AVAILABILITY OF SUCH AN EXEMPTION."**

7.3 Stop Transfer Instruction. The Company and its subsidiaries will instruct any transfer agent not to register the Transfer of any Shares until the conditions specified in the foregoing legends and this Agreement are satisfied.

7.4 Termination of 1933 Act Legend. The requirement imposed by Section 7.2 (1933 Act Legends) shall cease and terminate as to any particular Shares (a) when, in the opinion of counsel reasonably acceptable to the Company, such legend is no longer required in order to assure compliance by the Company with the Securities Act or (b) when such Shares have been registered pursuant to an effective registration statement under the Securities Act or transferred pursuant to Rule 144. Whenever (i) such requirement shall cease and terminate as to any Shares or (ii) such Shares shall be transferable under Rule 144 without volume restrictions, the holder thereof shall be entitled to receive from the Company without expense, new certificates not bearing the legend set forth in Section 7.2 (1933 Act Legends).

7.5 Lost Certificates. If any Stockholder fails to (a) deliver to the purchaser thereof the certificate or certificates evidencing Shares to be Sold pursuant to Section 3 (Rights with Respect to Transfers and Changes of Control) or (b) deliver to the Company an affidavit of the registered owner of such Shares with respect to the ownership and the loss, theft, destruction or mutilation of the certificate evidencing such Shares accompanied by an indemnity reasonably satisfactory to the Company (it being understood that if the holder is a member of an Investor Group meeting such requirements of creditworthiness as may reasonably be imposed by the Company such Person's own agreement will be satisfactory) such that the Company is willing to issue a new certificate to the purchaser evidencing the Shares being Sold (an "Affidavit and Indemnity"), then such purchaser may, provided it signs an agreement agreeing to be bound by the terms of this Section 7.5 if it is not otherwise already agreeing to be bound by the terms of this Agreement generally, at its option and in addition to all other remedies it may have, deposit the purchase price for such Shares with any national bank or, trust company having combined capital, surplus and undivided profits in excess of Ten Billion Dollars ($10,000,000,000) (the "Escrow Agent") and the Company shall cancel on its books the certificate or certificates representing such Shares and thereupon all of such holder's rights in and to such Shares (other than the right to receive the applicable purchase price in accordance with the terms of this

Section 7.5) shall terminate. Thereafter, upon delivery to such purchaser stock powers duly endorsed, for transfer, with signature guaranteed, free and clear of any liens or encumbrances, and with any transfer tax stamps affixed) or upon delivery by such holder of an Affidavit and Indemnity to the Company such purchaser shall instruct the Escrow Agent to deliver the purchase price for such Shares (without any interest from the date of the closing to the date of such delivery, any such interest to accrue to such purchaser), less the reasonable fees and expenses of the Escrow Agent, to such holder. Each Stockholder (other than any members of an Investor Group) hereby constitutes and appoints each Major Investor, or any of them, with full power of substitution, as such Stockholder's true and lawful representative and attorney-in-fact, in such Stockholder's name, place and stead, to execute and deliver any escrow agreement in customary form entered into with respect to such Stockholder in accordance with this Section 7.5, and such Major Investor shall provide a copy of such agreement to such Stockholder within five (5) Business Days of execution; provided, however, that failure to deliver such documents within such time period shall not impair or affect the validity of such agreements. The foregoing power of attorney is coupled with an interest and shall continue in full force and effect notwithstanding the subsequent death, incapacity, bankruptcy or dissolution of any Stockholder.

7.6 Shares Held by Torch. At any time where there is not in effect a Regulatory Amendment or Waiver providing for a Foreign Ownership Cap of 100% with respect to voting interests in the Company:

7.6.1 If any stockholder converts its voting shares of Common Stock into non-voting shares of Common Stock, the Company shall promptly notify the Torch Investors of such conversion and the number of voting shares of Common Stock that is or will be held by such stockholder and all stockholders following such conversion and shall provide the Torch Investors with a certificate signed by an authorized officer of the Company stating that such conversion has occurred, the number of shares of Common Stock which have been converted and, if actually known to the Company, the reasons for effectuating such conversion. Not later than the fifteenth (15th) Business Day after the Torch Investors receive such notice and certificate, the Torch Investors will convert (by delivery to the Company of (i) written notice of such conversion and (ii) the certificate(s), duly endorsed for transfer, evidencing such shares to be converted), and each Torch Investor hereby authorizes the Company to convert on its behalf, and such conversion shall be deemed to automatically have occurred, in the event it fails to deliver to the Company within such 15 Business Day period the items set forth in clauses (i) and (ii) above, in accordance with the provisions of the Charter with respect to such Common Stock, an amount of the Torch Investors' voting shares of Common Stock (pro-rata amongst the Torch Investors, based on the number of voting shares of Common Stock held by such Torch Investors or as otherwise determined by Torch) into non-voting shares of Common Stock such that the Torch Investors' in the aggregate do not own more than the maximum percentage of voting shares of the Company that the Torch Investors are then permitted to own under any Regulatory Amendment or Waiver then in effect (or if there is no Regulatory Amendment or Waiver then in effect specifically limiting the voting ownership of the Torch Investors, the Foreign Ownership Cap applicable to the Company) (the "Torch Voting Limit").

7.6.2 If any Stockholder converts its non-voting shares of Common Stock into voting shares of Common Stock, the Company shall promptly notify the Torch Investors of such conversion and the number of non-voting shares of Common Stock that is or will be held by such Stockholder and all Stockholders of the Company following such conversion and shall provide the Torch Investors with a certificate signed by an authorized officer of the Company stating that such conversion has occurred and the number of shares of Common Stock which have been converted and, if actually known to the Company, the reasons for effectuating such conversion. The Torch Investors will be permitted to convert (by delivery to the Company of (i) written notice of such conversion and (ii) the certificate(s), duly endorsed for transfer, evidencing such shares to be converted), in accordance with the provisions of the Charter with respect to such Common Stock, an amount of the Torch Investors' non-voting shares of Common Stock (pro-rata amongst the Torch Investors, based on the number of non-voting shares of Common Stock held by all Torch Investors or as otherwise determined by Torch) into voting shares of Common Stock subject to the Torch Voting Limit. Notwithstanding the foregoing, nothing contained herein shall be deemed to limit or restrict in any way the right of the Torch Investors, at any time and from time to time, to convert their non-voting shares of Common Stock into voting shares of Common Stock subject to the Torch Voting Limit.

7.6.3 In each case, the Company shall promptly thereafter issue and send to the applicable Torch Investors new certificates, registered in the name of such Torch Investors, evidencing the applicable shares of Common Stock into which such Torch Investors converted their respective shares of Common Stock.

7.7 Waiver of Rights. Each Stockholder (other than Torch Investors) hereby unconditionally and irrevocably waives and relinquishes any and all rights of first offer, right of first refusal, tag-along or other rights hereunder with respect to any issuance of Shares pursuant to the exercise, conversion or exchange of Series B Preferred Stock.

8. AMENDMENT, TERMINATION, ETC.

8.1 Amendments and Modifications. This Agreement may not be orally amended, modified, extended or terminated, nor shall any oral waiver of any of its terms be effective. Except as otherwise provided in this Section 8.1, this Agreement may be amended, modified, extended, terminated or waived ("Amendment"), only by an agreement in writing signed by the Company, each Major Investor and Lava for so long as it is an Investor (or Stockholders holding a majority of the Shares held by Stockholders party hereto if none of the Major Investors and Lava remain Investors). The consent of Smoke, whether or not a Governance Fall-Away Event has occurred for Smoke, shall be required for any Amendment to the provisions of this Section 8.1 (or any definitions used herein) and any Amendment that, by its terms, Discriminates against any of the Smoke Investors under this Agreement. The consent of Flame, whether or not a Governance Fall-Away Event has occurred for Flame, shall be required for any Amendment to the provisions of this Section 8.1 (or any definitions used herein) and any Amendment that, by its terms, Discriminates against any of the Flame Investors under this Agreement. The consent of each Series C Holder, whether or not such Series C Holder still qualifies as an Investor and whether or not a Governance Fall-Away Event has occurred for such Series C Holder, shall be

required for any Amendment to the provisions of this Section 8.1 (or any definitions used herein) and any Amendment that, by its terms, Discriminates against such Series C Investor (or against all Series C Investors) under this Agreement. The consent of Granite, (a) whether or not Granite still qualifies as an Investor and whether or not a Governance Fall-Away Event has occurred for Granite, shall be required for any Amendment to the provisions of Section 2.1.10 (Transfer of Public Company Interests) or (b) if Granite still qualifies as an Investor and if no Governance Fall-Away Event has occurred for Granite, shall be required for any Amendment to the provisions related to Granite's right to appoint a Board Observer in Section 1 (including the right of such Board Observer to receive information in accordance with, and subject to the limitations of, Section 1.6). The consent of Roast, if the Roast Investors still qualify as an Investor and if no Governance Fall-Away Event has occurred for Roast, shall be required for any Amendment to the provisions related to Roast's right to appoint a Board Observer in Section 1 (including the right of such Board Observer to receive information in accordance with, and subject to the limitations of, Section 1.6). The consent of Torch, whether or not a Governance Fall-Away Event has occurred for Torch, shall be required for (a) any Amendment to the provisions of Section 2.1.8 (Other Torch Transfers), 2.1.10 (Transfer of Public Company Interests), 2.2.3 (Restricted Persons), 2.7 (Restrictions on Stock Ownership and Transfer), 4.2.6 (Investor Rights in the Event of Certain Legal Restrictions), 7.6 (Shares Held by Torch) or this Section 8.1 (or any definitions used therein) and (b) any Amendment that, by its terms, Discriminates against any of the Torch Investors under this Agreement. The consent of Lava, whether or not a Governance Fall-Away Event has occurred for Lava, shall be required for (i) any Amendment to the provisions of Section 2.1.10 (Transfer of Public Company Interests) or this Section 8.1 (or any definitions used therein) and (ii) any Amendment that, by its terms, Discriminates against any of the Lava Investors under this Agreement. The consent of holders of a majority of the Shares held by Managers then employed by the Company shall be required for any Amendment that, by its terms, Discriminates against the Managers as such under this Agreement; provided, that it is understood and agreed that, for the purposes of interpreting and enforcing this amendment and waiver provision, Amendments that affect all Stockholders will not be deemed to Discriminate against the Managers as such simply because Managers (A) own or hold more or less Shares than any other Stockholders, (B) invested more or less money in the Company or its direct or indirect subsidiaries than any other Stockholders or (C) have greater or lesser voting rights or powers than any other Stockholders. The consent of holders of a majority of the Shares held by Other Stockholders shall be required for any Amendment that, by its terms, Discriminates against the Other Stockholders as such under this Agreement; provided, that it is understood and agreed that, for the purposes of interpreting and enforcing this amendment and waiver provision, Amendments that affect all Stockholders will not be deemed to Discriminate against the Other Stockholders as such simply because Other Stockholders (1) own or hold more or less Shares than any other Stockholders, (2) invested more or less money in the Company or its direct or indirect subsidiaries than any other Stockholders or (3) have greater or lesser voting rights or powers than any other Stockholders. A copy of each such Amendment shall be sent to each Stockholder and shall be binding upon each party hereto and each holder of Shares subject hereto except to the extent otherwise required by applicable Law; provided, that the failure to deliver a copy of such Amendment shall not impair or affect the validity of such Amendment. In addition, each party hereto and each holder of Shares subject hereto may waive any right hereunder by an instrument in writing signed by such party or holder. To the extent the Amendment of any Section of this Agreement would require a specific consent pursuant to this

Section 8.1, any Amendment to the definitions used in such Section as applied to such Section shall also require the specified consent. The parties hereto agree that the rights set forth in this Section 8.1 shall be qualified and subject to the rights and obligations set forth in Section 8.2 (Initial Public Offering). Notwithstanding anything to the contrary herein, transferees or purchasers of Shares or Convertible Securities that have complied with the applicable provisions of Sections 2 (Transfer Restrictions), 3 (Rights with Respect to Transfers and Changes of Control) and 4 (Rights of Participation in Issuances) shall be added as parties to this Agreement without obtaining any additional consent of the parties hereto.

8.2 Initial Public Offering. Prior to any Initial Public Offering that the Board determines in good faith is expected to be a Qualified Public Offering, the Investors shall discuss and negotiate in good faith any amendments to this Agreement and the other Governing Documents that (after consultation with any underwriter or financial advisor engaged with respect to such Initial Public Offering) the Investors believe would be appropriate for a publicly traded company and that would take effect upon the consummation of such Initial Public Offering. In the event of any such Initial Public Offering, each Investor shall be obligated to agree (on behalf of the Corresponding Investor Group) to any such amendment that would result in such Investor having the same rights that it has under this Agreement and the Governing Documents and would not result in any material enhancements to the rights of any Investor or group of Investors (or their Corresponding Investor Groups) relative to the other Investors (and their Corresponding Investor Groups).

8.3 Termination. This Agreement shall automatically terminate, without action by any party hereto, as to any Stockholder that ceases to own, beneficially or of record, any Shares of the Company, and from and after such termination, such Stockholder shall cease to have any rights or privileges hereunder. No termination under this Agreement shall relieve any Person of liability for breach prior to termination.

8.4 Additional Limitations on Amendments. In addition to any other approval required by the organizational documents of the Company, UHI, Midco or UCI, by Section 1.3 (Actions that Require Board Approval) or 8.1 (Amendments and Modifications) or by applicable Law, subject to Section 8.2 (Initial Public Offering), the parties hereto agree that the approval of each of Smoke, Flame, Torch, each Series C Holder and Lava shall be required for any of the Company, UHI, Midco and/or UCI to take any of the following actions, and the Company shall not, and shall cause its subsidiaries not to, take any of the following actions without the written approval of each such Person:

8.4.1 *Amendments to Other Agreements*. Amend, alter or repeal any provision of the Governing Documents to the extent that such amendment, alteration or repeal would, by its terms, Discriminate against any member of the Corresponding Investor Group.

8.4.2 *Modification to Board Composition or Board Committees*. Amend, modify or waive the provisions hereof or any provision of the Governing Documents in a manner that changes the committees the board is required to maintain or the number of directors that such Investor is entitled to designate to each committee.

8.4.3 *Transfer Restrictions*. Amend, modify or waive any provision of the Governing Documents, if such amendment, modification or waiver imposes additional transfer restrictions on any members of the Corresponding Investor Group, other than amendments, modifications or waivers that are (a) required by applicable Law (but subject to Section 10.6 (Severability)), (b) customary insider information trading windows imposed by the Company following the Company's Initial Public Offering and (c) restrictions in customary underwriters' lock-ups.

8.4.4 *Information Rights*. Amend, modify or waive the provisions of Section 1.2.2 (Composition of Committees), 1.6 (Information Rights) or 5.5 (Historical Financial Information) in a manner that adversely changes such Investor's information rights thereunder.

8.4.5 *Participation Rights*. Amend, modify or waive any provision of Section 4 (Rights of Participation in Issuances) that adversely changes the rights of any member of the Corresponding Investor Group to participate (or terms and conditions of such rights) in issuances of securities.

8.4.6 *Registration Rights*. Amend, modify or waive any provision of Section 6 (Registration Rights) in a manner that adversely changes the rights of any member of the Corresponding Investor Group to initiate or participate in registered offerings of Common Stock.

8.4.7 *Indemnification Rights*. Amend, modify or waive the provisions of Section 5.8 (Indemnity and Liability, Reimbursement) or 6.4 (Indemnification and Contribution) in a manner that adversely changes the rights or obligations of any member of the Corresponding Investor Group thereunder.

8.4.8 *Certain Reverse Stock Splits*. Amend, modify or waive the provisions of the Charter to effect a reverse stock split in which any of the Common Stock held by any member of the Corresponding Investor Group is converted into the right to receive cash in lieu of a fractional share.

8.4.9 *Certain Sections*. Amend, modify or waive Section 10.7 (No Recourse) or 10.8 (Aggregation of Shares) in a manner adverse to any member of the Corresponding Investor Group.

8.5 Period. The rights granted to each Investor pursuant to this Section 8.4 shall expire upon a Governance Fall-Away Event for such Investor; provided, that each Investor's rights pursuant to Sections 8.4.1 (Amendments to Other Agreements), 8.4.3 (Transfer Restrictions), 8.4.5 (Participation Rights), 8.4.6 (Registration Rights), 8.4.7 (Indemnification Rights) and 8.4.9 (Certain Sections) will survive, and may not be amended without the consent of such Investor, so long as such Investor and its Affiliates (whether or not still an "Investor" hereunder) hold any Shares.

9. DEFINITIONS

9.1 Certain Matters of Construction. In addition to the definitions referred to or set forth below in this Section 9:

(a) The words "hereof," "herein," "hereunder" and words of similar import shall refer to this Agreement as a whole and not to any particular Section or provision of this Agreement, and reference to a particular Section of this Agreement shall include all subsections thereof;

(b) The word "including" shall mean including without limitation;

(c) Definitions shall be equally applicable to both nouns and verbs and the singular and plural forms of the terms defined;

(d) The masculine, feminine and neuter genders shall each include the other;

(e) Any reference to any agreement, contract, instrument, statute or regulation shall mean such agreement, contract, instrument, statute or regulation as may be amended from time to time, unless otherwise specified;

(f) For the avoidance of doubt, unless otherwise specified, the term "outstanding," as used in this Agreement in reference to capital stock, shall not include Convertible Securities or shares issuable upon conversion, exchange or exercise thereof; as used in this Agreement in reference to Convertible Securities, shall mean Convertible Securities that are outstanding (without giving effect to the conversion, exchange or exercise of such Convertible Securities); and as used in this Agreement in reference to Shares, shall include shares issuable upon conversion, exchange or exercise of any Convertible Securities; and

(g) For the avoidance of doubt, "fully diluted," as used in this Agreement in reference to capital stock, shall mean after giving effect to the conversion, exchange or exercise of all outstanding Convertible Securities.

9.2 Definitions. The following terms shall have the following meanings:

"Acquiror" shall mean a Person formed for the purpose of effecting a Change of Control or other Rollover Transaction, any prospective acquiror of all or substantially all the assets of the Company and its subsidiaries and any Person prospectively acquiring Shares in a direct Sale of Shares by Stockholders (it being understood that in no event shall any parent entities of either the party to the merger or such prospective acquiror be deemed to be an "Acquiror"), together with any successors thereto (including any surviving Person, whether the Company or otherwise, in a Rollover Transaction).

"Acquisition Holdco" shall mean any direct or indirect parent entity of an Acquiror or of the surviving entity following a merger, consolidation or similar business combination, the majority of whose value (which, for purposes of the definition of "Compliant

Change of Control Transaction," shall be determined as of the effective date of the Change of Control) consists of the Shares or assets of the Company and/or the Company's subsidiaries.

"Adjusted Outstanding Common Stock" shall mean, as of any date of determination, (a) the number of shares of then outstanding Common Stock (excluding any Equity Award Shares), plus (b) the number of shares of Common Stock for which or into which any outstanding Convertible Securities (other than Convertible Securities held by officers, employees or consultants of the Company or any direct or indirect subsidiary of the Company and any Equity Award Shares) may at the time be exercised, converted or exchanged, plus (c) the number of Vested Shares that are then outstanding Common Stock, plus (d) the number of shares of Common Stock for which or into which in-the-money Vested Shares may at the time be exercised, converted, or exchanged, calculated on a treasury method basis.

"Affiliate" (including, with correlative meaning, the term "Affiliated") shall mean, with respect to any specified Person, any other Person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person; provided, that neither the Company nor any of its subsidiaries shall be deemed an Affiliate of any of the Stockholders (and vice versa), and, in addition, such specified Person's Affiliates shall also include, (a) if such specified Person is an investment fund, any other investment fund that is advised by the same investment adviser as such Person or by an Affiliate of such investment adviser, and (b) if such specified Person is a natural Person, any Family Member of such natural Person; provided, further, (x) in the case of Lava Parent or any subsidiary of Lava Parent and except solely for purposes of Section 1.5 and the definition of "Conflicted Investor" (in which cases the foregoing definition of "Affiliate" shall apply), "Affiliate" (including, with correlative meaning, the term "Affiliated") shall mean Lava Parent and any Person which directly or indirectly through one or more intermediaries is controlled by Lava Parent and (y) in the case of Granite and any member of its Investor Group, solely for purposes of Sections 2.2.1 and 6.3.7(a), "Affiliate" (including, with correlative meaning, the term "Affiliated") shall mean such Person and any Person which directly or indirectly through one or more intermediaries is controlled by such Person.

"Board" shall mean the board of directors of the Company or any authorized committee thereof.

"Business" shall mean the business of the Company and its subsidiaries conducted at any given time or which the Board has authorized the Company to develop or pursue (by acquisition or otherwise), which currently consists of (primarily but not necessarily exclusively) Spanish-language media in the U.S., including Spanish-language television broadcast networks, Spanish-language radio broadcast networks, ownership and operation of Spanish-language television and radio stations and Spanish-language Internet portals.

"Business Day" shall mean any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed in the City of New York, New York, Sacramento, California or Mexico City, Mexico.

"Capital Percentage" shall mean at any given time a fraction, expressed as a percentage, (a) the numerator of which is the aggregate number of shares of Common Stock

outstanding, including the number of shares of Common Stock issuable in respect of outstanding Convertible Securities, which are held at such time by the Torch Investors, and (b) the denominator of which is the number of all shares of Common Stock outstanding as of such time, including the number of shares of Common Stock issuable in respect of the Company's Convertible Securities at such time. For the avoidance of doubt, (i) the Shares for which outstanding Series A Preferred Stock, Series B Preferred Stock or Series C Preferred Stock would be convertible if all conditions to such conversion were satisfied shall be considered outstanding, and (ii) any shares of Common Stock issuable in respect of or under the Equity Incentive Plan shall not be considered outstanding for purposes of this definition.

"Change of Control" shall mean the occurrence of (a) any consolidation or merger of the Company with or into any other Person, or any other corporate reorganization, business combination, transaction or Transfer of securities of the Company by its stockholders, or a series of related transactions (including the acquisition of capital stock of the Company), whether or not the Company is a party thereto, in which the stockholders of the Company immediately prior to such consolidation, merger, reorganization, business combination, transaction or Transfer, own, directly or indirectly, capital stock either (i) representing directly, or indirectly through one or more entities, less than fifty percent (50%) of the equity of the Company or other surviving entity immediately after such consolidation, merger, reorganization, business combination, transaction or Transfer or (ii) that does not directly, or indirectly through one or more entities, afford the holders thereof the power to elect (by contract, share ownership or otherwise) a majority of the entire Board or other similar governing body of the Company or other surviving entity immediately after such consolidation, merger, reorganization, business combination, transaction or Transfer; (b) any transaction or series of related transactions, whether or not the Company is a party thereto, after giving effect to which in excess of fifty percent (50%) of the Company's voting power (by contract, share ownership or otherwise) is owned directly, or indirectly through one or more entities, by any Person and its "affiliates" or "associates" (as such terms are defined in the Exchange Act Rules) or any Group, excluding, in any case referred to in clause (a) or (b), any Initial Public Offering or any bona fide primary or secondary public offering following the occurrence of an Initial Public Offering; or (c) a sale, lease or other disposition of all or substantially all of the consolidated assets of the Company and its subsidiaries; provided, that for purposes of this sentence, any transactions with the same third party or any of its Affiliates, or with the members of any Group, shall be deemed to be a series of related transactions. For the avoidance of doubt, a spin-off of one of the businesses of the Company or any subsidiary thereof, or a comparable transaction, shall not, in and of itself, constitute a "Change of Control."

"Class A Common Stock" shall mean the voting Class A Common Stock, par value $.001 per share, of the Company and shall include any shares of common stock issued in exchange for or in consideration of (including shares of common stock of the surviving company in connection with a merger or similar business combination) or in substitution for the Class A Common Stock, or as such shares of Class A Common Stock may be reclassified.

"Class B Common Stock" shall mean the nonvoting Class B Common Stock, par value $.001 per share, of the Company and shall include any shares of common stock issued in exchange for or in consideration of (including shares of common stock of the surviving company

in connection with a merger or similar business combination) or in substitution for the Class B Common Stock, or as such shares of Class B Common Stock may be reclassified.

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"Commission" shall mean the United States Securities and Exchange Commission.

"Common Stock" shall mean the common stock of the Company, including the Class A Common Stock, the Class B Common Stock and the Class C Subordinated Common Stock.

"Competitor" shall mean ***.

"Compliant Change of Control Transaction" shall mean any Change of Control (a) that is conducted in accordance with the Change of Control Procedures, (b) in which the Acquiror is not a Restricted Person and, in the case of a Change of Control involving a merger, consolidation, similar business combination or sale of assets, is a newly formed Acquiror that has no material assets or liabilities other than the equity or Indebtedness used to effect such Change of Control, but in any case shall have no assets or liabilities of an operating business, and (c) in connection with which, following the consummation of such transaction, (i)(A) the Torch Investors' board rights pursuant to Section 1 (Board of Directors) shall continue with respect to the Acquiror and any Acquisition Holdco to the extent provided therein, (B) the Torch Investors' other governance rights pursuant to the Governing Documents (other than immaterial rights and in any case consent rights of the Torch Investors under Section 8.4 (Additional Limitations on Amendments) and Sections 4.4.3 and 4.4.5 of the Charter shall not be considered immaterial) shall continue with respect to the Acquiror (or its parent, if the Acquiror is a wholly-owned subsidiary of such parent) or any Acquisition Holdco to the extent provided therein, (C) the Torch Investors' rights (other than governance rights referred to in clauses (A) and (B) above) (other than immaterial rights and in any case consent rights of the Torch Investors under Section 8.4 (Additional Limitations on Amendments) and Sections 4.4.3 and 4.4.5 of the Charter shall not be considered immaterial) and obligations pursuant to the Governing Documents shall continue with respect to the Acquiror and any Acquisition Holdco to the extent provided therein; except, for the sake of clarity, in the case of each of clauses (A), (B) and (C) above, to the extent those rights have otherwise terminated in accordance with their respective terms; (ii) the Torch Investors shall have no greater obligations with respect to the Acquiror and its stockholders and any Acquisition Holdco and its stockholders under the Governing Documents than they had to the Company, its subsidiaries and its parent entities and the members of the other Stockholders under the Governing Documents immediately prior to such Change of Control; and (iii) the Acquiror (or its parent, if the Acquiror is a wholly owned subsidiary of such parent) or any Acquisition Holdco shall become a party as an "Other Stockholder" to this Agreement and to the other Governing Documents to which the Company or the selling stockholders, as applicable, are a party and assume all obligations of the Stockholders pursuant thereto in effect immediately prior to the Change of Control (including, for the avoidance of doubt, the Change of Control Procedures) and the selling stockholders, if applicable, shall remain bound by the terms of the Governing Documents to the extent they retain any Shares.

"Confidential Information" shall mean any confidential or proprietary information or other competitively sensitive information, in each case, of the Company or any of its subsidiaries, including information regarding strategic plans, sales, marketing, talent contracts, acquisition targets, and current or future pricing obtained from the Company or any subsidiary thereof, unless such confidential or proprietary information (a) is known or becomes known to the public in general (other than as a result of a breach of this Agreement or the divulging Persons' contractual or fiduciary obligations to the Company), (b) is or has been independently developed or conceived by the party holding such information without use of the Company's or its subsidiaries' Confidential Information, or (c) is or has been made known or disclosed to the party holding such information by a third party without a breach of any obligation of confidentiality such third party may have to the Company or any of its subsidiaries that is known to such party.

"Conflicted Investor" shall mean, as of any applicable time, with respect to any Confidential Information of the Company or its subsidiaries relating to any portion of the Business (including any potential asset or business acquisition by the Company or any subsidiary thereof), any Investor that has, alone or with its Affiliates, a material conflict of interest to which such Confidential Information is reasonably directly related. For the avoidance of doubt, for purpose of this definition, the ownership by an Investor and its Affiliates of less than *** of each class of the voting securities of a Competitor *** shall not alone result in the Investor being deemed to be a Conflicted Investor pursuant to the preceding sentence. For the avoidance of doubt, Torch shall not be deemed to be a Conflicted Investor solely as a result of discussions by the Board or a committee thereof or information related to (a) *** (other than disputes under any such agreement and negotiations regarding any of their commercial terms) or (b) compliance with Federal Communications Laws.

"Contract" shall mean any note, bond, mortgage, indenture, loan or credit agreement, or any other legally binding contract, agreement, lease, license, deed of trust, permit, franchise or other instrument or obligation.

"control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"Convertible Securities" shall mean any evidence of Indebtedness, shares of stock (including the Series A Preferred Stock, the Series B Preferred Stock or the Series C Preferred Stock), options, warrants or other securities which are directly or indirectly convertible into or exchangeable or exercisable for shares of Common Stock, including any options and warrants.

"Correspond" (including, with correlative meaning, the term "Corresponding") shall mean the reciprocal relationship between any of (a) Smoke and the Smoke Investors, (b) Flame and the Flame Investors, (c) Torch and the Torch Investors, (d) Lava and the Lava Investors and (e) a Series C Holder and the Series C Holder Investors of such Series C Holder.

"De Minimis Related Party Transactions" shall mean any agreement, arrangement, transaction or series of agreements, arrangements or transactions between the Company or any of its subsidiaries, on the one hand, and a Related Party (other than the Company or any of its subsidiaries), on the other hand, (a) the terms (including pricing terms) and conditions of which are no less favorable (in the aggregate for each such agreement, arrangement or transaction) to the Company or its subsidiaries than could be obtained from a Person who is not an Affiliate of the Company or of any Related Party dealing on an arm's length basis (but not including any employment, compensation or other incentive arrangements with the employees of the Company or its subsidiaries (other than any partner, principal, employee or Affiliate of an Investor)), (b) that does not involve payments, or other consideration having an equivalent value, of $*** or more in any twelve-month period and is not otherwise considered to be of significant strategic value notwithstanding the dollar amount and (c) that would not reasonably be likely to have an adverse impact on the business or operations of the Company or any of its subsidiaries.

"Disclosure Package" shall mean, with respect to any offering of securities, (a) the preliminary Prospectus, (b) each Free Writing Prospectus, and (c) all other information, in each case, that is deemed, under Rule 159 promulgated under the Securities Act, to have been conveyed to purchasers of securities at the time of sale of such securities (including a contract of sale).

"Discriminate(s)" shall mean, with respect to a specified Person, to discriminate against such specified Person as compared to other holders of Shares in a manner that is, or is reasonably expected to be, (a) with respect to all Persons other than the members of Investor Groups, materially and disproportionately adverse to such specified Person and, (b) with respect to any member of an Investor Group, disproportionately adverse to such Person.

"Equity Award Shares" shall mean any options, restricted stock or other awards issued under the Equity Incentive Plan or any other equity incentive plan of the Company or pursuant to any employment or consulting agreement with the Company.

"Equity Incentive Plan" shall mean the 2010 Equity Incentive Plan, as amended or restated from time to time.

"Equity Pool Cap" shall mean, with respect to each successive five (5) year period after the 2020 Transaction Closing, *** of the Adjusted Outstanding Common Stock (as adjusted for recapitalizations, stock splits and the like) as of the first day of such successive five (5) year-period.

"Equivalent Shares" shall mean, at any date of determination, (a) as to any outstanding shares of Common Stock, such number of shares of Common Stock and (b) as to any outstanding Convertible Securities, the maximum number of shares of Common Stock for which or into which such Convertible Securities may at the time be exercised, converted or exchanged (or which will become exercisable, convertible or exchangeable on or prior to, or by reason of, the transaction or circumstance in connection with which the number of Equivalent Shares is to be determined assuming all of the conditions to exercise, conversion or exchange thereof have been satisfied).

"Exchange Act" shall mean the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as amended from time to time.

"Exchange Act Rules" shall mean the rules adopted by the Commission under the Exchange Act.

"Fair Market Value" shall mean, as of any date, as to any Share, the Board's good faith determination of the fair market value of such Share (which, in the case of options, shall equal the Fair Market Value of the share underlying such option less the exercise price for such option) as of the applicable reference date.

"Family Member" shall mean, with respect to any natural Person, (a) any lineal descendant or ancestor or sibling (by birth or adoption) of such natural Person, (b) any spouse or former spouse of any of the foregoing, (c) any legal representative or estate of any of the foregoing, or the ultimate beneficiaries of the estate of any of the foregoing, if deceased and (d) any trust or other bona fide estate-planning vehicle the only beneficiaries of which are any of the foregoing Persons described in clauses (a) through (c) above.

"FCC" shall mean the United States Federal Communications Commission or any successor entity.

"FCC-Approved Trust" shall mean a bona fide trust arrangement to which the transfer of Shares would not cause the Company or any of its subsidiaries, the Torch Investors or such trust to be in violation of applicable Laws, including the Federal Communications Laws.

"Federal Communications Laws" shall mean the Communications Act of 1934, as amended, and any successor statute thereto, and the rules, regulations and policies promulgated by the FCC thereunder.

"Foreign Ownership Cap" shall mean the lesser of (a) the maximum percentage of the equity interests of a U.S. entity that directly or indirectly controls a broadcast licensee that non-U.S. individuals, corporations and governments may own, in the aggregate, and (b) the maximum percentage of the voting rights of a U.S. entity that directly or indirectly controls a broadcast licensee that non-U.S. individuals, corporations and governments may possess, in the aggregate, in each case without FCC approval.

"Foreign Ownership Restrictions" shall mean any and all restrictions imposed by the Federal Communications Laws on the direct or indirect ownership by non-U.S. citizens of entities that directly or indirectly control broadcast licensees such as the Company and its broadcast licensee subsidiaries.

"Flame Investors" shall mean, as of any date, Flame and its Permitted Transferees, in each case only if such Person is a Stockholder as of such date.

"Free Writing Prospectus" shall mean any "free writing prospectus" as defined in Rule 405 promulgated under the Securities Act.

"Governance Fall-Away Event" shall mean (a) as to any Major Investor or Lava, a *** Sell-Down, (b) as to the SB Series C Holder, the earlier of (i) a *** Sell-Down by the SB Series C Holder and (ii) a *** Series C Sell-Down, and (c) as to any other Series C Holder, a *** Sell-Down.

"Governing Documents" shall mean this Agreement, the Charter and the bylaws of the Company, and the organizational documents of UHI, Midco and UCI.

"Governmental Authority" shall mean any United States (federal, state or local) or foreign government, or governmental, regulatory, judicial or administrative authority, agency, commission or court (including the FCC and applicable stock exchange(s)).

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"Granite Parent" shall mean Alphabet Inc., a Delaware corporation.

"Group" shall mean "group" (within the meaning of Section 13(d)(3) of the Exchange Act); provided, that a "group" must be formed knowingly in order to constitute a Group, and the existence of any Group may not be established by mere parallel action.

"Indebtedness" shall mean, without duplication, the following obligations of the Company or any of its subsidiaries: (a) indebtedness for borrowed money or evidenced by notes, bonds, debentures or similar instruments; (b) capitalized lease obligations; (c) the net positive or negative value payable under any interest rate, currency or other hedging agreement (valued at the termination value thereof); (d) obligations under acceptance, surety bond, performance bond, letter of credit or similar facilities, in each case only to the extent drawn; or (e) obligations for deferred purchase price of property or services.

"Independent Director" shall mean a director who (a) (i) prior to an Initial Public Offering, qualifies as independent of the Company under the rules of the U.S. Securities and Exchange Commission and the New York Stock Exchange applicable to U.S. public companies whose securities are listed on such stock exchange and (ii) following an Initial Public Offering, qualifies as independent of the Company under the rules of the U.S. Securities and Exchange Commission and the stock exchange on which the Company is listed; in the case of each of clauses (i) and (ii) as determined by the Board, and (b) who is not a Related Party of any Investor and shall not have been a director of the Company at any time prior to the Effective Time.

"Initial Public Offering" shall mean an initial Public Offering of the equity securities of the Company or any of its subsidiaries, a listing of the equity securities of the Company or any of its subsidiaries on any national securities exchange or a merger or other similar transaction of the Company with a publicly traded "special purpose acquisition company" or subsidiary thereof in which the equity securities of such entity or its successor are listed on any national securities exchange (for the avoidance of doubt, in each case, excluding any over-the-counter market of or affiliated with any national securities exchange).

"Initial Shares" of any Investor or Investor Group shall mean all of the Shares owned beneficially and of record by any member of the Corresponding Investor Group of such Investor or such Investor Group, respectively, without duplication, as of the Effective Time.

"Investor" shall mean any one of (a) the Major Investors, (b) Lava and (c) the Series C Holders; provided, that (i) Lava shall cease to be an Investor at such time, and at all times thereafter, as there has been a Governance Fall-Away Event for Lava and (ii) any Series C Holder shall cease to be an Investor at such time, and at all times thereafter, as there has been a *** Sell-Down by such Series C Holder's Corresponding Investor Group; provided, further, that no adjustment or modification to the term "Governance Fall-Away Event" shall cause Lava or any Series C Holder, as applicable, to again become an Investor.

"Investor Group" shall mean any one of (a) the Smoke Investors collectively, (b) the Flame Investors collectively, (c) the Torch Investors collectively, (d) the Lava Investors collectively and (e) the Series C Holder Investors collectively of any Series C Holder, in each case until such time as the Corresponding Investor ceases to be an Investor, after which time each member of the former Investor Group shall thereafter be an Other Stockholder for all purposes hereunder until it ceases to own any Shares.

"Law" shall mean any statute, law, ordinance, regulation, rule, code, injunction, judgment, decree, order or any other judicially enforceable legal requirement (including common law) of any Governmental Authority or any listing requirement, rule or regulation of any stock exchange or other self-regulatory organization.

"Lava Parent" shall mean Lava Parent plc, a public limited company incorporated under the laws of England and Wales (or any successor thereof).

"Lava Investors" shall mean, as of any date, Lava and its Permitted Transferees, in each case only if such Person is a Stockholder as of such date.

"Lock-Up Agreement" shall mean a lock-up agreement entered into by each Stockholder in connection with each underwritten Public Offering at the request of the Company or the managing underwriter(s) of such Public Offering restricting such Stockholder's right to (a) Transfer, directly or indirectly, any shares of Common Stock or any Convertible Securities or (b) enter into any swap or other arrangement that transfers to another Person any of the economic consequences of ownership of Common Stock, in each case to the extent that such restrictions are agreed to by each Investor (or a majority of the shares of Registrable Securities if there are no Investors remaining) with the underwriter(s) of such Public Offering; provided, however, that no Stockholder shall be required hereby to be bound by a lock-up agreement covering a period of greater than ninety (90) days (one hundred and eighty (180) days in the case of the Qualified Public Offering) following the effectiveness of the related registration statement or that does not contain a customary lock-up waiver "most favored nation" provision for the benefit of such Stockholder. Notwithstanding the foregoing, such lock-up agreement shall not apply to (i) transactions relating to shares of Common Stock or other securities acquired in (A) open market transactions or block purchases after the completion of the Qualified Public Offering or (B) a Public Offering, (ii) Transfers pursuant to Section 2.1.1 (Permitted Transferees), (iii) conversions of shares of Common Stock into other classes of Common Stock or securities without change of holder, (iv) any exercise of the Convertible Securities and (v) during the period preceding the execution of the underwriting agreement.

"Major Investor" shall mean any one of Smoke, Flame and Torch; provided, that any such Major Investor shall cease to be a Major Investor at such time, and at all times thereafter, as there has been a Governance Fall-Away Event for such Major Investor; provided, further, that no adjustment or modification to the term "Governance Fall-Away Event" shall cause any former Major Investor to again become a Major Investor or an Investor.

"Major Investor Group" shall mean any Investor Group Corresponding to a Major Investor.

"Management Services Agreement" shall mean the Management Services Agreement, dated as of February 19, 2021, by and among UCI, Hayden Summit LLC and the other parties thereto.

"New Torch Investor" shall mean any Person described in clause (c) or (d) of the definition of the Torch Investors; provided, that such Person shall cease to be a New Torch Investor hereunder, and shall automatically become a Stockholder hereunder, immediately upon such Person ceasing to be a member of a Group of which Torch and/or any of its Affiliates is a member with respect to securities of the Company.

"Participation Shares" shall mean all Shares held by any member of the Investor Groups, Pongalo Holdings LLC (and its Permitted Transferees, in each case only if such Person is a Stockholder as of such date), or MGQ10 Investments LLC (and its Permitted Transferees, in each case only if such Person is a Stockholder as of such date).

"Permitted Transferee" shall mean, (a) in respect of any Investor or member of the Corresponding Investor Group, any Affiliate of such Investor (other than a portfolio company of any such Investor that is an investment fund); provided, that such Affiliate agrees, in a writing

enforceable by the Company, to Transfer all of its Shares back to such Investor or member of the Corresponding Investor Group if it ceases to be an Affiliate of such Investor; (b) in respect of any Stockholder that is not a natural person and not a member of an Investor Group, any Affiliate of such Stockholder (other than a portfolio company of any such Stockholder that is an investment fund); provided, that such Affiliate agrees, in a writing enforceable by the Company, to Transfer all of its Shares back to such Stockholder if it ceases to be an Affiliate of such Stockholder; and (c) in respect of any Stockholder that is a natural person, (i) any Family Member of such Stockholder, (ii) upon the death of such Stockholder, such Stockholder's estate, executors, administrators, personal representatives, heirs, legatees or distributees, in each case, acquiring the Shares in question pursuant to the will or other instrument taking effect at death of such holder or by applicable Laws of descent and distribution, and (iii) any Person acquiring such Shares pursuant to a qualified domestic relations order; in each case described in clauses (a), (b) or (c), only if such transferee agrees to be bound by the terms of the Governing Documents (if not already bound thereby) in accordance with their respective terms to the same extent its transferor is bound thereby (it being understood that any Transfer not meeting the foregoing conditions but purporting to rely on Section 2.1.1 (Permitted Transferees) shall be null and void). In addition, any Stockholder shall be a Permitted Transferee of the Permitted Transferees of itself and any Permitted Transferee of an Investor shall be a Permitted Transferee of any other member of the Corresponding Investor Group. No Restricted Person shall be a "Permitted Transferee."

"Person" shall mean any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organization, entity or division, or any government, governmental department or agency or political subdivision thereof.

"Post Transaction Percentage" shall mean, with respect to any Torch Investor, the total percentage of equity (on a fully diluted basis, including the equity issuable upon exercise of any Convertible Securities) in the Company and/or in the Acquiror, as applicable, that such Torch Investor owns, directly or indirectly, immediately after giving effect to a Rollover Transaction, as applicable.

"Pre Transaction Percentage" shall mean, with respect to any Torch Investor, the Capital Percentage that such Torch Investor owns, directly or indirectly, immediately prior to giving effect to a Rollover Transaction.

"Price Per Equivalent Share" shall mean the Board's good faith determination of the price per Equivalent Share of any Convertible Securities which are the subject of an issuance pursuant to Section 4 (Rights of Participation in Issuances).

"Prospectus" shall mean the prospectus related to any Public Offering (including a prospectus or prospectus supplement that discloses information previously omitted from a prospectus filed as part of an effective registration statement in reliance on Rule 415, 430A or 430B (or any successor rules or regulations) under the Securities Act), as amended or supplemented by any amendment or prospectus supplement, including post-effective amendments, and all materials incorporated by reference in such prospectus.

"Public Offering" shall mean a public offering and sale of shares of any class of Common Stock pursuant to an effective registration statement under the Securities Act.

"Qualified Public Offering" shall mean the first underwritten public offering and sale of Common Stock for cash (other than any Public Offering or sale pursuant to a registration statement on Form S-4, S-8 or a comparable form), occurring no earlier than the third anniversary of the Effective Time, unless otherwise agreed by each of the Investors, in which (a) the aggregate proceeds to the Company (or its successor or parent) (net of underwriters' discounts) in such offering equals or exceeds $*** and (b) the implied equity valuation of the Company (or its successor or parent) equal or exceeds $***.

"Receivables Facility" shall mean that certain Third Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2017, among Univision Receivables Co., LLC, as seller, the financial institutions signatory thereto from time to time, as purchasers, Wells Fargo Bank, National Association, as LC issuer, administrative agent and purchaser agent, and CIT Finance LLC, as syndication agent.

"Registrable Securities" shall mean (a) all Shares, (b) all Shares directly or indirectly issuable with respect to any Shares by way of stock dividend or stock split or in connection with a combination of Shares, recapitalization, merger, consolidation or other reorganization and (c) all Convertible Securities of the Company, in each case of clauses (a), (b) and (c), that are held by a member of an Investor Group. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (i) a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (ii) such securities shall have been Transferred pursuant to Rule 144 or Rule 145, (iii) disposition of such securities may be made by the holder thereof under Rule 144 or 145 and the holder of such securities holds no more than one percent (1%) of the shares of the applicable class outstanding as shown by the most recent report or statement published by the Company, but only to the extent such securities are not restricted from transfer by the provisions of Section 2 (Transfer Restrictions), (iv) subject to the provisions of Section 6.6 (Assignment of Registration Rights), such securities shall have been otherwise transferred to a Person that is not a member of an Investor Group (or, in the case of Torch, is not a Torch Investor unless such transferee has acquired from a Torch Investor in one or more transactions (other than (A) purchasers in the public market who acquired Shares, directly or indirectly, from Torch in a registered offering that was generally made to the public, (B) Transfers pursuant to Rule 144 or Rule 145, or (C) Transfers pursuant to a bona fide block sale to a market maker) of Shares representing five percent (5%) or more of the outstanding Shares), new certificates for them not bearing a legend restricting further transfer shall have been delivered by the Company as part of such transfer and subsequent disposition of them shall not require registration of them under the Securities Act and such securities may be distributed without volume limitation or other restrictions on transfer under Rule 144 or Rule 145, or (v) such securities shall have ceased to be outstanding.

"Registration Expenses" shall mean any and all reasonable expenses incident to performance of or compliance with Section 6 (Registration Rights) (other than underwriting discounts and commissions paid to underwriters and transfer taxes, if any), including (a) all

Commission and securities exchange or NASD registration and filing fees, (b) all fees and expenses of complying with securities or blue sky Laws (including reasonable fees and disbursements of counsel for the underwriters in connection with blue sky qualifications of the Registrable Securities), (c) all printing, messenger and delivery expenses, (d) all fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange or NASDAQ pursuant to Section 6.3.2(g) (Registration Procedures) and all rating agency fees, (e) the fees and disbursements of counsel for the Company and of its independent public accountants, including the expenses of any special audits and/or "cold comfort" letters required by or incident to such performance and compliance, (f) the reasonable fees and disbursements of one counsel for the holders of Registrable Securities selected pursuant to the terms of Section 6 (Registration Rights) and any Additional Registration Counsel, (g) any fees and disbursements of underwriters customarily paid by the issuers or sellers of securities, including liability insurance if the Company so desires or if the underwriters so require, and the reasonable fees and expenses of any special expert retained in connection with the requested registration, but excluding underwriting discounts and commissions and transfer taxes, if any, (h) expenses incurred in connection with any road show including the reasonable and documented out-of-pocket expenses of the applicable Stockholders), and (i) any other fees and disbursements customarily paid by the issuers of securities.

"Registration Pro Rata Portion" shall mean, with respect to each member of the Investor Group Corresponding to the Demand Initiating Investor, each Piggyback Eligible Holder, and each holder of Parity Shares, in each case requesting that such shares be registered in such registration statement, a number of such Shares equal to the aggregate number of Shares to be registered in such registration (excluding any shares to be registered for the account of the Company) multiplied by a fraction, the numerator of which is the aggregate number of Registrable Securities and Parity Shares held by such holder, and the denominator of which is the aggregate number of Registrable Securities and Parity Shares held by all such holders requesting that their Registrable Securities or Parity Shares be registered in such registration.

"Regulatory Amendment or Waiver" shall mean an amendment of the Federal Communications Laws by duly enacted legislation or a ruling or waiver by the FCC that increases or grants permission to exceed the foreign ownership limitations established by the Federal Communications Laws that currently imposes a Foreign Ownership Cap of twenty-five percent (25%) and requires approval for any individual non-U.S. holder to hold more than five percent (5%) of the equity or voting interests of a U.S. entity that directly or indirectly controls a broadcast licensee; it being understood that as of the Effective Time, the following are Regulatory Amendments or Waivers that are in effect: (a) Declaratory Ruling of the FCC, DA 17-4, adopted January 3, 2017, *In the Matter of UHI and Torch Parent*, which increases the Foreign Ownership Cap with respect to the Company to forty-nine percent (49%) of the Company's equity and voting interests, (b) Declaratory Ruling of the FCC, DA 19-1228, adopted December 5, 2019, *In the Matter of UHI and Torch Parent*, which increases the Foreign Ownership Cap to seventy percent (70%) of the Company's equity and voting interests and (c) Declaratory Ruling of the FCC, DA-20-1535, adopted December 23, 2020, In the Matter of UHI Petition for Declaratory Ruling, which increases the Foreign Ownership Cap to one hundred percent (100%) in the aggregate of the Company's equity and voting interests.

"Related Party" shall mean (a) any Affiliate of the Company or any of its subsidiaries, (b) any Investor, member of an Investor Group or any of their respective Affiliates, or their respective members, limited or general partners, shareholders (provided that a Person holding less than 5% of publicly traded shares of a Person shall not be considered a shareholder of such Person for purposes of this definition), or holders of other equity interests and (c) any current officer or director of the Persons described in clauses (a) and (b) and their respective spouses, parents, parents-in-law, step-parents, children, step-children, siblings, siblings-in-law and step-siblings.

"Related Party Conflicted Directors" shall mean (a) with respect to any Related Party with a relationship to any Investor (or its Corresponding Investor Group) described in clause (b) of the definition of Related Party or clause (c) of such definition as applied to clause (b) of such definition, the members of the Board who (i) would also be a Related Party described in clause (b) of such definition or clause (c) of such definition as applied to clause (b) of the definition of Related Party with respect to such Investor, or (ii) is a Board Designee of such Investor, and (b) with respect to any other Related Party (i.e. who does not have any such relationships with any Investor), any director that does not meet the requirements of clause (a) of the definition of "Independent Director" or that is not otherwise disinterested.

"Restricted Person" shall mean ***.

"Revolving Credit Facility" shall mean the revolving facility commitments issued pursuant to that certain Credit Agreement dated as of March 29, 2007 among UHI, Univision of Puerto Rico Inc., the lenders party thereto from time to time, and Deutsche Bank AG New York Branch, as administrative agent in effect as of the Effective Time.

"Roast" shall mean RPIII Obsidian LP, a Delaware limited partnership.

"Roast Investors" shall mean, as of any date, collectively, (a) Roast and its Permitted Transferees and (b) RPIII Obsidian Co-Invest LLC and its Permitted Transferees, in each case only if such Person is a Stockholder as of such date; provided, that (i) only RPIII Obsidian LP shall be deemed to be a Series C Holder and (ii) the Roast Investors, collectively and not individually, shall be deemed to be a single Investor.

"Rule 144" shall mean Rule 144 under the Securities Act (or any successor rule).

"Sale" shall mean a Transfer for value and the terms "Sell" and "Sold" shall have correlative meanings.

"SB Series C Parent" shall mean SoftBank Group Corp, a Japanese joint-stock company.

"Series C Holder Investors" shall mean, as of any date, with respect to any Series C Holder, such Series C Holder and its Permitted Transferees, in each case only if such Person is a Stockholder as of such date.

"Series C Investors" shall mean, as of any date, all Series C Holder Investors of all Series C Holders.

"Securities Act" shall mean the Securities Act of 1933 and the rules and regulations promulgated thereunder, as amended from time to time.

"Sell-Down" shall mean as to any Investor and as to any fraction or percentage, the voluntary sale by the Corresponding Investor Group, to Person(s) that, following such Transfer, would not be a member of the Corresponding Investor Group, of a number of Shares equal to such fraction or percentage of the number of such Investor Group's Initial Shares in the aggregate since the Effective Time; provided, that the sale or other disposition of any Share that is not an Initial Share shall not be deemed to be a voluntary sale of a Share for purposes of this definition; provided, further, that as to Torch, the sale of any Shares by Persons who are "Torch Investors" pursuant to clause (c) or (d) of the definition thereof shall not count towards a Sell-Down for Torch except to the extent that such Person acquired such Shares from Torch.

"Series C Sell-Down" shall mean as to any fraction or percentage, the voluntary sale by the Series C Investors in the aggregate, to Person(s) that, following such Transfer, would not be Series C Investors of a number of Shares equal to such fraction or percentage of the number of the Initial Shares held by the Series C Investors in the aggregate since the Effective Time; provided, that the sale or other disposition of any Share that is not an Initial Share shall not be deemed to be a voluntary sale of a Share for purposes of this definition.

"Shares" shall mean (a) all shares of Common Stock held beneficially or of record by a party hereto (other than the Company and its subsidiaries), whenever issued, including all shares of Common Stock issued upon the exercise, conversion or exchange of any Convertible Securities and (b) all Convertible Securities held beneficially or of record by a party hereto (other than the Company and its subsidiaries) (treating such Convertible Securities as a number of Shares equal to the number of Equivalent Shares represented by such Convertible Securities for all purposes of this Agreement except as otherwise specifically set forth herein). For the avoidance of doubt, upon a proposed Transfer of Convertible Securities (including the Series B Preferred Stock or the Series C Preferred Stock), such Transfer shall be deemed to be of that number of Shares into which the Convertible Securities are convertible, assuming that all conditions to which the Transfer of the Convertible Securities are subject have been satisfied.

"Specified Counterparty" shall mean ***.

"Smoke Investors" shall mean, as of any date, Smoke and its Permitted Transferees, in each case only if such Person is a Stockholder as of such date.

"Specified Restricted Person" shall mean ***.

"Stockholder" shall mean each party hereto (other than the Company and its subsidiaries) that holds any Shares beneficially or of record.

"subsidiary" of any Person, shall mean any corporation, partnership, joint venture or other legal entity of which such Person (either alone or through or together with any other subsidiary), owns, directly or indirectly, more than 50% of the stock or other equity interests, the holders of which are generally entitled to vote for the election of the board of directors or other governing body of such corporation, partnership, joint venture or other legal entity.

"Torch Group" shall mean, as of any date, Torch Parent and its controlled Affiliates.

"Torch Investors" shall mean, as of any date, collectively, (a) Torch and any Permitted Transferee of Torch; (b) Glow and any Permitted Transferee of Glow; (c) Cinder and any Permitted Transferee of Cinder; (d) a transferee or assignee of Torch, Glow or Cinder to the extent provided in Section 2.1.8 (Other Torch Transfers), 3.1.8 (Foreign Ownership Restrictions) or 4.2.6(b) (Foreign Ownership Restrictions), (e) any Person that is not a Permitted Transferee of Torch but that is, as of such date, a member of a Group of which Torch and/or any of its Affiliates is a member with respect to securities of the Company (excluding any member of another Investor Group); and (f) a Permitted Transferee of a Person described in clause (d) above, provided, that such Permitted Transferee is, as of such date, a member of, a Group of which Torch and/or any of its Affiliates is a member with respect to securities of the Company (excluding any member of another Investor Group); in each case under clauses (a)-(e), only if and to the extent such Person is then a Stockholder.

"Transfer" (including, with correlative meaning, the term "Transferred") shall mean any sale, pledge, assignment, encumbrance or other transfer or disposition of any Shares (or any voting or economic interest therein) to any other Person, whether directly, indirectly, voluntarily, involuntarily, by operation of law, pursuant to judicial process or otherwise. For the avoidance of doubt, it shall constitute a "Transfer" if any capital stock, equity interests or voting interests of any Person holding Shares, or any Person directly or indirectly controlling such Person, is sold, pledged, assigned, encumbered or otherwise transferred or disposed of, provided that no transaction permitted by Section 2.1.10 (Transfer of Public Company Interests) shall constitute a "Transfer." For the avoidance of doubt, a conversion of Class A Common Stock or Class B Common Stock into the other class of Common Stock pursuant to the Charter shall not constitute a Transfer. For the avoidance of doubt, the indirect transfer of any capital stock, equity interests or voting interests of any Person holding Shares, or any Person directly or indirectly controlling such Person, on an internationally recognized securities exchange shall not constitute a Transfer hereunder.

"Transfer Restricted Person" shall mean ***.

"Unvested Shares" shall mean any Equity Award Shares which are not Vested Shares.

"Vested Shares" shall mean any Equity Award Shares which are not subject to vesting requirements or other time of service or performance based conditions to ownership at such time.

9.3 Terms Defined Elsewhere. Each of the following terms shall be defined as set forth in the Section of this Agreement opposite such term below:

Term	Section
2010 Stockholders Agreement	Recital 1
2020 Reclassification	Recital 3
2020 Stock Purchase	Recital 2

2020 Transaction	Recital 4
2020 Stockholders Agreement	Recital 5
2022 Transaction	Recital 11
Act	7.2
Additional Registration Counsel	6.3.3
Affidavit and Indemnity	7.5
Agreement	Preamble
Amendment	8.1
Audit Committee	1.2.1
Board Designees	1.1.5
Board Observer	1.1.5
Chairperson	1.1.4
Change Notice	3.4.3
Change of Control Procedures	3.4
Charter	Recital 3
Class C Common Stock	Recital 2
Class D Common Stock	Recital 2
COC Buyer	3.4.1(a)
COC Election Deadline	3.4.2
COC Initiating Party	3.4.1
COC Notice	3.4.1
COC Participation Election	3.4.1(b)
COC Participation Rights	3.4.1(b)(i)
COC Rollover Rights	3.4.1(b)(ii)
COC Sellers	3.4.1(a)
Company	Preamble
Company Securities	2.7.1
Compensation Committee	1.2.1
Conflicts Committee	1.2.1
NewCo	Recital 7
Contribution	Recital 9
Covered Matters	10.11
Covered Person	6.4.1
Covered Persons	5.9
Demand Initiating Investor	6.1.1
Demand Registration	6.1.1
Demand Registration Request	6.1.1
Drag Along Holders	3.3
Drag Along Sale	3.3
Drag Along Sale Notice	3.3.1
Drag Along Sale Percentage	3.3
Drag Along Sellers	3.3.1
Drag Along Transaction	3.3
Effective Time	Recital 5
Escrow Agent	7.5
Exchange	Recital 10

Exit Transaction	3.5.1
First Offer Acceptance Notice	3.1.4
First Offer Deadline	3.1.2(a)
First Offer Holder	3.1.1
First Offer Notice	3.1.2(a)
First Offer Purchaser	3.1.2(a)
First Offer Requested Amount	3.1.2(a)
First Offer Sale	3.1
First Offer Sale Notice	3.3.1
First Offer Seller	3.1
First Offer Shares	3.1.1(a)
Flame	Preamble
Governance and Nominating Committee	1.2.1
Indemnified Liabilities	5.8.1
Indemnitee	6.4.3
Indemnitees	5.8.1
Investment Agreement	Recital 11
Issuance	4.1
Issuer	4.1
Lava	Preamble
Lava Parent	2.1.10
Lava Subscription Agreement	Recital 4
Long-Term Plan	1.4.1
Major Torch Competitor	Schedule II
Managers	Preamble
Merger	Recital 7
Merger Agreement	Recital 7
Midco	Preamble
NASDAQ	6.3.2(g)
Other Stockholders	Preamble
Parity Shares	6.3.1(a)
Participating Buyer	4.2.2
Participation Acceptance	4.2.2
Participation Acceptance Deadline	4.2.2
Participation Notice	4.2.1
Participation Offerees	4.2.1
Participation Portion	4.2.1(a)
Participation Requested Amount	4.2.2
Piggyback Eligible Holder	6.2.1(a)
Prospective Subscriber	4.2.1(a)
Purchase Agreement	Recital 2
Reconciliation Compensation	5.5.3(a)
Reconciliation Information	5.5.3
Registration Participating Investor	6.3.3
Rollover Transaction	3.6.1
SB Series C Holder	Preamble

Senior or Pari Registration Rights	6.3.6
Series A Preferred Stock	Recital 3
Series B Issuance	Recital 9
Series B Preferred Stock	Recital 8
Series C Preferred Stock	Recital 8
Series C Holders	Preamble
Shelf Offering	6.5
Smoke	Preamble
Special Meeting Notice	1.8
Stockholders	Preamble
Subject Securities	4.1
Tag Along Aggregate Amount	3.2.4
Tag Along Buyer	3.2
Tag Along Deadline	3.2.2
Tag Along Holder	3.2.1
Tag Along Initiating Sellers	3.2
Tag Along Notice	3.2.1
Tag Along Offer	3.2.2
Tag Along Participating Seller	3.2.2
Tag Along Requested Amount	3.2.2
Tag Along Sale	3.2
Tag Along Sale Percentage	3.2.1(a)
Tag Along Sellers	3.2.2
Take-Down Notice	6.5
Torch	Preamble
Torch Parent	2.1.10
Torch Voting Limit	7.6.1
Third-Party Claim	5.8.2
Transaction Agreement	Recital 7
Transfer Restriction Period	2.2.1
UCI	Preamble
United Holdco	Recital 10

10. MISCELLANEOUS

10.1 Authority; Effect. Each party hereto, severally and not jointly, represents and warrants to and agrees with each other party that (a) the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized on behalf of such party and do not violate any agreement or other instrument applicable to such party or by which its assets are bound and (b) this Agreement constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except to the extent that the enforcement of the rights and remedies created hereby is subject to (i) bankruptcy, insolvency, reorganization, moratorium and other Laws of general application affecting the rights and remedies of creditors generally and (ii) general principles of equity. The Company, UHI, Midco and UCI shall be jointly and severally liable for all obligations of each such party pursuant to this Agreement.

10.2 Notices. Any notices and other communications required or permitted in this Agreement shall be effective if in writing and (a) delivered personally, (b) sent by overnight courier, or (c) sent by email, in each case, addressed as follows:

If to the Company, UHI, Midco or UCI, to it:

c/o Univision Communications Inc.
5999 Center Drive
Los Angeles, California 90045
Attention: John Aceves
Email: jaceves@univision.net

and

c/o Univision Communications Inc.
605 Third Avenue, 12th Floor
New York, New York
Attention: Jonathan Schwartz
Email: jschwartz@univision.net

with a copy (which shall not constitute notice) to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10018
Attn: Taurie Zeitzer
Justin Rosenberg
Email: tzeitzer@paulweiss.com
jrosenberg@paulweiss.com

If to any Stockholder, to it at the address set forth on Exhibit A, or if not set forth thereon, in the records of the Company.

Notice to the holder of record of any shares of capital stock shall be deemed to be notice to the holder of such shares for all purposes hereof.

Each of the parties hereto shall be entitled to specify a different address by giving notice as aforesaid to each of the other parties hereto. Without limiting any other means by which a party hereto may be able to prove that a notice has been received by another party hereto, all notices and communications shall be deemed to have been duly given: (i) at the time delivered by hand, if personally delivered; (ii) upon the earlier of (A) actual receipt by the intended recipient and (B) seven (7) Business Days after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery; and (iii) when confirmation of receipt is received, if sent by electronic mail; provided that (with respect to this clause (iii)) a paper copy is also sent in accordance with the delivery methods set forth in the prior clauses (i) – (ii). In any case hereunder in which a party hereto is required or permitted to respond to a notice from another party hereto within a specified period, such period shall run from (but exclude) the date on which

the notice was deemed duly given as above provided, and the response shall be considered to be timely given if given as above provided by the last day of the period provided for such response.

10.3 Entire Agreement; No Assignment. This Agreement, the Governing Documents, the Management Services Agreement, any exhibits or schedules hereto or thereto and any other agreement, document or instrument referred to herein or therein set forth the entire understanding and agreement of the parties, and supersede all prior agreements, arrangements and communications, whether oral or written, with respect to the subject matter hereof. Except as otherwise expressly provided herein or therein, no Stockholder party hereto may assign any of its respective rights or delegate any of its respective obligations under this Agreement without the prior written consent of the other parties hereto, and any attempted assignment or delegation in violation of the foregoing shall be null and void. For the avoidance of doubt, nothing contained herein or in any of the Governance Documents shall impact or affect any of the applicable parties' rights and obligations under the Commercial Agreements.

10.4 Descriptive Heading. The descriptive headings of this Agreement are for convenience of reference only, are not to be considered a part hereof and shall not be construed to define or limit any of the terms or provisions hereof.

10.5 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one instrument. A facsimile signature shall be considered due execution and shall be binding upon. the signatory thereto with the same force and effect as if the signature were an original.

10.6 Severability. In the event that any provision hereof would, under applicable Law (other than Federal Communications Laws, in which case any modification or limitation must be agreed by each of the Investors (or if there are no Investors, the agreement of Torch and the Board shall be required)), be invalid or unenforceable in any respect, such provision shall be construed by modifying or limiting it so as to be valid and enforceable to the maximum extent compatible with, and possible under, applicable Law. The provisions hereof are severable, and in the event any provision hereof should be held invalid or unenforceable in any respect pursuant to the preceding sentence, it shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

10.7 No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement, and notwithstanding the fact that certain of the parties hereto may be corporations, partnerships, limited liability companies or trusts, each party to this Agreement covenants, agrees and acknowledges that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any current or future director, officer, employee, general or limited partner, member, manager or trustee of any Stockholder or of any partner, member, manager, trustee, Affiliate or assignee thereof, in its capacity as such (provided, that, for the avoidance of doubt, such recourse may be had against any such Person in its capacity as a party signatory hereto), whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable Law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any current or future officer, agent or employee of any Stockholder or any current or future member of any Stockholder or any current or future director,

officer, employee, partner, member, manager or trustee of any Stockholder or of any Affiliate or assignee thereof, in its capacity as such (provided, that, for the avoidance of doubt, such recourse may be had against any such Person in its capacity as a party signatory hereto), for any obligation of any Stockholder under this Agreement or any documents or instruments delivered in connection with this Agreement for any claim based on, in respect of or by reason of such obligations or their creation.

10.8 Aggregation of Shares. All Shares held by a Stockholder and its Affiliates, or in the case of an Investor, such Investor and its Corresponding Investor Group, shall be aggregated together for purposes of determining the availability of any rights or incurrence of any obligations hereunder. Within any Investor Group, the members of such Investor Group may allocate the ability to exercise any rights and/or the incurrence of any obligations under this Agreement in any manner that such members of the Investor Group sees fit.

10.9 Consent to Notice of Stockholders Meetings. Each Stockholder hereby agrees and consents to receive notices by the Company of any stockholders meetings (including any notices required under the bylaws of the Company) by email.

10.10 Remedies. The parties hereto shall have all remedies available at law, in equity or otherwise in the event of any breach or violation of this Agreement or any default hereunder. The parties hereto acknowledge and agree that in the event of any breach of this Agreement, in addition to any other remedies which may be available, each of the parties hereto shall be entitled to specific performance of the obligations of the other parties hereto and, in addition, to such other equitable remedies (including preliminary or temporary relief) as may be appropriate in the circumstances. Notwithstanding anything to the contrary contained in this Agreement, no party hereto shall be liable to the other parties under this Agreement for any special, consequential, punitive, indirect or exemplary damages (including lost or anticipated revenues or profits relating to the same) arising from any claim relating to this Agreement, whether such claim is based on warranty, contract, tort (including negligence or strict liability) or otherwise.

10.11 Governing Law. This Agreement and the negotiation, execution, performance or nonperformance, interpretation, termination, construction and all matters based upon, arising out of or related to this Agreement, whether arising in law or in equity (collectively, the "Covered Matters"), and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to the Covered Matters, except for documents, agreements and instruments that specify otherwise, shall be governed by the laws of the State of Delaware without giving effect to its principles or rules of conflict of laws to the extent that such principles or rules would require or permit the application of laws of another jurisdiction.

10.12 Consent to Jurisdiction. Each party to this Agreement, by its execution hereof, (a) hereby irrevocably submits to the exclusive jurisdiction of the Chancery Court of the State of Delaware (and if the Chancery Court does not accept jurisdiction, any federal court located in the District of Delaware, and if such federal court does not accept jurisdiction, any court of the State of Delaware) for the purpose of any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof, (b) hereby waives to the extent not prohibited by applicable Law, and agrees not to assert, and agrees not to allow any of its subsidiaries to assert, by way of

motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such proceeding brought in one of the above named courts is improper, or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court and (c) hereby agrees not to commence or maintain any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof or thereof other than before one of the above-named courts nor to make any motion or take any other action seeking or intending to cause the transfer or removal of any such action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation to any court other than one of the above-named courts whether on the grounds of inconvenient forum or otherwise. Notwithstanding the foregoing, to the extent that any party hereto is or becomes a party in any litigation in connection with which it may assert indemnification rights set forth in this agreement, the court in which such litigation is being heard shall be deemed to be included in clause (a) above. Notwithstanding the foregoing, any party to this Agreement may commence and maintain an action to enforce a judgment of any of the above-named courts in any court of competent jurisdiction. Each party hereto hereby consents to service of process in any such proceeding in any manner permitted by Delaware Law, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 10.2 (Notices) hereof is reasonably calculated to give actual notice.

10.13 WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH PARTY HERETO HEREBY WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE OR ACTION, CLAIM, CAUSE OF ACTION OR SUIT (IN CONTRACT, TORT OR OTHERWISE), INQUIRY, PROCEEDING OR INVESTIGATION ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE SUBJECT MATTER HEREOF OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE TRANSACTIONS CONTEMPLATED HEREBY, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING. EACH PARTY HERETO ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY THE OTHER PARTIES HERETO THAT THIS SECTION 10.13 CONSTITUTES A MATERIAL INDUCEMENT UPON WHICH THEY ARE RELYING AND WILL RELY IN ENTERING INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 10.13 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

10.14 Exercise of Rights and Remedies. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by any other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of any similar breach or default occurring later; nor shall any such delay, omission nor waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver.

10.15 No Third Party Beneficiaries. Except to the extent expressly set forth in Section 5.8 and Section 10.7, nothing expressed or referred to in this Agreement will be construed to give any Person, other than the parties to this Agreement and their permitted transferees, any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

10.16 No Derogation of Other Rights. Notwithstanding anything to the contrary herein, nothing in this Agreement derogates from any party's rights and obligations under the Commercial Agreements.

10.17 No Partnership, Agency, or Joint Venture. This Agreement is intended to create, and creates, a contractual relationship and is not intended to create, and does not create, any agency, partnership, joint venture or any like relationship between or among the parties hereto.

[*Signature pages follow*]

IN WITNESS WHEREOF, each of the undersigned has duly executed this Agreement (or caused this Agreement to be executed on its behalf by its officer or representative thereunto duly authorized) under seal as of the date first above written.

THE COMPANY: **TELEVISAUNIVISION, INC.**

By: /s/ Pilar Ramos
Name: Pilar Ramos
Title: General Counsel and Secretary

UHI: **UNIVISION HOLDINGS, INC.**

By: /s/ Pilar Ramos
Name: Pilar Ramos
Title: General Counsel and Secretary

MIDCO: **BROADCASTING MEDIA PARTNERS HOLDINGS, INC.**

By: /s/ Pilar Ramos
Name: Pilar Ramos
Title: General Counsel and Secretary

UCI: **UNIVISION COMMUNICATIONS INC.**

By: /s/ Pilar Ramos
Name: Pilar Ramos
Title: General Counsel and Secretary

[*Signature Page to A&R Stockholders Agreement*]

MAJOR INVESTORS

FLAME INVESTORS

FORGELIGHT (UNIVISION) HOLDINGS LLC

By: ForgeLight (United) Investors, LLC
Its: Sole Member

By: ForgeLight (United) Investors MM, LLC
Its: Managing Member

By: ForgeLight Holdings LP
Its: Managing Member

By: Hayden Summit Holdings LLC
Its: General Partner

By: /s/ Wade Davis
Name: Wade Davis
Title: CEO

[*Signature Page to A&R Stockholders Agreement*]

SMOKE INVESTORS

SEARCHLIGHT III UTD AGG, L.P.

By: Searchlight III UTD GP, LLC
Its: General Partner

By: /s/ Eric Zinterhofer
Name: Eric Zinterhofer
Title: Authorized Person

[*Signature Page to A&R Stockholders Agreement]*

TORCH INVESTORS

COMUNICACIONES TIEREN, S.A. DE C.V.

By: /s/ Jorge Augustín Lutteroth Echegoyen
Name: Jorge Augustín Lutteroth Echegoyen
Title: Attorney-in-fact

By: /s/ Efrén Yaber Jiménez
Name: Efrén Yaber Jiménez
Title: Attorney-in-fact

MULTIMEDIA TELECOM, S.A. DE C.V.

By: /s/ Jorge Augustín Lutteroth Echegoyen
Name: Jorge Augustín Lutteroth Echegoyen
Title: Attorney-in-fact

By: /s/ Efrén Yaber Jiménez
Name: Efrén Yaber Jiménez
Title: Attorney-in-fact

GRUPO TELESISTEMA S.A. DE C.V.

By: /s/ Jorge Augustín Lutteroth Echegoyen
Name: Jorge Augustín Lutteroth Echegoyen
Title: Attorney-in-fact

By: /s/ Efrén Yaber Jiménez
Name: Efrén Yaber Jiménez
Title: Attorney-in-fact

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FORGELIGHT HOLDINGS LP

By: Hayden Summit Holdings, LLC
Its: General Partner

By: /s/ Wade Davis
Name: Wade Davis
Title: Managing Member

[*Signature Page to A&R Stockholders Agreement]*

LIBERTY GLOBAL VENTURES HOLDING B.V.

By: /s/ Cherilyn Laban
Name: Cherilyn Laban
Title: Director

By: /s/ Karima Ghziel
Name: Karima Ghziel
Title: Director

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TORCH INVESTMENT HOLDINGS LLC

By: /s/ Christopher Cooper
Name: Christopher Cooper
Title: Manager

[*Signature Page to A&R Stockholders Agreement*]

GOOGLE LLC

By: /s/ Kenneth H. Yi
Name: Kenneth H. Yi
Title: Assistant Secretary

[*Signature Page to A&R Stockholders Agreement*]

RPIII OBSIDIAN LP

By: RPIII Corp SPV Management LLC
Its: General Partner

By: /s/ Alfred J. Chianese
Name: Alfred J. Chianese
Title: Vice President

RPIII OBSIDIAN CO-INVEST LLC

By: Raine Associates III Corp (AIV 2) GP LP

By: Raine Management LLC
Its: General Partner

By: /s/ Alfred J. Chianese
Name: Alfred J. Chianese
Title: Vice President

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JASON EPSTEIN

/s/ Jason Epstein

[*Signature Page to A&R Stockholders Agreement*]

DERBEZ ENTERTAINMENT, INC.

By: _____
Name:
Title:

[*Signature Page to A&R Stockholders Agreement]*

3PAS TELEVISION, INC.

By: _____

Name:
Title:

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PONGALO HOLDINGS LLC

By: /s/ Richard Hull
Name: Richard Hull
Title: Manager

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MGQ10 INVESTMENTS LLC

By: /s/ Maria Griselda Quintero
Name: Maria Griselda Quintero
Title: Manager

[*Signature Page to A&R Stockholders Agreement*]

Exhibit A
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SCHEDULE I

[Please see attached.]

SCHEDULE II

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SCHEDULE III

***

SCHEDULE IV

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Exhibit 12.1

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Alfonso de Angoitia Noriega, certify that:

1. I have reviewed this annual report on Form 20-F of Grupo Televisa, S.A.B.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 29, 2022

By: /s/ Alfonso de Angoitia Noriega
Name: Alfonso de Angoitia Noriega
Title: Co-Chief Executive Officer

Exhibit 12.2

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Bernardo Gómez Martínez, certify that:

1. I have reviewed this annual report on Form 20-F of Grupo Televisa, S.A.B.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 29, 2022

By: /s/ Bernardo Gómez Martínez
Name: Bernardo Gómez Martínez
Title: Co-Chief Executive Officer

Exhibit 12.3

CERTIFICATION OF CHIEF FINANCIAL OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Carlos Phillips Margain, certify that:

1. I have reviewed this annual report on Form 20-F of Grupo Televisa, S.A.B.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 29, 2022

By: /s/ Carlos Phillips Margain
Name: Carlos Phillips Margain
Title: Chief Financial Officer

Exhibit 13.1

GRUPO TELEVISA, S.A.B.
SECTION 906 CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER

I, Alfonso de Angoitia Noriega, Co-Chief Executive Officer of Grupo Televisa, S.A.B. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Company's annual report on Form 20-F for the fiscal year ended December 31, 2021, to which this statement is filed as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 29, 2022

By: /s/ Alfonso de Angoitia Noriega
Name: Alfonso de Angoitia Noriega
Title: Co-Chief Executive Officer

Exhibit 13.2

GRUPO TELEVISA, S.A.B.
SECTION 906 CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER

I, Bernardo Gómez Martínez, Co-Chief Executive Officer of Grupo Televisa, S.A.B. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Company's annual report on Form 20-F for the fiscal year ended December 31, 2021, to which this statement is filed as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 29, 2022

By: /s/ Bernardo Gómez Martínez
Name: Bernardo Gómez Martínez
Title: Co-Chief Executive Officer

Exhibit 13.3

GRUPO TELEVISA, S.A.B.
SECTION 906 CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Carlos Phillips Margain, Chief Financial Officer of Grupo Televisa, S.A.B. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Company's annual report on Form 20-F for the fiscal year ended December 31, 2021, to which this statement is filed as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 29, 2022

By: /s/ Carlos Phillips Margain
Name: Carlos Phillips Margain
Title: Chief Financial Officer

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements on Form S-8 (No. 333-126827) and Form F-3 (No. 333-231344) of our reports dated April 29, 2022, with respect to the consolidated financial statements of Grupo Televisa, S.A.B. and the effectiveness of internal control over financial reporting.

/s/ KPMG Cardenas Dosal, S. C.
Mexico City, Mexico
April 29, 2022